



SIPA's mission: To aid public awareness of how the investment industry operates, to provide guidance to those with an investment complaint, and to pursue improved investment industry regulation and enforcement.

Small Investor Protection Association - A voice for the small investor

Small Investor Protection Association (SIPA) Background

SIPA was founded in 1998 by Stan Buell in Markham, Ontario, Canada, as a community volunteer organization. It soon became apparent that the investment issues faced by Ontario residents were common across Canada, so SIPA was incorporated in 1999 as a national non-profit organization. Since then SIPA's membership has grown to 600 members in all ten provinces of Canada.

SIPA also associates with other organizations including the United Senior Citizens of Ontario and the National Pensioners and Senior Citizens Federation. SIPA also participates in the Common Front for Retirement Security and participates in submissions and presentations by this group.

INVESTOR AWARENESS & INVESTOR EDUCATION

Investor education is most important and should start in our schools so that Canadians are prepared to manage their financial affairs. However, it is improbable that the average Canadian will become a sophisticated investor able to select from the wide range of investment products available and the investment industry's capacity to create and market new and more complicated structured investment vehicles.

Before investing you need to gain some fundamental knowledge of investment and investment products. The MoneyShow will provide valuable information for all investors. Most Canadians will of necessity rely upon others for financial advice and guidance, but it is important to have sufficient knowledge to be able to monitor your investments.

WORKING FOR INVESTORS

SIPA provides information for investors. Our website at www.sipa.ca provides information as well as direct links to other sources for active investors.

You also need to understand what the regulators can do and can not do. Most importantly you must realize that if you lose your money the regulators will not get it back for you. It is much easier to avoid losing your money than to recover. Take the time to become aware and avoid the pitfalls that await unwary investors. The MoneyShow is an excellent opportunity to build your investment knowledge.

FREE MEMBERSHIP RENEWAL

Members who visit the MoneyShow may be eligible for FREE dues for one year. The first 50 members who send in their renewal application with proof of attendance at the MoneyShow will receive a free annual renewal (value \$20).

SIPA's ADVOCACY

SIPA advocates for improved conditions for investors and regularly contacts Government making submissions and presentations, both alone and with other organizations. A few of the more significant reports and submissions are:

SIPA Report – [The Small Investors' Perspective of Investor Protection in Canada - 2005](#)

CARP/SIPA Report on Mutual Funds – [Giving the Small Investor a Fair Chance - 2005](#)

SIPA submission to:

Senate Committee – [It's a Matter of Trust](#) – Feb 14, 2005

Expert Panel on Securities Regulation – [Because They Can](#) – May 30, 2008

House of Commons Finance Committee – [Investor Protection Illusion](#) – Aug 20, 2008

REDUCE THE RISK OF LOSING YOUR SAVINGS

Many investors have lost their savings due to fraud. Canadians are losing an estimated \$20 billion per year due to fraud and wrongdoing. Many of these frauds are perpetrated by con artists that are not regulated. Many Canadians have invested in products or projects offered by non-qualified individuals and these have proved fraudulent or defective. Real estate deals, exotic animals, limited partnerships and other schemes have proved as damaging as the Ponzi scams.

Before you invest with anyone or any firm check with the regulators to determine whether the individual and firm are registered and what products they are qualified to sell. If you deal with a qualified advisor and a regulated firm you minimize the risk of losing all of your savings with little recourse of recovering your loss.

Most investment professionals will provide you with good advice. When there are so many investment products available most investors will need the help of a financial advisor. As with any industry, there are always a few bad apples. Therefore prior to investing, you must do your due diligence and check with the regulators. Then when you interview your proposed advisor ask questions and listen carefully. If your questions are not answered so that you understand, or if you are not comfortable discussing your investments with the individual, then interview another candidate. Current investors should not hesitate to get a second opinion. There are many professionals that will provide an opinion for a fee. This way the opinion should be objective and reliable.