

# Investors' Bill of Rights and Responsibilities



## Clarity is the cornerstone of trust between investors and their financial advisor.

*Royal Alliance Associates is committed to clarity through full and unambiguous disclosure, as well as enhanced understanding of the securities markets.*

*We believe that the needs of the investor should always come first. As an investor, you have important rights, including the right to high-quality products and services from the investment firm you choose.*

*At the same time, investors need to shoulder certain responsibilities themselves – for example, to plan carefully to meet their investment goals and to stay informed about the risks and rewards of their investments.*

## Your Rights as an Investor

### As an investor, you have the right to:

#### Quality Service

- > To be treated in a fair, ethical, and respectful manner in all interactions with an investment firm, its employees, and its financial advisors.
- > To receive competent and courteous service at a fair price.
- > To select your own financial advisor, or to move your account to another financial advisor or a new investment firm in a simple, efficient manner whenever you choose.

#### Full, Clear Reporting

- > To clear, accurate, easy-to-understand descriptions of all your transactions, statements, and other communications from your investment firm.
- > To be informed clearly about all the costs associated with your account and the costs related to individual transactions, including commissions, sales charges (or loads), advisory and other fees.
- > To accurate, timely and regular statements of your account, including detailed transactional information.
- > To be provided with clear descriptions of your investment firm's policies and practices for protecting the privacy of non-public, personal information.

## Responsible Investment Advice

- > To be provided with responsible investment recommendations based on your personal objectives, time horizon, risk tolerance, and other factors, as disclosed by you.
- > To be apprised of significant conflicts of interest identified in a financial relationship between an investor and his/her investment firm or financial advisor.
- > To expect that your investment firm will provide professional assistance to help you clarify your investment goals and risk tolerance.
- > To be able to rely on your financial advisor's assistance in setting realistic expectations about the long-term performance and associated risks of various investment products. Your financial advisor will present you with reasonable investment alternatives designed to meet those expectations, and disclose the comparative risks, benefits, and costs.

## Prompt, Fair Resolution of Problems

- > To fair consideration and a prompt response from your investment firm, if any problem with your account ever arises.
- > To a clearly defined process for raising and resolving a complaint.
- > To be apprised of alternatives if your investment firm is unable to resolve a dispute to your satisfaction.

## Your Responsibilities as an Investor

Investing your money is a major decision, similar to the purchase of a house or an automobile. Thoroughly investigate any potential investment before you make it, and discuss the potential risks, costs, rewards and consequences with your advisor before taking any action.



### Inform And Educate Yourself

- > Read thoroughly all sales literature, prospectuses, and/or other offering documents before making any investment.
  - > Carefully consider all investment risks, fees, and/or other factors explained in these documents.
- > Be certain that you understand the relationship, not only between your investment objectives and the risks and returns on your particular investments, but also between your particular investments and your investment objectives. You need to remember at all times that every investment has some degree of risk and that it is possible to lose money including principal on any investment.

### Communicate With Your Financial Advisor

- > Provide completely accurate information about your current investments, tax information, investment goals and risk tolerance, so that your financial advisor can provide you with appropriate recommendations and asset allocations.
- > Seek out whatever information you need or want from your financial advisor by proactively asking any questions you have about your account, a specific transaction, risk exposures, potential conflicts of interest, and, of course, commissions, sales charges, and other fees.
- > Notify your financial advisor promptly whenever there is a significant change in your investment objectives, risk tolerance, income, net worth, or liquidity needs.
- > The Branch Manager or other professional from Royal Alliance may contact you in regards to your account. This is not a sign that anything is wrong; be frank, open and honest about the status of your account and your satisfaction level.
- > Review your portfolio holdings on a regular basis, and whenever your financial circumstances change. You may want to make appropriate changes based on your investments' performance and your current objectives.

- > If you have any holdings in mutual funds, tell your financial advisor about similar mutual-fund holdings you have at other investment firms or directly with the mutual fund company, so that your financial advisor can make sure you receive any applicable "breakpoint" discount.

### Review Your Accounts Regularly

- > Have cash or available margin-buying power in your investment account, or transfer funds into that account, to ensure payment for securities purchases by the settlement date.
- > If you are paying for an investment by check or funds transfer, you should always make payments directly to your investment firm or the product sponsor. **Do not make any checks payable to, or negotiable by, your advisor.**
- > Thoroughly read and retain your monthly account statements, confirmations, and any other information you receive about your investment transactions.
- > Immediately question any transaction or entry that you do not understand or did not authorize, or any inconsistency you see between the statements and any other information you receive. If you are not satisfied with your advisor's response, consult with the firm's branch manager or compliance department.

### Use the Right Resources Carefully

- > Consult an attorney or a tax advisor for specific tax or legal advice.
- > Keep in mind that you are fully responsible for your investment decisions if you choose automated channels (Internet or telephone) for your trading needs.
- > Carefully consider the validity and reliability of investment information obtained from all sources, especially unsolicited information obtained over the Internet. Understand that the opinions of securities analysts should never be interpreted as a guarantee of future performance or rate of return.