



Securities Commission

Mandate: *To provide investors with protection from practices & activities that tend to undermine investor confidence in the fairness & efficiency of capital markets and, where it would not be inconsistent with an adequate level of investor protection, to foster the process of capital formation.*



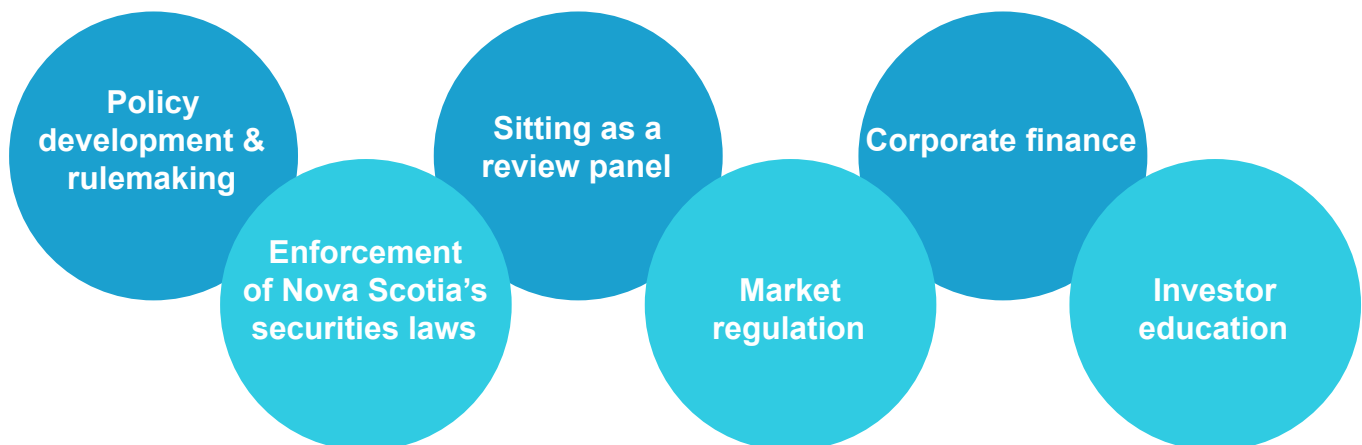
Structure of the Commission

Chair
(Chief Executive Officer)
|
Commission Members
(appointed, up to 8)

Executive Director
(Chief Administrative Officer)
|
Administrative Staff
(legal, accounting, professional, support)

Administrative support staff carry out the day-to-day business operations of the Commission under the direction of the Executive Director of Securities who is the chief administrative officer. The overall responsibility for the Commission, including its administrative, enforcement, policy and law making and adjudicative functions, rests with the Chair of the Commission who is its chief executive officer.

Functions of the Commission



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Policy development and rulemaking:

- Commission members, in consultation with staff, promulgate rules, policies and other instruments relating to the regulation of the securities industry in Nova Scotia.
- Rules made in accordance with the procedures set out in the Nova Scotia *Securities Act* have the force of law similar to regulations made by Cabinet.
- The development and harmonization of securities law and policy is carried out in conjunction with the Canadian Securities Administrators (CSA), an umbrella organization consisting of all provincial & territorial securities regulators.

Enforcement of Nova Scotia's securities laws:

- Enforcement staff are responsible for dealing with complaints, carrying out investigations and conducting enforcement proceedings for violations of Nova Scotia securities laws before the Commission.
- Commission members sit as an administrative tribunal in connection with these enforcement proceedings.
- The powers granted to the Commission under the Nova Scotia *Securities Act* include the ability to:
 - freeze property
 - withdraw trading privileges
 - order administrative penalties up to one million dollars for each contravention of the Securities Act.
 - initiate proceedings that could result in fines up to five million dollars or imprisonment up to five years less a day, or both.

Sitting as a review panel:

- Commission members sit as a hearing and review tribunal of decisions made by recognized self-regulatory organizations relating to their members (i.e. IIROC and MFDA) as well as appeals from decisions made by the Directors of the Commission.

Market regulation:

- Considers the applications for licensing (i.e. registration) of industry professionals, such as mutual fund dealers, investment dealers, and portfolio managers, to ensure that they meet the criteria specific to their registration category, maintain minimum amounts of capital and insurance, and have the requisite experience and education.
- Conduct field audits and examinations of securities firms and individual registrants to ensure that they are in compliance with applicable securities laws.
- There are currently approximately 661 firms registered in Nova Scotia and 14,000 individuals registered with the Commission, of whom approximately 2,300 are Nova Scotia residents.

Corporate finance:

- Reviews prospectuses in connection with public offerings of securities and continuous disclosure materials filed by reporting issuers to ensure compliance with securities laws. Nova Scotia based reporting issuers include companies such as Empire Company Ltd., Emera Inc, Killam Apartment REIT, Crombie REIT and Chorus Aviation Inc.
- Responsible for the Community Economic Development Investment Funds (CEDIF) application process by reviewing offering documents prepared by companies making a CEDIF offering and where appropriate, not objecting to the issuance of shares under the offering. There are approximately 50 CEDIFs operating in Nova Scotia.
- In total there are approximately 6,500 reporting issuers required to comply with Nova Scotia securities laws. Nova Scotia acts as the principal regulator for 37 of these reporting issuers.

Investor education:

- Provide unbiased resources to help Nova Scotians make informed investment decisions.
- In-person presentations at various schools, events, and to community groups on topics including financial literacy, informed investing, fraud alerts, the functioning of our capital markets, and capital raising.
- Develops and delivers online investor education tools and resources shared through the Commission website and social media channels, including blogs, videos, online guides, infographics and demographic-targeted web pages.
- Administer national campaigns in partnership with the CSA during key months of the year, i.e. October-Investor Education month, November-Financial Literacy month and March-Fraud Prevention month.