



A Guide to Investing for Newcomers to Canada





About CIRO

We are the Canadian Investment Regulatory Organization, or CIRO (“see roe”) for short. We oversee investment dealers, mutual fund dealers and trading activity on Canada’s debt and equity marketplaces. CIRO is committed to the protection of investors, providing efficient and consistent regulation, and building Canadians’ trust in financial regulation and the people managing their investments

Welcome to Canada!

Now that you’re here, we want to help you start investing towards achieving your Canadian dream. We’ve prepared this guide to give you an overview of your investment options, who can help, and how you can protect yourself from scams.

What you’ll need to get started

1 Social Insurance Number (SIN)

If you want to work, get paid, or invest in Canada you will need to apply for a SIN through the Government of Canada. It’s free and you don’t even need to be a citizen or permanent resident to apply!

Scan here



to learn more

www.canada.ca

2 Bank Account

Canada has an incredibly reliable and safe banking system. Who you open an account with is up to you and the Government of Canada has information to help you get started.

Scan here



to learn more

www.canada.ca

Learn more at cira.ca/office-investor about investing basics, understanding risk, avoiding fraud, and much more.

Is there a difference between saving and investing?

Saving is putting cash in an account at a Canadian financial institution. You can access your savings whenever you want and you likely will earn a very small amount of interest

Investing offers a way to potentially grow your money in a different way from saving. When you invest, you use your money to buy assets that you hope will grow and/or create income. You can buy stocks, bonds, mutual funds, among many other options. Investments can gain in value, lose value or stay the same depending on what you invest in and for how long.

Why consider investing?

Canada has a very reliable financial system you can invest through to help your money grow over the long-term. Whether your goals include a family vacation, first home, retirement, or anything in between, investing responsibly can get you there much faster than by savings alone.



Is investing right for you?

We've prepared 5 Key principles of Investing for you to consider before starting your journey.



Can you afford to invest?

If you're finding it difficult to afford the necessities (rent, groceries, etc.) investing may not be something to consider right now.



Are you willing and able to diversify your investments?

By investing in multiple different assets, industries or regions, you can reduce your overall amount of risk taking.



Invest for the long-term

Long-term investors (think decades) generally experience better returns as asset values typically increase over time.



Understand risk vs. return

High risk can mean high reward – or, big losses. Our Investor Questionnaire can help you learn about your risk profile.



Understand your investments

If you don't understand how your investment grows, what the costs are, or the risks, you should consider something less complicated

How to start your investment journey

“On your own/Do-It-Yourself (“DIY”) Investing”

Do-it-yourself (DIY) investing is a method in which individual investors choose to build and manage their own portfolios.

Choosing to DIY can be less expensive but requires significant time and effort to research investments and consistently re-evaluate your portfolio as your life changes.

With the help of a registered advisor

Firms and individuals working with you must make investment recommendations suitable to your circumstances. Before proposing any investments or activity, your advisor must work with you to determine what types of investments fit your immediate and long-term financial needs.

Registered advisors charge for the service of researching and re-evaluating for you. They can also offer advice with budgeting, loans and other personal finance matters.

Always check registration

Regardless of how you prefer to start investing, it is critical to make sure the investment firm and/or advisor you want to work with are registered.



Information you'll need to provide

To meet CIRO, tax and legal requirements, and to protect against money laundering and fraud, advisors/firms must obtain certain personal information when you open an account, including:

- * Your full legal name
- * Social Insurance Number
- * Your citizenship
- * Spousal information
- * Home address
- * And more

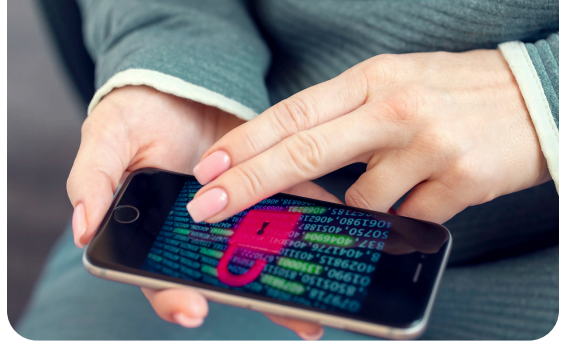
Information you'll need to receive

You have rights as an investor and are entitled to request as much information as you need to feel comfortable, including:

- * CIRO brochures:
 - * “How CIRO Protects Investors”
 - * “How to Make a Complaint”
- * Relationship Disclosure Agreement outlines the firm’s products and services, fee structure, and more.
- * Service or referral fees
- * Risks of Borrowing to Invest
- * Firm’s privacy statement

How to invest safely

Avoiding Fraud and Protecting Your Investments



Newcomers: an easy target for fraud

Unfortunately, scammers often target newcomers. Knowing what makes you vulnerable as an investor can help you stay one-step ahead.

Lack of experience

Promises of quick and easy returns or “get rich quick” can seem tempting to someone unfamiliar with Canadian finance or investing in general.

Limited ties within the community

It takes time to build trusting relationships in the community. Having trusted people nearby to share ideas and experiences with can make all the difference.

Language barriers

Scammers often use complex language to confuse you and pressure you into an investment you wouldn't be comfortable with otherwise.

'Affinity' ties

Scammers may gain your trust by relating to you as a fellow newcomer, perhaps even claiming to be from the same town or country before coming to Canada.

Basic ways to protect yourself

Easy as 1-2-3:

1. Keep your online activities secure
2. Stay skeptical and learn how to spot the red flags of fraud
3. Before you invest, confirm the person or firm you're working with is registered

If you suspect fraud or believe you have been a victim of a scam

- * Stop sending money
- * Collect your thoughts and document your experience
- * Secure your information and accounts
- * Report the fraud

You can contact CIRO anytime

- 1 By email at info@ciro.ca
- 2 By telephone at 1-877-442-4322
- 3 Fax at 1-888-497-6172
- 4 40 Temperance Street, Suite 2600 Toronto, ON M5H 0B4