



90 Day Training Manual for Mutual Fund APs

Revised July 2013

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Table of Contents

SECTION 1.0 INTRODUCTION	5
SECTION 1.1 ABOUT THE WFGS 90 DAY AP TRAINING MANUAL	5
SECTION 1.2 EXPECTATIONS – APs	6
SECTION 1.3 EXPECTATIONS – BMs & 90 DAY TRAINING	6
SECTION 2.0 LEARNING OBJECTIVES	7
SECTION 2.1 WFGS & THE AP	7
SECTION 2.2 THE IMPORTANCE OF UNDERSTANDING WFGS OPERATIONS	7
SECTION 2.3 THE IMPORTANCE OF KNOWING & FOLLOWING WFGS POLICIES & PROCEDURES	7
SECTION 2.4 THE ROLE OF DESIGNATED SUPERVISORS	8
SECTION 2.4.3 ADMINISTRATION	8
SECTION 2.4.4 WFGS PRODUCT OFFERINGS	8
SECTION 2.4.5 HOW PRODUCTS WORK	8
SECTION 2.4.6 FINDING & RETAINING CLIENTS	8
Section 2.4 Diagrams	9
SECTION 2.4.7 REQUIREMENTS CONCERNING CLIENT DISCLOSURE DOCUMENTATION	11
5 STEPS FOR APs DURING A COMPLAINT	13
SECTION 2.4.9 KEY FACTORS IN BUILDING CLIENT RELATIONSHIPS & MAINTAINING CLIENT TRUST	13
SECTION 2.4.10 REFERRALS FROM EXISTING CLIENTS	14
NATURAL MARKET	14
SECTION 2.4.11 HOW TO PROVIDE EFFECTIVE SERVICE TO CLIENTS	15
SECTION 2.5.0 CLIENT TRANSFERS	15
SECTION 2.5.1 AP TRANSFERS	16
SECTION 3.0.0 TRAINING	16
SECTION 4.0.0 WFGS OPERATIONS	17
SECTION 4.1 GETTING OPERATIONAL ASSISTANCE & SUPPORT	18
SECTION 5.0.0 COMPANY OPERATIONS	19
SECTION 6.0.0 WRITTEN POLICIES & PROCEDURES	20
Section 7.0.0 ADDITIONAL INFORMATION	20
RESOURCES	21
APPENDIX A	21
CONTACTS	21
GLOSSARY	22

SECTION 1.0 INTRODUCTION

Welcome to WFG Securities Inc.! As an individual that has recently completed your requisite licensing examination, you are now ready to start or enhance your exciting career as a licensed Mutual Fund Approved Person (AP) with WFG Securities Inc. (WFGS). At WFGS, we believe that we can help make the lives of all individuals better through a process of delivering exceptional solutions for families combined with the best client service and care in the industry.

As an important part of the future success of WFGS, we want to ensure that we provide you, the AP with all of the information and tools that you will need to help you and your clients achieve long-term success. While being an AP is not always easy, remember that you are never alone, there is always a dedicated team of individuals behind you available to offer support, guidance and training.

The [90 Day Training Manual](#) is but one step in a continual process of learning, developing and evolving to the changing landscape of financial services. [Compliance](#) policies, operational procedures, products and WFGS requirements may change over time. Keeping informed and understanding these changes is your responsibility as an AP. Additionally, no single course or prepared materials will ever prepare you for all of the situations that you may encounter in your day to day activities. Only through a process of continuing education, professional development and regularly reviewing WFGS materials such as the [Policy & Procedures Manual](#) (PPM), including [Compliance](#) Bulletins/Memos can help you ensure that you are making every effort to keep your knowledge current and up to date.

The [WFGS 90 Day Training Manual](#) will help introduce you to some of the specific WFGS information that when combined with the [IFIC 90 Day Training Course](#), your Branch Manager (BM) and the most recent update of the PPM (including Compliance Bulletins/Memos) will assist you in meeting your 90 day training requirements.

SECTION 1.1 ABOUT THE WFGS 90 DAY AP TRAINING MANUAL

The [90 Day WFGS Manual](#) represents all of the relevant WFGS specific information available at the time of writing to meet the Dealer requirements of Chapter 9 of the [IFIC 90 Day Training Program](#). The [90 Day WFGS Manual](#) is not intended to replace the IFIC 90 Day Course materials, but rather to build upon the minimum requirements set out within the IFIC course and to provide Dealer (i.e. WFGS) specific information that APs will need to know. It is the responsibility of APs and BMs and other WFGS personnel to remain informed and current of any changes to WFGS Policies and Procedures.

The IFIC 90 Day Course discusses minimum MFDA and Regulatory rules and regulations. WFGS Policies and Procedures may incorporate more robust rules and/or guidelines that exceed these stated minimums.

The [90 Day WFGS Manual](#) will be reviewed for accuracy on an annual basis and updated as required by [Compliance](#) and other WFGS Departments as required. While ultimate authority for the [90 Day WFGS Manual](#) will reside with the Chief Compliance Officer (CCO), production, review and dissemination may be conducted or overseen by the Compliance Manager, Branch Manager Supervisor and/or a committee assembled for the purpose of reviewing the [90 Day WFGS Manual](#).

Copies of the materials will be available in electronic format on [MyWFG](#) and it is recommended that Branches maintain printed copies of the materials within the Branch as well. BMs and APs should also document that they have reviewed and understood the WFGS component of the [IFIC 90 Day Training Course](#).

SECTION 1.2 EXPECTATIONS – APs

WFGS APs come from a variety of backgrounds and experiences. Some APs may have previous knowledge or experience within the financial industry and some may not have any prior experience at all. Some APs may already be licensed as Insurance Agents with World Financial Group Insurance Agency of Canada Inc. (WFGIA) and have some working knowledge of WFGS procedures, but do not have information directly relating to the policies and operations concerning mutual fund practices and WFGS.

No matter what your own particular background might be, it is the responsibility of every AP to become knowledgeable and informed of WFGS Policies, Procedures and Operations concerning mutual fund sales practices at WFGS.

APs should allocate reasonable amounts of time to review all available information concerning the requirements of selling mutual funds and not just rely upon the [90 Day WFGS Manual](#). As an AP, you should schedule time to meet with your BM regularly and discuss any questions that you may have concerning WFGS Policies and Procedures, Operational Procedures and any other additional Branch guidelines that your Branch may have, e.g. when branch meetings will be held. APs may be asked to complete or fulfill additional training commitments, such as working with a mentor or attending prescribed educational/training events or seminars.

APs with any questions are always encouraged to consult available resources such as [MyWFG](#), [W.connect](#), consult with their BM, or contact [Compliance](#).

SECTION 1.3 EXPECTATIONS – BMs & 90 DAY TRAINING

BMs are an important and vital component in assisting new APs to become familiar with WFGS. As a BM, it is expected that you will work with new APs to provide the necessary guidance, knowledge, experience and training to ensure that APs have all of the tools that they need to start their careers with WFGS.

BMs should work with new APs to set a schedule to meet and discuss WFGS Policies and Procedures, Operational Procedures, Branch functioning, 90 Day Training (including this Manual) and maintain records of these discussions in the AP file. The amount of time or number of meetings required will vary depending upon the particular AP.

As a suggested guideline, BMs should look to minimally schedule 2 meetings with new APs to specifically address WFGS 90 Day Training.

This may be considered appropriate if the new AP has previous knowledge and experience of WFGS and may consist of one initial meeting at the beginning of the 90 Day Training period to assess the APs knowledge and a meeting at the end of the period to verify the APs knowledge and understanding.

BMs should exercise judgment and carefully assess the APs knowledge and understanding of WFGSs current Policies and Procedures.

BMs should also be aware of, and fulfill all of their responsibilities concerning an APs **1st 90 Day Period** and **180 Day Period** requirements.

SECTION 2.0 LEARNING OBJECTIVES

The objectives of the [90 Day WFGS Manual](#) are to familiarize new AP with the Policies, Procedures, Operational Procedures and Sales Practices of WFGS that they require to begin their careers as APs.

SECTION 2.1 WFGS & THE AP

WFGS offers a unique opportunity to individuals. There are many WFGS materials that describe the business aspects related to partnering with WFGS and its affiliated organizations (such as WFGIA and World Financial Group Canada) and individuals interested in learning more about these topics should consult [Marketing](#) and/or [MyWFG](#) for additional resources.

As an AP that provides solutions involving mutual fund products to clients you agree to abide by all of the rules and regulations of WFGS and to abide by the WFGS and IFIC Code of Conduct.

SECTION 2.2 THE IMPORTANCE OF UNDERSTANDING WFGS OPERATIONS

APs need to understand the importance of following policies and procedures generally, and the importance of understanding operational procedures. While many APs may find the “paperwork” side of the business to be time consuming and less important than prospecting and meeting with clients, “paperwork” is one of the most vital aspects of any APs business.

By ensuring that APs have a good understanding of maintaining proper client documentation, are using the right forms, taking the time to ensure that forms are completed fully and accurately, submitting documents to the right departments and abiding by the indicated processing timelines, APs will experience fewer delays in processing, are less likely to receive client complaints and will ensure that they are maintaining a high standard of professionalism. Poorly maintained or inadequate paperwork or a lack of understanding of operational procedures is usually an indication that an AP requires additional supervision and guidance.

Note: Maintaining client notes that are complete and accurate are key steps in protecting yourself as an AP. Client notes not only help you demonstrate that you know the client & the needs of the client, but also help protect you if you should receive a client complaint.

SECTION 2.3 THE IMPORTANCE OF KNOWING & FOLLOWING WFGS POLICIES & PROCEDURES

APs need to have a good understanding of WFGS Operations in order to ensure that they are observing best business practices when meeting the needs of their clients and ensuring that APs maintain their mutual fund license and position with WFGS in good order and standing.

By not understanding and maintaining current knowledge of applicable Policies and Procedures, APs may not be servicing their clients appropriately, adhering to their licensed responsibilities, adhering to the Code of Conduct and may expose themselves to the following:

- Business delays due to incomplete and/or missing client paperwork
- Client complaints
- Civil litigation
- Loss of a good reputation
- [Compliance](#)/Supervisory reprimand, fine, suspension, Termination &/or other disciplinary actions
- Disciplinary Action by Regulators (MFDA, OSC, etc.) &/or other Agencies
- Criminal charges.

By not following Policies and Procedures, APs jeopardize their ability to remain licensed and may be putting their career at risk.

SECTION 2.4 THE ROLE OF DESIGNATED SUPERVISORS

Supervisors play a vital role in ensuring that WFGS maintains the highest standards of professionalism while promoting and developing a culture of compliance within WFGS. At the Home Office level, the Ultimate Designated Person (UDP), Chief Compliance Officer (CCO), Compliance Managers and Compliance Officers maintain responsibility for compliance supervision and monitoring. At the branch level, the BM assumes compliance responsibility for all of the activities within the branch.

Your BM takes on the local role of promoting and overseeing compliance within the WFGS branch. There are many functions that fall under this supervision structure. The diagram below illustrates a few, however, on a daily basis you will find that your BM supervises your trades (inquiring on trades that seem unsuitable or require explanation), will inform you of regulatory changes, will provide training to you on compliance issues, will review your marketing materials before sending them to WFGS Home Office for approval and will conduct spot checks on your client files.

SECTION 2.4.3 ADMINISTRATION

APs should consult with their BM and Branch Administrator for the specific operating procedures of their branch. WFGS currently uses [W.connect](#) for maintaining electronic client records.

Additional resources are available on [MyWFG](#).

Also see section 2.4 DIAGRAMS.

SECTION 2.4.4 WFGS PRODUCT OFFERINGS

WFGS offers a wide assortment of mutual fund products that are available for sale by APs. A full listing of [Approved Products For Sale](#) can be accessed by APs through [W.connect](#) or by contacting [Sales Desk](#). Individuals should only contemplate selling products for which they possess the appropriate licensing/registration and for which their knowledge and experience is sufficient. WFGS has a strong relationship with several Preferred Product Partners. For a full listing of Preferred Product Partners, APs should consult [MyWFG](#), [W.connect](#) or contact [Sales Desk](#).

APs wishing to request WFGS to review and consider a product for sale that is not currently on the [Approved Products For Sale](#) list should consult with their BM for appropriate steps and forms required to initiate [WFGS Product Due Diligence](#) and review.

SECTION 2.4.5 HOW PRODUCTS WORK

APs should be knowledgeable about the products that they recommend to clients. This includes how the products work, are priced and factors that may affect the product and the suitability for the client. APs should be aware that fund companies may process switches differently. Different classes of funds may calculate [Average Cost Base](#) (ACB) differently (e.g. T-SWP funds).

Global Economic factors, such as productivity, interest rates, business cycle, credit ratings, fiscal and monetary policies may all affect the performance of investments. APs should be familiar with how these factors may impact a client and their investments. While it is not possible to have a crystal ball into the future, you should be able to assist clients in selecting appropriate strategies for their long-term success.

SECTION 2.4.6 FINDING & RETAINING CLIENTS

WFGS's mission is to help Canadians achieve financial independence and help provide Canadian families with financial peace of mind. In order to help families over the long-term and to set WFGS apart as a leader in the financial industry, we have to be very mindful of the ways in which we prospect for new business, service existing clients, and promote

Section 2.4 Diagrams

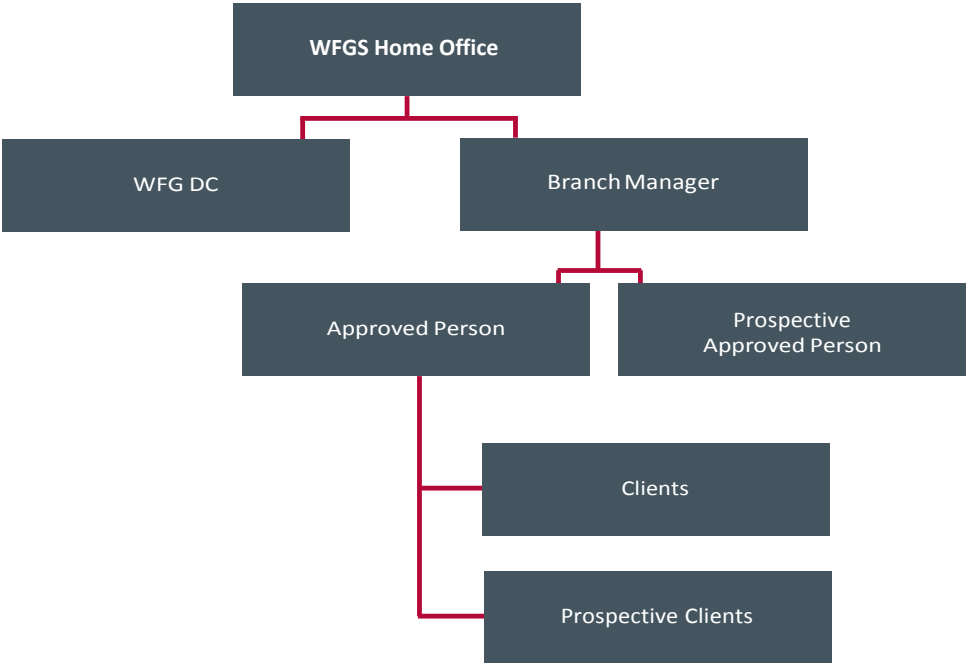


Fig 2.4.A WFGS Org Chart

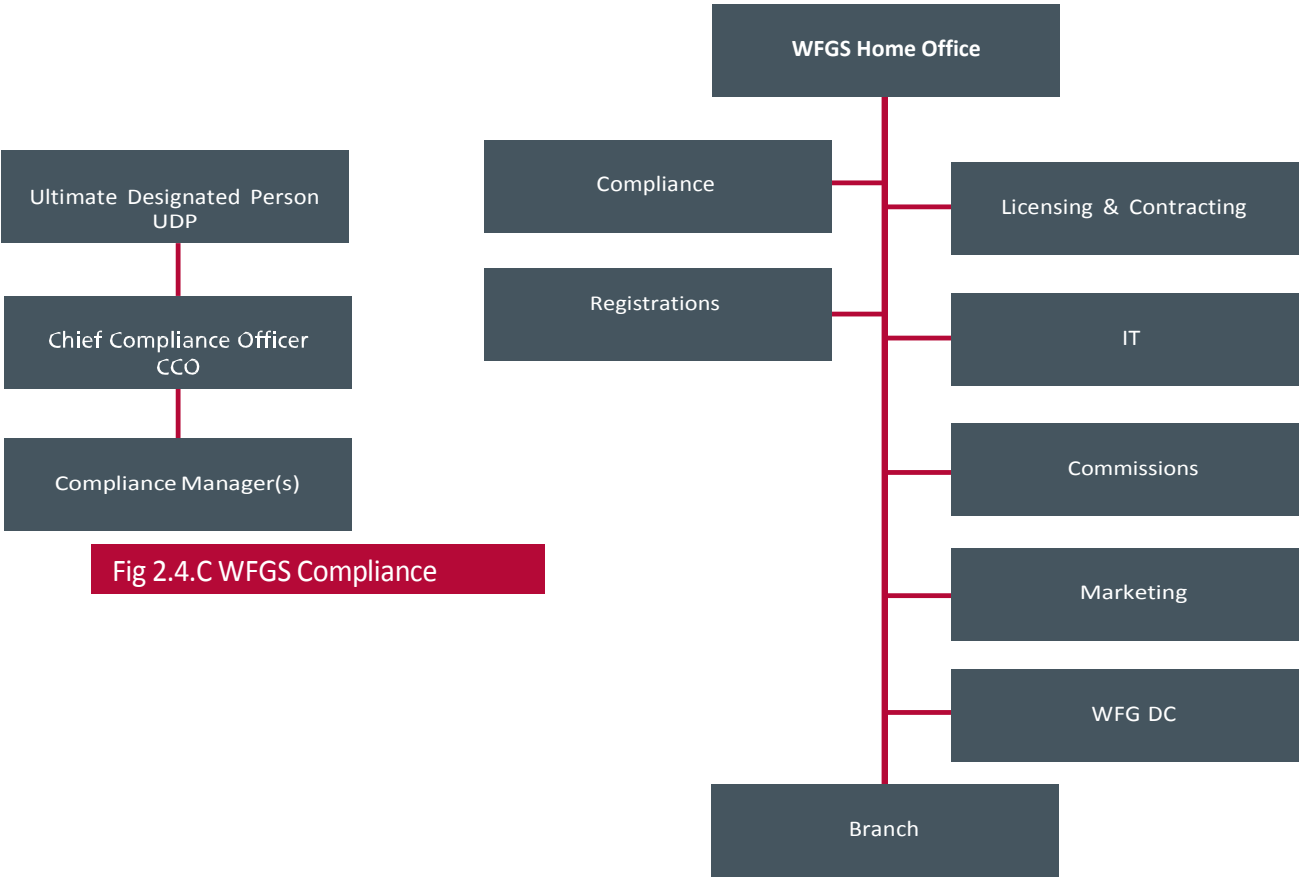


Fig 2.4.C WFGS Compliance

Fig 2.4.B WFGS Operational

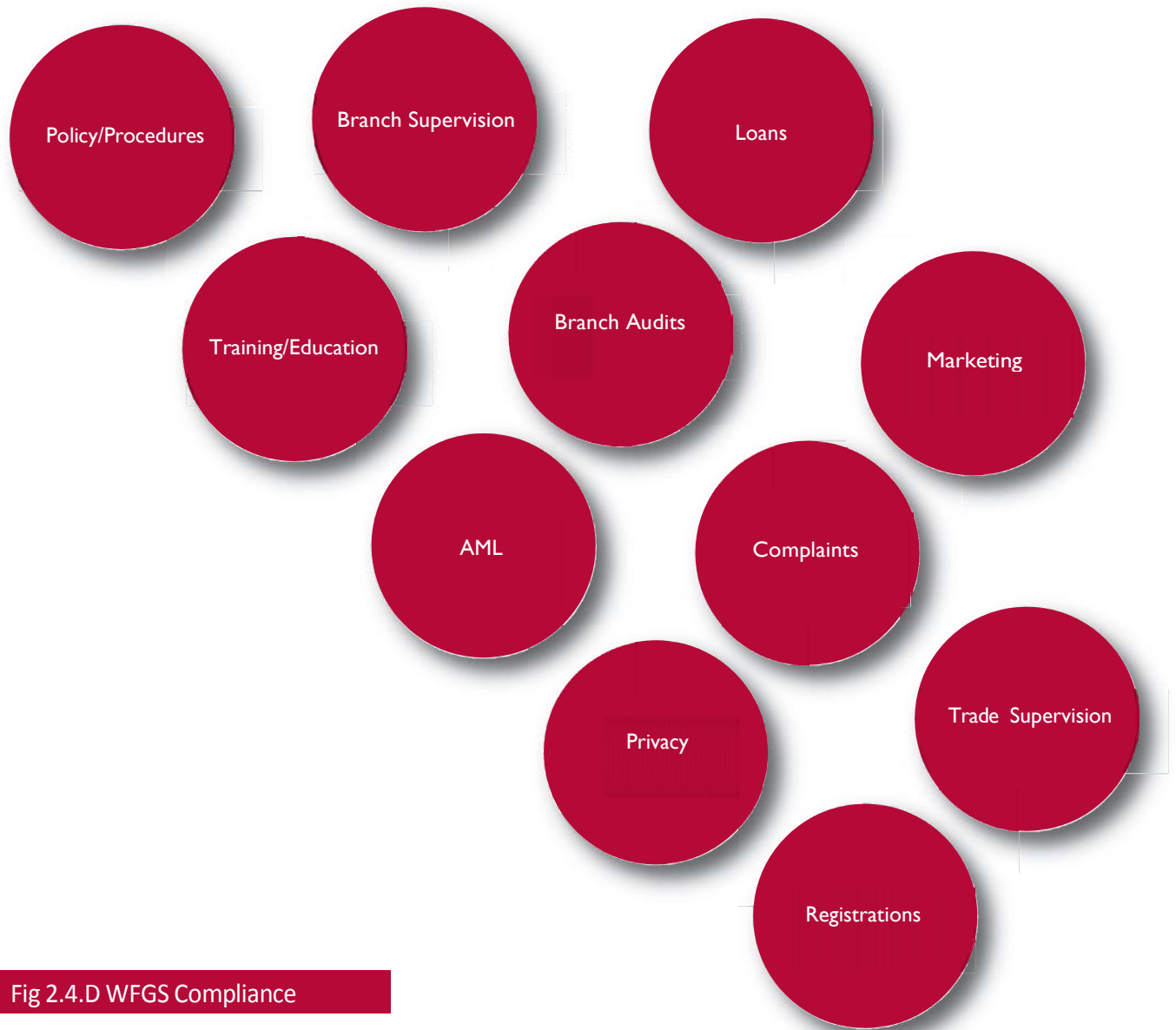


Fig 2.4.D WFGS Compliance

and foster the WFGS image and brand in the community. Building long-term relationships is something that requires dedication, a focus on doing what is right for the client and a desire to treat every client and every client transaction with the highest levels of respect and professionalism possible.

WFGS provides guidance to APs on allowable and recommended processes and methods for soliciting new clients, proper usage of advertising and sales literature and expectations in regards to servicing clients and acting in a professional manner. Additional information about these guidelines may be found on [MyWFG](#) or within the [PPM](#).

SECTION 2.4.7 REQUIREMENTS CONCERNING CLIENT DISCLOSURE DOCUMENTATION

As an AP it is important to always deal with clients in a fair, open, honest and trustworthy manner. As part of the duty that APs have to their clients or prospective clients, APs should always fully explain all potential risks and rewards associated with any strategy that a client may engage in.

In order to facilitate true, plain and open discussion with the client, disclosures play a vital role. Disclosures help describe some of the potential risks associated with a particular product or strategy (such as leverage, switching of DSC to FE funds) to clients, compel them to sign the materials as evidence of their understanding of risks and provide important support for the [Master Branch Client File](#) to demonstrate that the client has had at least some awareness of the risks involved.

Disclosure documentation is required to be delivered and signed by the client at the time of sale. Periodic reviews with the client may also serve as an excellent opportunity for APs to revisit the disclosure document with the client and ensure that they still understand the risks and the rational associated with the strategy.

WFGS Required Client Disclosure Forms

- Risks of Leverage Disclosure Form
- Switching Deferred Sales Charge (DSC) funds to Front End (FE) funds
- New Account Application Form MFDA Client Complaint Information, WFGIA Disclosure, Dealer Compensation Disclosure, Privacy Disclosure, Risks of Borrowing, Dual License, Dual occupation Disclosure and other applicable information)
- Disclosures on Client Account Statements & Confirmations
- New Client Relationship Disclosure Form

APs should always have additional notes concerning a transaction in the [Master Branch Client File](#) beyond the signed client disclosure documents (which are seen as a minimum level of client awareness). Being able to demonstrate that a client has received a disclosure document is of paramount importance. In addition to stated disclosures, APs and branches should ensure that full, complete and accurate client documentation and client notes are maintained in the [Master Branch Client File](#).

When a client insists on a particular strategy or product that may be unsuitable for the client, the AP should still counsel the client on the potential risks of the strategy. APs should also discuss the possible client purchase with their BM. If the AP and the BM still wish to process the transaction for the client, they should adequately document the events concerning the transaction, including the warnings and the discussion with the client and ensure that they mark the trade ticket as “unsolicited”.

CLIENT DOCUMENTS & RECORD RETENTION

Maintaining complete and accurate client records is important. There is only 1 client file, this is called the [Master Branch Client File](#). This file should contain everything in regards to the client and their account(s) with WFGS. Client documents should be safely secured and APs should understand that BMs should be able to access all files at any time.

APs should always be professional (including client documentation and files), should protect the private and confidential nature of client information and take all reasonable precautions to protect that information from theft, damage, fraud, misuse or usage for which it was not intended.

APs should be mindful that client records need to be maintained for a lengthy period of time and consult with their BM and the [PPM](#) for specific guidelines concerning record retention policies. Generally, client files and documents should be retained for a **minimum of 7 years**.

While the [Master Branch Client File](#) is the only source for complete, original client documents and notes, there may be times when an AP will need to make copies of the file and/or consult the file to service their clients. In situations where the AP is visiting a client or requires a working copy of the file, an AP is permitted to copy or in some cases borrow materials from the [Master Branch Client File](#). If original items have been borrowed from the file, these must be returned. Any new documents, notes or other items gathered from a client meeting should be promptly added to the [Master Branch Client file](#).

AP OUTSIDE BUSINESS ACTIVITIES

APs must always be open and honest in their dealings with their clients and with WFGS. Outside Business Activities (OBAs) must be disclosed promptly to your BM and WFGS Home Office so that accurate records can be maintained concerning your securities license via the [National Registrations Database](#) (NRD). This includes any changes to your OBA information such as changing employers, insurance license and other activities that can be considered as being outside of your normal securities license activities. APs should consult their BM and [Compliance](#) if they have any questions concerning OBAs. Where required, APs must also inform clients of any real or potential conflicts of interest, any OBAs and/or referral arrangements.

APs must always present clients with fair, open, honest information. Any information that could potentially influence a client to reconsider their relationship or their product/investment (e.g. fees, referral arrangements, etc.) should be fully disclosed to the client.

Trust, integrity and professionalism is paramount at all times when dealing with clients.

WFG also offers a Referral Certification Program offered via [WFG EI](#).

SECTION 2.4.8 WFGS COMPLAINT HANDLING PROCESS

WFGS views all client complaints as a serious issue that requires adequate review, investigation and due diligence. The first step in the client complaint process is making the client aware of the process at the time of account opening by familiarizing the client with the [WFGS New Account Application Form](#) (NAAF) and the MFDA Client Complaint Information (located within the NAAF).

Generally, client complaints may be due the following (list is not exhaustive):

A disagreement of expectations concerning servicing or account performance

- Poor or inadequate client servicing by an AP (not returning telephone calls, etc.)
- Lack of professionalism in dealings with clients
- Lack of knowledge or education concerning products or strategies
- Conflicts of Interest/Lack of disclosure
- Disregard for stated WFGS policies and procedures.

By acting in a manner that provides clients with full, true and plain disclosure that incorporates a high level of professionalism and respect for clients, APs can greatly reduce the occurrence of client complaints.

Client complaints may involve a written complaint and/or a verbal (non-written) complaint. Whenever possible, com-

plaints should be received in writing from clients.

[Compliance](#) also maintains a [Complaint Handling & Compliance Investigations PPM](#) for the handling of complaints at the Home Office level by [Compliance](#).

5 STEPS FOR APs DURING A COMPLAINT

Step 1 Educate the client and make them familiar with the MFDA stated Complaint Resolution Process.

Step 2 Be proactive in taking preventative steps to reduce client complaints (i.e. take client notes, act professional, adhere to WFGS policies & procedures, educate yourself & the client).

Step 3 If you do receive a client complaint, this should be brought to the attention of your BM immediately. Under no circumstances should APs attempt to resolve a client complaint on their own.

Step 4 BM should contact [Compliance](#) to inform Home Office of the complaint.

Step 5 Cooperate with [Compliance](#) investigation into the complaint.

Step 6 [Compliance](#) will send the client a written acknowledgement of the complaint no later than the next business day. [Compliance](#) will then facilitate all aspects associated with investigating and resolving the client complaint.

Note: While a client complaint can be a challenging event for an AP, the reality is that clients today are more knowledgeable & sophisticated (and more likely to file a complaint) than ever before. By ensuring that you follow the established policies & procedures, maintain good notes & supporting documentation & maintain a high degree of professionalism, you will be helping yourself build a good defense should you receive a client complaint.

SECTION 2.4.9 KEY FACTORS IN BUILDING CLIENT RELATIONSHIPS & MAINTAINING CLIENT TRUST

One of the strengths of WFGS is flexibility. APs are encouraged to “think big” and to develop business building strategies and techniques that best meet their needs and their dreams. Of course, business activities should still follow the set guidelines of professionalism and WFGS stated policies and procedures as outlined on [MyWFG](#) and the [PPM](#).

Some of the key factors that APs should be mindful of are:

- Put client interests first
- Work to build a long-term relationship providing client solutions (not just selling short-term product solution)
- Maintain adequate contact with clients (telephone, in-person)
- Return client phone calls promptly
- Keep business appointments with clients
- If you make a promise to a client, keep it
- Under promise & over deliver. Set realistic client expectations
- Revise & update client information and strategies as client’s needs change over time
- Know Your Client. No one form will ever suffice to know your client. You should always strive to know

the significant details of your clients

- Know Your Product. Know the details of the product you are recommending to a client. Who is it suitable for, who is it not suitable for? What are the risks? The right product for the right client
- Building relationships takes time. APs should not engage in high-pressure sales techniques
- Be open & honest with clients when describing risks and possible rewards concerned with potential products or strategies
- Educate your clients. The better informed your client is, the better
- Educate yourself. APs should maintain sufficient knowledge of evolving products & strategies within the industry
- Maintain good client notes & Branch Master Client Files
- Plan ahead for your client meetings.

Note: Never guarantee a client a rate of return unless the product offers an explicit guarantee such as a GIC. Always present a balanced (the possible benefits & possible risks) presentation to a client. Remember, past performance is not a guarantee of future performance.

SECTION 2.4.10 REFERRALS FROM EXISTING CLIENTS

NATURAL MARKET

Many APs utilize their “natural” warm market of friends and family for prospecting and acquiring clients. This can be a very rewarding group of individuals to do business with. While sometimes APs may consider that friends and family require less formalized servicing, “I talk to them almost everyday. If they had an issue they would tell me.” APs should still provide professional service at all times and differentiate between a friendly encounter and a scheduled meeting.

Sometimes people (even ones that we think we know well) do not feel comfortable discussing certain topics or issues at certain times or in certain settings. They may not want to trouble the AP with an issue if they know that the AP is having a “bad day.” By setting aside more formalized meetings, the AP can ensure professionalism in their dealings; the individual is not just a family member or friend, they are also a client and you should give them the respect that you would afford all of your clients.

There is also the belief that friends and family will be less likely to complain or will require less maintenance and formal note keeping and record keeping. While this may occasionally be true, there are many family and friends that in fact may be **more likely** to complain as they may have **higher expectations of service**. Discussions concerning portfolio/investment losses are also likely to be very different with family members than with regular clients. The old adage, “plan for the worst, hope for the best” is perhaps a great rule to adopt in your dealings with family and friends.

Regardless of how you would describe your friends/family and your current expectations concerning the likelihood of future complications from the relationship, you should always maintain a high degree of professionalism, treat them like you would any client, and ask yourself the “what if...” type of questions.

- “What if they were to file a formal complaint 2 years from now, would I have adequate notes concerning our last conversation?”
- “What if they tell me that they are okay holding the fund that was purchased in error, but something happens & they lose money & they are no longer okay?”
- “What if I am spending too much time with the same family member/friend? Is the time that I’m spending limiting my growth possibilities & reducing my servicing capabilities to other clients?”

Clearly, this is not an exhaustive list of possibilities. Like all aspects of an APs business, APs should take appropriate caution when warranted and act with the utmost professionalism.

Conflicts of interest should also be given adequate attention by APs. APs should never borrow or lend money to/from a client. This includes family members. If a situation may arise in which funds will be borrowed/lent to an immediate family member this should be first discussed with your BM who may then forward the issue to [Compliance](#). General business dealings or referrals should follow a similar level of care and disclosure as outlined above.

Note: APs should also remember that discretionary trading (any trade in which the AP directs a transaction (time, quantity, fund) without the client's express written permission (signed trade ticket) for that transaction is not permitted under any circumstances (including family members and friends).

MARKETING/SEMINARS/MASS MARKETING/Co-operative Marketing

Marketing can be a great tool in building your business, attracting prospects and clients and creating a professional image of yourself and your business. WFGS has many available online marketing resources available through [MyWFG](#) and product partners. APs interested in utilizing marketing materials should first obtain a [WFGS Marketing Field Request Form](#) that they submit to their BM for approval (with the materials that you wish to use). Once your BM approves the content, they will forward the request to [Marketing](#). When required, [Marketing](#) will send the material to [Compliance](#) for review and comment. If changes are required, APs should revise and resubmit. APs should consult with their BM about co-operative marketing as there are specific rules for cooperative marketing that involves cost sharing with a product provider.

WFGS Home Office has 2 categories for marketing submissions. Approved or Not Approved. Unapproved items must not be used. Approved items must be maintained within the Branch Advertising File by your BM.

Marketing can play an integral role in building your business, promoting and supporting charities and other positive aspects of your community. There are many different forms than marketing can take, involve varying costs, formats and styles. At the heart of WFGS is the concept of helping families. This business is still and will always be about meeting with individuals and families at the kitchen table and shaking hands. APs should give careful thought to the amount of time and energy that they would have to devote to creating a marketing initiative from scratch and should weigh the potential rewards and benefits versus the opportunity costs. Is your time better spent creating an elaborate marketing campaign, or getting out and physically meeting with clients and prospects?

APs should review the [PPM](#) and [MyWFG](#) for more information regarding marketing guidelines and materials.

We all have the same number of hours each day, using them efficiently and effectively matters.

SECTION 2.4.11 HOW TO PROVIDE EFFECTIVE SERVICE TO CLIENTS

APs are in a unique and fiduciary relationship with clients. It is a relationship built upon trust, professionalism and putting the client first. By placing the needs of the client first, APs can create a win-win environment where they receive compensation while assisting others and offering positive solutions.

APs should understand that all clients should be treated with honesty, fairness and professionalism.

SEE SECTION 2.4.9 & 2.4.10.

SECTION 2.5.0 CLIENT TRANSFERS

APs should be familiar with transfer policies as outlined in the [PPM](#).

Generally, transfers-out (when clients elect to move their accounts from WFGS to another Dealer) must be undertaken in an orderly, reasonable and timely manner that does not abuse, harm or disadvantage the client. Any APs receiving a transfer-out request should promptly forward the request to their BM and [WFG DC](#) to be processed.

When undertaking a client Transfer-in (when clients are electing to move assets to WFGS), APs should use the appropriate form (e.g. T2033), applications, ensure that they have indicated “in-cash” or “in-kind” (transfer assets as they are) and submit to their BM and [WFG DC](#) to be processed. It is also suggested that a copy of a statement from the relinquishing (the place the funds are coming from) institution be included.

SECTION 2.5.1 AP TRANSFERS

APs wishing to terminate their relationship with WFGS should carefully read their [WFGS Field Agreement](#) and understand their rights and obligations under the agreement as it relates to clients, property, client records, etc. Generally, client records (and other property) are the property of WFGS and must be promptly returned to WFGS when an AP leaves. APs must familiarize themselves with the [PPM](#).

Note: APs and former APs that disregard WFGS policies and procedures may be held accountable via legal remedies.

SECTION 2.5.2 BULK TRANSFERS

Bulk transfers involve moving several client accounts at the same time. This may occur when an AP moves to WFGS from another Dealer and have permission to bring their clients with them, or when a WFGS AP is terminated (or another type of situation involving the movement of client accounts) and a new WFGS AP is assigned to service the clients.

Generally, bulk transfers may only be initiated under specific circumstances, require specialized handling and should always receive prior approval from [Licensing & Contracting](#) before being undertaken. APs who are wishing to have a bulk transfer occur should consult [Licensing & Contracting](#) before undertaking.

SECTION 3.0.0 TRAINING

As a newly licensed AP you should congratulate yourself on your recent accomplishment. This is however only the beginning of a long-term process of developing your knowledge and experience. The financial industry is evolving at a rapid rate with new strategies and products being introduced all of the time. To ensure your future success, you will need to **develop your skills and knowledge on a continuous basis**.

To assist you in your professional development, WFGS provides a variety of both in-house and external resources to assist you in achieving your continued success. [MyWFG](#), seminars and in-house training events can effectively be combined with external continuing education courses from [WFG EI](#) and credits offered through product providers, and other organizations such as [IFSE](#) and [CSI](#).

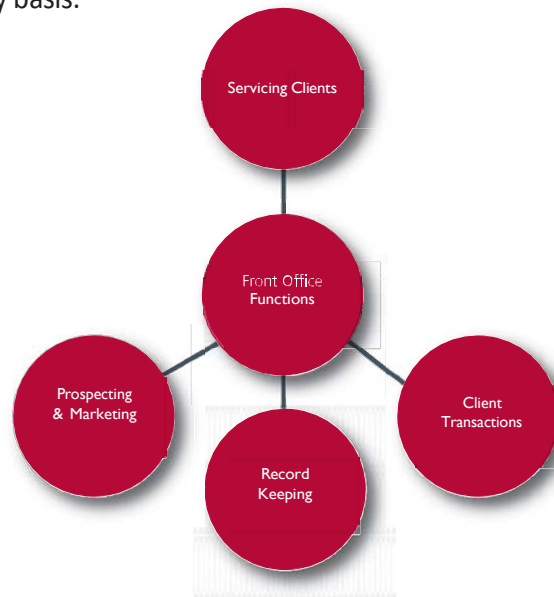
APs should ask their BM about the specific training that is offered at their branch and the expectations concerning continuing education at the Branch and WFGS.

Note: Some products & strategies require courses/training that is in addition to your initial licensing course. This would include using leverage (WFG EI Leverage Course). Check first to see that you have the required proficiencies before recommending a product or strategy to a client.

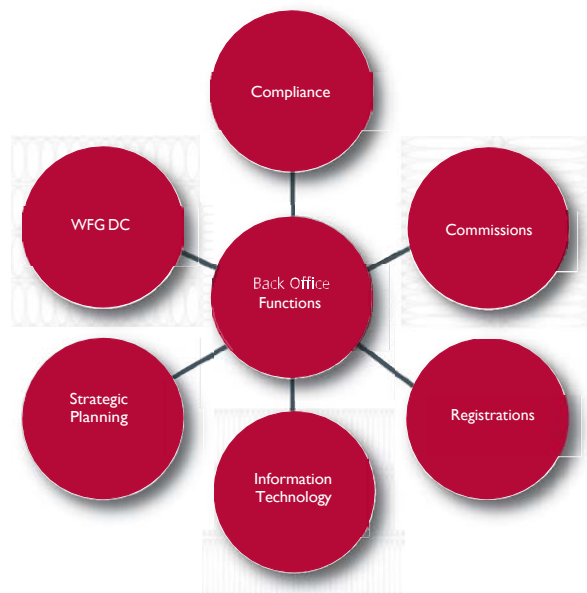
SECTION 4.0.0 WFGS OPERATIONS

WFGS has many different departments and individuals that are working together to achieve one goal; to be the best at what we do and to support the APs in the field. For someone new to WFGS that is trying to understand the structure of WFGS, it may be helpful to think of WFGS services and operations in 2 very different but equally important categories: Front Office and Back Office.

Front Office would entail everything that is directly undertaken by the AP for the client or prospective client. Typically, this would involve activities such as client meetings, marketing and promotional materials/events, general servicing of clients (including client sales) and similar activities. Front office functions are typically what most APs will be directly involved with on a day-to-day basis.



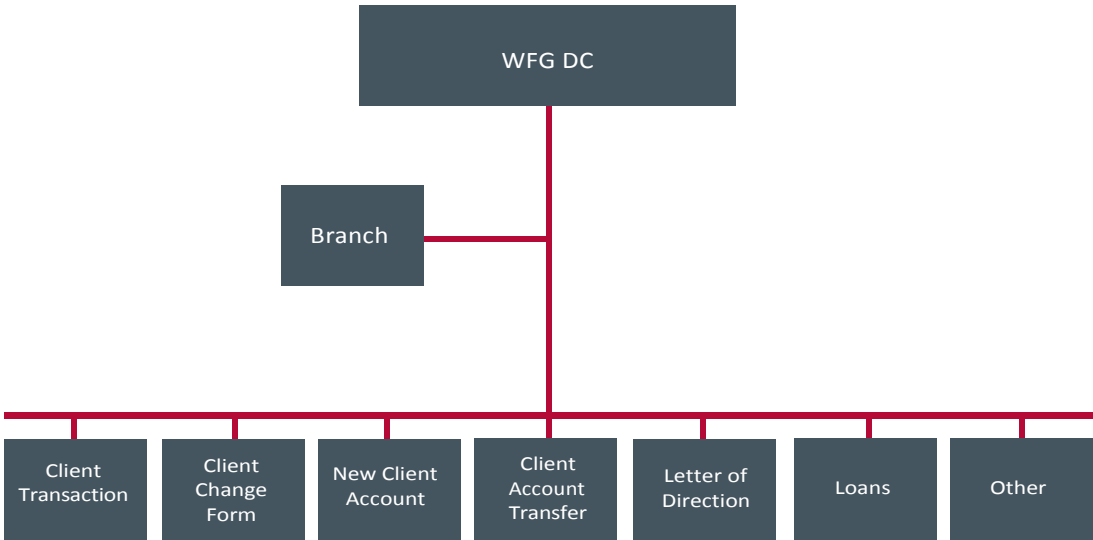
Back Office functions can be thought of as the “behind-the-scenes” functions that are essential to making sure that client transactions are processed, properly recorded, commissions and payments are properly tracked, license and registration information is properly maintained and generally everything that is essential to providing support to Front Office functions and services. Back Office functions are typically carried out at WFGS Home Office or **WFG DC**.



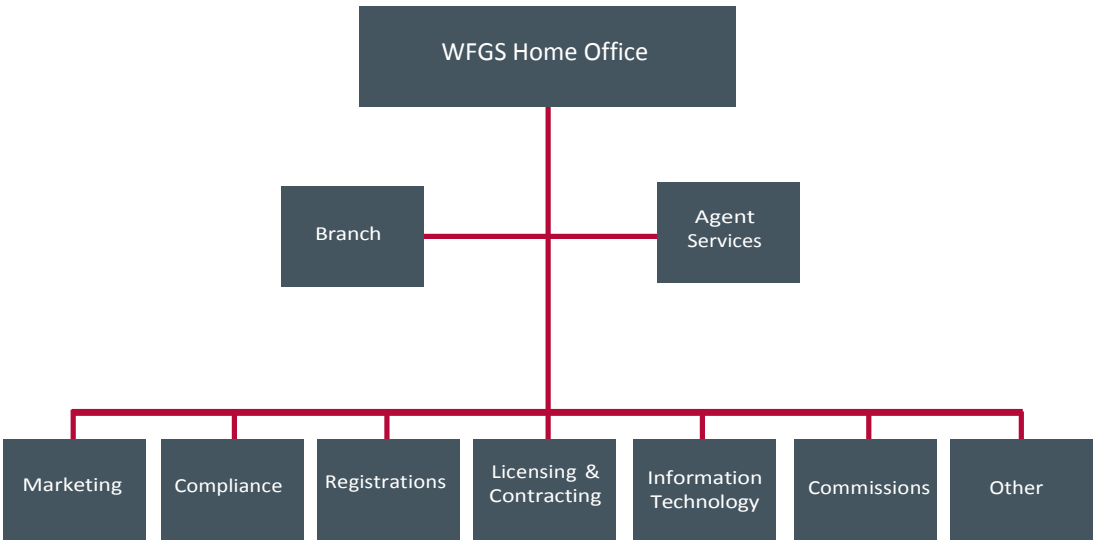
Note: For most APs, your Branch is the bridge between Front Office services/processes and Back Office services/processes.

Note: Sometimes the term Middle Office is also used to describe functional areas such as [Compliance](#), because they perform functions that bridge the Front Office & the Back Office

SECTION 4.1 GETTING OPERATIONAL ASSISTANCE & SUPPORT



[WFG DC](#) helps you with...processing client related back office functions.



WFGS Home Office helps you with...processing your AP related back office functions.

SEE APPENDIX A FOR CONTACT INFORMATION.

SECTION 4.1.1 PROCESSING

APs should be very aware of the timelines concerning submission of client paperwork. Detailed information can be found within the [PPM](#) for minimum standards concerning the timely submission of Client Trades, Applications and other paperwork (generally 24hours). APs should also speak to their BM about the branches policies concerning getting paperwork signed and submitted to be processed in good order. At the branch level, there are typically individuals/administrators appointed for sending client documents to [WFG DC](#).

APs should also understand which client documents (NAAF/KYC, Trade Ticket, T2033, etc.) would be required in any given situation. Delays can result due to using incorrect forms, failing to properly complete a form or by not submitting all required materials.

Before an AP submits any paperwork to [WFG DC](#) for processing, it should be reviewed and signed by the BM.

Note: APs should never submit trades or paperwork directly to product companies. All paperwork must be submitted to [WFG DC](#).

APs should consult the PPM regarding requirements concerning NAAF/KYC amendments & Point of Sale requirements regarding client documentation.

SECTION 4.2 WFGS POLICIES AND PROCEDURES

See PPM.

SECTION 5.0.0 COMPANY OPERATIONS COMPUTER SYSTEMS

While individuals are responsible for the purchase and maintenance of their own computers, APs should be aware of WFGSs guidelines concerning the usage of email, privacy policies, net working sites and maintaining proper security protocols (e.g. password protection and encryption). APs must use [W.connect](#) to monitor client accounts.

Note: [MyWFG](#) and [PPM](#) have additional resources for APs concerning this topic.

TRADE INPUT SYSTEMS

APs currently cannot directly enter or process transactions. APs must utilize a physical Trade Ticket to effect a client transaction. Once a Trade Ticket is appropriately completed (including client signature) by the AP, the Ticket must be signed by the BM and then submitted for processing to [WFG DC](#). Your BM can assist you with the particular cut-off times and processing considerations for your branch.

Generally, all client documents should be submitted to your branch and BM in a timely and orderly basis within 24hrs of the client signing.

TELEPHONE SYSTEM

APs should ensure that they utilize polite, courteous and professional decorum at all times when communicating either via email, in person or on the telephone. As part of being professional, APs should always indicate on their voice mail the following: WFG Securities Inc., their name, alternate contact numbers in case of urgent calls or extended absences. APs should also indicate that trading instructions left on voice systems will not be honoured.

EMAIL & WEBSITES

WFGS email should be used for all client communications and contact. APs should not use other email accounts when dealing with clients or potential clients. Networking sites may be an excellent opportunity to develop your reach as an AP. WFGS currently permits the usage of Facebook and Twitter. APs should always follow the stated guidelines and procedures as outlined in the [PPM](#) and [MyWFG](#). If in doubt, check with your BM or [Marketing](#) for an up to date list of permitted and non-permitted practices and social networking sites. APs should always receive prior approval from their BM and [Marketing](#) and/or [Compliance](#) before utilizing any website(s).

SECTION 6.0.0 WRITTEN POLICIES & PROCEDURES

The [PPM](#) encompasses all of the specific policies, rules, regulations and best practices that an AP must adhere to and abide by at WFGS. APs should always familiarize themselves with the current version of the manual as policies change from time to time. [Compliance Bulletins](#) and [Memos](#) may also be issued on an as needed basis to address issues, clarify policies or address common deficiencies. The [PPM](#), [Compliance Bulletins/Memos](#) and other materials relating to policies and procedures can be accessed through [MyWFG](#), [W.connect](#) ("News") or contact [Compliance](#) for clarification concerning current policies and procedures.

APs should maintain an adequate working knowledge of WFGS policies and procedures at all times. Typically, branches will conduct regular weekly or monthly meetings with APs to discuss policies and any changes that may occur. [Compliance](#) utilizes a prescribed process for maintaining and updating the PPM.

APs should ask their BM for additional details concerning the process or procedures that the Branch may utilize to ensure that APs are kept up to date and current on WFGS policies and procedures.

Section 7.0.0 ADDITIONAL INFORMATION

The 90-Day Training Programme for Mutual Fund Dealing Representative is available through the IFSE Institute. Their website is www.ifse.ca. Upon successful completion of your 90 Day course, please forward a copy of your marks to Registrations in order for your proficiency record to be updated with the securities regulators via the National Registration Database (NRD).

Once the 180 day supervision period has been completed, Branch Managers must provide a copy of the signed document, [Confirmation of Completion of New Registrant Training and Supervision Program](#) for our files.

If you have any further questions about the above requirement, please contact Registrations 416.225.2121, option 2.

RESOURCES

MyWFG
PPM
IFSE
CSI
WFG EI
CIFP

APPENDIX A

CONTACTS

WFG DC Customer Service Centre

Your WFG DC group should always be your first point of contact for questions about your transactions. For assistance, contact our service centre.

Call us:

Toll free across Canada: 1-800-920-3520 or 905-479-3907

Monday to Friday

English support available 8:30 a.m. - 5 p.m. Eastern Standard Time

Fax Number: 1- 800-922-7740 or 416-946-1838

Send an e-mail: wfginquiries@fundex.com

Mailing Address

FundEX Investments Inc
c/o WFG EI
400 Applewood Cres. 3rd Floor
Vaughan, ON L4K 0C3

AGENT SERVICES

Agent services 416-225-2121 opt 1 or email wfgagenservices@aegonusa.com

GLOSSARY

“Solicited” vs. “Unsolicited”

A solicited trade can be considered to be any trade (purchase or redemption) in which the AP provides advice, guidance, comment, suggests or recommends to a client the following: the type of security (i.e. balanced mutual fund) to purchase/redeem, the dollar amounts or unit numbers involved, the timing of the purchase/redemption, the price at which to purchase/redeem, the type of plan/account and/or fee structure. Generally, a solicited trade can be thought of as any trade in which an AP is providing their knowledge and advice and the client is using that knowledge and/or advice as the basis of the transaction.

An unsolicited trade occurs when a client insists on a particular strategy or product that may be unsuitable for the client given their stated KYC suitability. The AP should still counsel the client on the potential risks of the strategy and potential suitability issues. APs should also discuss the possible client transaction (purchase/redemption) with their BM. If the AP and the BM still wish to process the transaction for the client, they should adequately document the events concerning the transaction, including the warnings and the discussion with the client and ensure that they mark the trade ticket as “unsolicited”. Generally, an unsolicited trade can be thought of as any trade in which a client is not relying upon the APs knowledge or advice, and is looking to process a transaction that would be outside of their normal suitability. While APs may have minimal responsibility concerning the unsolicited transaction, APs may still be held accountable for the suitability of the client account as a whole.

