



AMA

WORLD FINANCIAL GROUP CANADA INC.

Canadian
Associate
Membership
Agreement
and Application

EASY GUIDE TO COMPLETING THE AMA

Section 1:

PERSONAL DATA

You must answer all the questions and provide required documentation to any questions answered "YES."

Required documentation includes: court records, recent credit report, letter of explanation, etc.

Section 2:

APPLICANT'S UPLINE SUPPORT

Your hierarchy is determined by the information provided on page 4 of this application under "Applicant's Upline Support."

Under no circumstance should a WFG associate contact the WFGIA sponsoring company, product providers or any regulatory agency. Any questions should be directed to the SMD or WFG.

Associates may not solicit any products prior to receiving written approval from the Product Provider and/or WFG's affiliated companies.

If this application is being submitted physically, Applicants must send paperwork to:

WORLD FINANCIAL GROUP
CANADA INC.

5000 Yonge Street,
Suite 800,
Toronto, ON M2N 7E9

ATTENTION:
LICENSING DEPARTMENT

Fax: 416-225-2109

Email:

WFGcoding@transamerica.com

BE SURE TO COMPLETE ALL SECTIONS OF THIS AMA AND PROVIDE DOCUMENTATION, IF REQUIRED. INCOMPLETE INFORMATION WILL DELAY PROCESSING OF THE APPLICANT'S APPLICATION.

PLEASE NOTE: ALL WFG ASSOCIATES WHO ARE SECURITIES LICENSED MUST BE REGISTERED THROUGH WFG SECURITIES INC. (WFGS) ONLY. WFGS AND WFG ARE AFFILIATED COMPANIES.

To become an associate of World Financial Group Canada:

- () complete the Applicant Profile and the Associate Membership Agreement (AMA) in its entirety. AMA Applications submitted with incomplete information will be returned to the Senior Marketing Director;
- () submit a \$125 administrative fee plus applicable taxes payable by the credit card authorization, certified check or money order to World Financial Group Canada Inc. See chart below to determine the total fee due based on the sales tax (HST/GST) required for your province.

Province	Administrative Fee	HST/GST	Total Fee Due
Alberta	\$125.00	\$6.25	\$131.25
British Columbia	\$125.00	\$6.25	\$131.25
Manitoba	\$125.00	\$6.25	\$131.25
New Brunswick	\$125.00	\$16.25	\$141.25
Newfoundland and Labrador	\$125.00	\$16.25	\$141.25
Nova Scotia	\$125.00	\$18.75	\$143.75
Ontario	\$125.00	\$16.25	\$141.25
Prince Edward Island	\$125.00	\$17.50	\$142.50
Quebec	\$125.00	\$6.25	\$131.25
Saskatchewan	\$125.00	\$6.25	\$131.25
Yukon	\$125.00	\$6.25	\$131.25
Northwest Territories	\$125.00	\$6.25	\$131.25
Nunavut	\$125.00	\$6.25	\$131.25

World Financial Group Canada Inc.

Applicant Profile

PROMOTIONAL CODE

Please print legibly.

Applicant's Legal Last Name _____ SIN # _____

First Name _____

Common Name _____

Original Code # _____
(if reinstating)

Section 1

PERSONAL DATA

Home #		Cellphone #	
Email Address		Date of Birth	
Home Address			
STREET		APT. #	
CITY	PROVINCE	P/C	
<p>Have you ever plead guilty or been found guilty of an offense under any law of which you have not been pardoned under the Criminal Records Act (Canada), or are you currently the subject of any charges under such a law? Some examples of these offences are fraud, theft, weapons charges, drug trafficking, physical assault, impaired driving, and tax evasion. You are not required to disclose any conviction for an offense in respect of any provincial enactment, including minor traffic infractions such as speeding or parking violations.</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please attach a separate written explanation and documentation.</p> <p>Have you ever been declared bankrupt or made a voluntary assignment in bankruptcy, or are you currently an undischarged bankrupt?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, include trustee's name and address, location of bankruptcy filing. Assignment of Bankruptcy or Receiving Order, Statement of Affairs, and an explanation as to the circumstances of the bankruptcy.</p> <p>Excluding student work permits, are you legally entitled to work in Canada? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>			

Section 2

APPLICANT'S UPLINE SUPPORT

Name of Recruiter		Recruiter Code Number	
Applicant's Entry Level		(Must submit a signed MD Agreement)	
(Check one)	Training Associate (01) <input type="checkbox"/>	Associate (10) <input type="checkbox"/>	Marketing Director (17) <input type="checkbox"/> Other: _____ <input type="checkbox"/>
<p>I certify that:</p> <p>A. an investigation of the Applicant's background has been conducted and found to be satisfactory;</p> <p>B. no commission or other compensation will be paid to on behalf of the Applicant until a proper license and/or registration has been issued;</p> <p>C. to the best of my knowledge and belief, the information provided by applicant is true and accurate, and I recommend that this application be approved; and</p> <p>D. if the Applicant is reinstating under a new hierarchy and has a debit balance, the debit balance will be transferred with the associate to the new hierarchy. The Applicant may have incurred a debit balance during their time as an Associate of World Financial Group and that balance may be still outstanding. I have had discussions with the Applicant and the Recruiter and will accept and be responsible for this debt if this debt rolls to me pursuant to the rollup rules.</p> <p>Senior Marketing Director's Name _____ SMD Code Number _____</p> <p>Senior Marketing Director's Signature _____ Date ____/____/____ MM DD YY</p>			

ACKNOWLEDGEMENTS

I. APPLICANT'S PROCESSING FEE

As part of the application process, I acknowledge that I will pay a \$125 Administration Fee plus HST/GST. This fee is payable by credit card, certified cheque or money order to **World Financial Group Canada Inc.** for processing this application. I acknowledge and understand that this fee is an administration fee and is non-refundable.

I acknowledge and understand that I am responsible for (if applicable):

- any examination fees, as well as, any provincial licensing fees;
- fees pertaining to pre-licensing and post-licensing training and continuing education;
- fees for product/program certification training;
- fees for errors and omissions insurance and/or bonding.

I acknowledge and understand that before I become entitled to receive any compensation on license-required products, I must sign the appropriate World Financial Group Canada Inc. associate contracts, Insurance Company Agent contracts and/or Broker/Dealer contracts, and obtain the necessary licenses. However, this application allows me to market all World Financial Group product lines not requiring a license upon completion of orientation/certification training.

II. APPLICATION

I acknowledge and understand that the application section of this agreement is not a legal, binding contract and the submission of this application does not entitle me to any compensation, rights, or benefits.

III. SOCIAL INSURANCE CERTIFICATION

Under penalty of perjury, I certify that my Social Insurance Number (SIN) is correct as it appears in this application. I further certify that all information contained in this application is true and complete to the best of my knowledge.

IV. DEBT OF RETURNING APPLICANTS

I understand that if, I am an applicant that is seeking reinstatement as an Associate of World Financial Group Canada Inc., I may have incurred debt owed to World Financial Group Canada Inc. or its affiliated companies during my previous time as an Associate of World Financial Group Canada Inc.

As an express condition of my reinstatement as an Associate of World Financial Group Canada Inc., I acknowledge that I have an obligation to repay this debt pursuant to the policies and procedures of World Financial Group Canada Inc. and its affiliated companies. I also acknowledge that I have disclosed this potential debt to my new Recruiter and Senior Marketing Director.

V. AUTHORIZATION FOR RELEASE OF INFORMATION

I agree that World Financial Group Canada Inc. can verify my background information using an independent source concerning my credit record, my business record, my record of criminal convictions, and any other information relevant to my application to and sales relationship with World Financial Group Canada Inc. and its affiliated companies. I understand and agree that I must execute and deliver the enclosed consent and authorization to World Financial Group Canada Inc.

Name of Applicant: _____

Signature of Applicant: _____ Date: _____

By signing this document, I agree to sections I, II, III, IV, & V above.

World Financial Group Canada Inc.

Associate Membership Agreement

THIS AGREEMENT is made by and between **World Financial Group Canada Inc.** (hereinafter referred to as “WFG”), and the undersigned individual (hereinafter referred to as the “Associate”).

WHEREAS, the Associate desires to become a member of WFG sales force (hereinafter referred to as “World Financial Group” and further defined herein) which will be composed of a group of independent contractors (“members”) who enter into agreements with WFG pursuant to which they become authorized to engage in the business of selling products including insurance and other financial service Products and Services offered by WFG and companies with which WFG is or may hereafter become affiliated, directly, indirectly, through common ownership, by contractual agreement, or otherwise (“WFG Affiliated Companies”). For purposes of this Agreement, any reference hereinafter made to WFG shall be deemed to constitute a reference to all of the WFG Affiliated Companies; and

WHEREAS, WFG has established a contractual relationship with one or more companies (collectively, the “Product Provider”, or individually, a “Product Provider”) authorizing WFG or the members of World Financial Group to market and sell various Products and Services and to recommend and designate members of World Financial Group for appointment with the Preferred Companies as independent sales representatives with respect to such various Products and Services; and

WHEREAS, WFG is continually recruiting new members to World Financial Group and desires to have the Associate become a member of World Financial Group by entering into a written agreement with the Associate which establishes and defines the terms and conditions of the Associate’s membership in World Financial Group;

NOW, THEREFORE, in consideration of the premises, the mutual promises and covenants in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, and intending to be legally bound hereby, WFG and the Associate agree as follows:

I. Membership in World Financial Group

A. Associate hereby agrees to become a member of World Financial Group and to abide by the terms and conditions of membership as hereinafter set forth in this Agreement. The Associate understands that WFG has the right to promulgate and publish rules and requirements relative to membership in World Financial Group. WFG expressly reserves its right to have final approval and control over all contracts, rights, and obligations that relate, in any way, to Associate’s membership in World Financial Group.

B. There are two (2) types of members in World Financial Group: Dedicated and Non-Dedicated. Dedicated members are those persons who have made a decision to market for sale only those Products and Services marketed by WFG. Non-Dedicated members are those persons who have made a decision to market the Products and Services and other products and services not marketed by WFG. Although the membership terms of Dedicated and Non-Dedicated members will be identical in some respects, Dedicated members will be accorded certain benefits not available to Non-Dedicated members. Such benefits are described in Associate Agreement Rules and Guidelines as published from time to time by WFG.

Associate hereby elects to be a Dedicated member or a Non-Dedicated member as indicated on the signature page of this Agreement.

II. Associate’s Duties as a Member

A. As a member of World Financial Group, Associate promises that he or she will do the following:

1. Use his or her best efforts to sell and promote the sale of the Products and Services;
2. If a Dedicated member, not be involved or associated in any manner with any hierarchical sales organization of any kind in which commissions are paid based on multi-generational levels;
3. If a Dedicated member, not market or sell any products or services other than the Products and Services;
4. If a Non-Dedicated member, Associate agrees to disclose and notify WFG in writing as to the general nature of Associate’s involvement and/or affiliation with any other business or company;
5. Not market or sell any products or services to any member or prospective member of World Financial Group;
6. Preserve the good name and reputation of World Financial Group and WFG and not to do anything that will damage the name and reputation of World Financial Group or WFG;
7. Comply with all rules and guidelines set forth in the Associate Agreement Rules and Guidelines currently published by WFG or as maybe published from time to time by WFG;
8. Comply with all of the terms and conditions of any contract(s) into which Associate enters with WFG and the Preferred Companies;
9. Participate in the training that will be provided to World Financial Group;
10. Refrain from selling or soliciting for sale any Products and Services that require licensing or registration of a Preferred Company or WFG Affiliated Companies until Associate receives written notice from WFG or the Preferred Company that Associate as been approved to market such Products and Services;
11. Execute such further agreements and obtain such licenses that WFG determines to be required for Associate to be lawfully authorized to sell any of the Products and Services; and
12. Diligently fulfill supervisory responsibilities with respect to Downline Associates.

B. The Associate understands and acknowledges that WFG is in the business of building World Financial Group to provide Products and Services to the consuming public and that World Financial Group is a valuable asset of WFG. The Associate acknowledges that WFG owns all rights in and to the following: (i) World Financial Group, which, for purposes of this Section II.B., includes all persons who have in force Associate Membership Agreements with WFG; (ii) the identities of and all lists of the members comprising World Financial Group; and (iii) the identities of and all lists of the Customers produced by World Financial Group (even though the Associate may not have recruited any of the members or produced any of the Customers) which constitute property owned solely by WFG. Associate agrees that he or she shall have no proprietary interest in, or ownership of, any Customers, other associates of WFG including Downline Associates, or Products and Services. WFG shall have exclusive proprietary interest in, or ownership of, all Customers and contractual relationships with other associates and the Preferred Companies.

C. As a member of World Financial Group, the Associate is not an employee of WFG. Instead, the Associate's relationship with WFG is that of an independent contractor. Nothing in this Agreement shall be construed to constitute the Associate as a partner, employee or agent of WFG, nor shall WFG, the Preferred Companies or the Associate have any authority, except as expressly provided herein, to bind the other, it being the intention that each shall remain an independent contractor responsible for his or her own actions. Subject to all applicable local, provincial, and federal laws and regulations, this Agreement, Associate Agreement Guidelines and Rules, other instructions, procedures, etc., published by WFG and any contract(s) between the Associate and the Preferred Companies, the Associate shall conduct and control his or her business activities, work hours, selection of customers, office location and sales methods. Even though a license or form may designate the Associate as an "employee" of WFG or the Preferred Companies, such designation will not change the fact that by definition and by practice the Associate is an independent contractor. As an independent contractor, the Associate shall be responsible for paying any and all federal, provincial, city, or other taxes that may become payable with respect to any compensation the Associate may receive under the terms of this Agreement.

D. Associate shall promptly pay all expenses relating to the performance of Associate's duties under this Agreement, including but not limited to indebtedness to WFG and premium costs of errors and omissions insurance required by WFG. Associate shall be solely responsible for all of his or her expenses, including but not limited to travel, entertainment, office, signs, telephone, education, dues, subscriptions, licenses, etc., and shall receive no remuneration or reimbursement of any nature whatsoever other than the commissions referred to herein. WFG shall not provide any facilities, furniture, or equipment to Associate. Associate shall provide his or her own office, telephone, supplies, transportation and all other facilities which Associate may deem necessary.

E. Associate shall supervise the WFG-related activities of Associate's Downline Associates and use Associate's best efforts and continuing diligence in directing Associate's Downline Associates to comply with their respective Associate Membership Agreements with WFG and in training and providing assistance to Associate's Downline Associates, all in accordance with WFG policies and procedures, including those contained in the Associate Agreement Rules and Guidelines. Associate's fulfillment of such supervisory and training responsibilities is an essential requirement of Associate's compliance with this Agreement.

F. Associate shall, as required to sell Products and Services, be duly licensed and properly appointed in each jurisdiction in which and from which Associate offers or obtains application and orders for purchase of Products and Services and in each jurisdiction, where required by law, in which and from which Associate receives any compensation, including Override Compensation. Associate will bear the cost of all initial and renewal fees for licensing and registrations, and will make payment as instructed by WFG.

G. Associate shall maintain accurate and current records of all transactions entered into pursuant to this Agreement. Such books and records shall conform to the requirements of federal, provincial, and local laws, the rules and regulations of appropriate regulatory agencies and the policies and procedures of WFG and of Associate's branch office to which Associate reports. Associate shall maintain an accurate and current file of all commission statements and other records and correspondences received from WFG and notify WFG in writing within thirty (30) days of WFG mailing such statements, records, and correspondence, if any of them is inconsistent with Associate's records or, in the opinion of Associate, not accurate. As to any statements, records, or correspondence furnished by or on behalf of WFG to Associate, if Associate does not furnish WFG with written objections or corrections within thirty (30) days of mailing by WFG, then Associate shall be deemed to have approved such statements, records, and correspondence as to any matter not objected to or corrected, and to have released WFG from liability and responsibility for all matter contained therein.

H. Associate shall not use sales materials of any kind that have not been approved in writing by WFG for such use, including but not limited to any type of form letter or correspondence. Without the prior written approval of WFG, Associate shall not use any form of media, including but not limited to computers, internet, radio, newspaper, television, letters, business cards, letterheads, or photocopies, to promote sales. Associate promises not to use the name "World Financial Group" in conjunction with any notation indicative of a business organization, such as "Corporation", "& Company", "Ltd.", "Inc.", or "& Associates", unless Associate is specifically granted written permission from WFG to do so. Associate may not appropriate the name "WFG" or "World Financial Group" for use in any corporate name, joint venture, or partnership.

I. All activities conducted by Associate under this Agreement shall be conducted in accordance with all applicable laws. Associate also has the duty to faithfully abide by the rules and regulations set forth in the Associate Agreement's Rules and Guidelines that may be issued from time to time, other instructions, procedures, etc., published by WFG as amended from time to time, and all applicable bulletins or memoranda issued by the Preferred Companies. Associate shall immediately advise WFG of any action or fact whatsoever which comes to Associate's knowledge which may possibly constitute a violation of any applicable laws or regulations with respect to WFG, Associate or any party who is, has been, or may be doing business with WFG. Associate's failure to comply with, or failure to cause his or her Downline Associates to comply with, this Agreement or Associate Agreement Rules and Guidelines constitutes a material breach of this Agreement.

J. WFG has contracted with one or more insurance companies to provide WFG and its independent contractors with group plans for errors and omission and fidelity insurance coverage. Associate is required to participate in these group plans and monthly insurance premiums will be deducted by WFG from commissions due to Associate. If Associate's commissions are insufficient to cover the monthly insurance premiums, then WFG shall have the right to direct any WFG Affiliate to offset such deficit against any earned commissions due to Associate, or, at the option of WFG, Associate may be billed for the total amount of accrued insurance premiums and such amount will be paid in full by Associate within fifteen (15) days of the billing date, otherwise this Agreement may be terminated by WFG in its sole discretion. WFG specifically reserves the right to modify insurance premiums charged without prior notice.

K. Associate shall not take, undertake or engage, directly or indirectly, in any Prohibited Actions.

L. Associate acknowledges and agrees that all supplies, including but not limited to prospectuses, memoranda, visual aids, specimen plan forms, manuals, statistical and sales training and/or recruitment materials, vendor materials, and brochures, furnished by WFG to Associate are and shall be the property of WFG and shall be returned promptly to WFG upon demand.

M. Associate shall comply with the terms, conditions, and restrictions on use contained in any and all license or other contractual agreements between third party owners of any computer software and WFG, pursuant to which WFG has obtained the right to use such computer software. Associate further agrees to comply with the terms of any license or other contractual agreement into which Associate is required to enter with any third computer software owner.

N. Associate shall not violate the Covenants.

III. Associate's Compensation

A. Associate acknowledges and understands that the Associate earns income only from the sale of the Products and Services and no income is earned by or paid to Associate for recruiting. The Associate's sole compensation under and during the term of this Agreement shall be commissions paid by, or caused to be paid by, WFG pursuant to this Agreement and paid in the manner provided in, and subject to the terms and conditions contained in, those Associate Agreement Guidelines and commission schedules, which are published by WFG from time to time. The Preferred Companies are generally not obligated to pay Associate any money. There is no guarantee that Associate will be financially rewarded solely by virtue of becoming a member of World Financial Group.

B. WFG will publish Associate Agreement Guidelines and commission schedules from time to time which relate to sales position designations, performance standards, commission rates of WFG or the Preferred Companies and other matters affecting the terms of the members' compensation. WFG may, from time to time, in the exercise of its sole discretion, and without notice, increase or decrease the rates and amounts of commissions or the sales position of Associate; provided, however, that any such changes may be prospective only, but may affect any new business and any commissions earned thereafter on existing business.

C. Associate acknowledges and agrees that Associate's commissions are a share of WFG's commissions and Associate's commissions are earned by, and shall be payable to, Associate only after all of the following have occurred: i) the order or application for Products and Services is submitted by Associate is accepted and approved by WFG or a Preferred Company at its principal office, or by an approved WFG designee; ii) actual payment for the same has been made by and received from the Customer; and iii) WFG has actually received payment from a Preferred Company, if applicable, of WFG's commission (subject to the terms of this Agreement).

D. Any money and value owed by Associate to WFG, any Debit Balance, and any money and value which have been advanced or credited by or on behalf of WFG, or for the benefit of Associate, represents a loan. Associate hereby expressly authorizes WFG to offset and deduct from any commissions or other money or value then or thereafter owed by WFG to Associate any amounts due WFG from Associate. WFG is hereby authorized by Associate to deduct from commissions due the amount of any commissions paid to Associate in connection with any payment or amount that WFG refunds to Associate's Customer.

E. All Debit Balances shall be repaid immediately by Associate upon notice thereof to Associate by WFG. Any Debit Balances not paid within thirty (30) days from the effective date of such notice shall bear interest from the end of such thirty (30) days at a rate equal to the prime rate of the Toronto Dominion Bank plus ten percent (10%). From time to time in its sole discretion, WFG may cause a reduction in all or any portion of the Associate's Debit Balance in any of the following ways: i) by applying any commissions or other forms of compensation payable to the Associate by WFG to reduce the Associate's Debit Balance; or ii) by exercising any other legal rights and remedies available to WFG, including any rights or remedies that are included in Associate Agreement Guidelines and Rules. The Associate is also obligated to repay WFG for the Debit Balances of any Associate's Downline Associates. The formula and procedure for this Debit Balance repayment is more specifically set out in the Associate Agreement Rules.

F. Except as otherwise provided in this Agreement, and subject to the terms of this Section III.F., if and when Associate qualifies for and attains certain sales position designations established by WFG from time to time pursuant to Associate Agreement Guidelines, Associate shall become Vested and entitled to receive commissions upon termination. However, Associate acknowledges and agrees that since Associate's commissions are a share of WFG's commissions, Associate shall, upon becoming Vested, be vested in commissions only to the extent that WFG actually receives commissions with respect to the applicable Customers from the Preferred Companies and Associate can legally receive such commissions. In the event that Associate, at the time of termination, has not qualified and attained the sales position designation(s) established by WFG as a condition to becoming Vested, Associate shall have no right to commissions or any compensation of any kind.

G. In the exercise of its sole discretion, WFG reserves the right to, and may, refund to any Customer all or any part of payments made by Customer, and Associate agrees to promptly reimburse WFG for its expenses in connection therewith. Associate further agrees to promptly repay WFG all commissions by Associate with respect to any refunds to Customers, and WFG is hereby authorized to deduct from any other commissions due or that may become due to Associate hereunder, the amount due WFG for any such expenses or commissions to be repaid by Associate.

H. Except as set forth above in Section III.A. and III.F., Associate shall receive no other compensation of any kind whatsoever under this Agreement. Associate will not receive any fringe benefits under this Agreement whatsoever, including but not limited to insurance benefits, disability income, paid vacation, expense reimbursement, or retirement benefits unless otherwise specifically provided for in this Agreement.

IV. Term and Termination

A. This Agreement shall continue in effect until Termination.

B. Upon the Termination of this Agreement, all commissions due to Associate prior to the effective date of Termination of this Agreement shall be paid by WFG to Associate within a reasonable period of time. The previous notwithstanding, any commissions which Associate may become entitled to receive if Associate becomes Vested in accordance with Section III.F. of this Agreement, which are subject to Divestiture as defined in the Glossary, no further compensation, other than the commissions earned as of the effective date of Associate's Termination, shall be payable to Associate under this Agreement after Termination. However, WFG shall have the right to offset against any commissions, any Debit Balance, indebtedness owed by Associate to WFG, or any charges WFG deems appropriate to be charged to Associate. Upon Termination

of this Agreement, any Debit Balances then or thereafter outstanding, and any Debit Balance that may thereafter exist, shall without notice immediately become due and payable and shall bear interest at a rate equal to the prime rate of the Toronto Dominion Bank plus ten percent (10%) until paid. Associate shall promptly surrender to WFG all books and records relating to WFG including but not limited to all applications and payments which Associate may have in his or her possession or under his or her control at the time of Termination.

V. Arbitration of Grievances

The Parties agree that, except as specifically provided to the contrary in this Agreement, any Grievance shall be resolved exclusively by Arbitration.

VI. Extraordinary Relief

The Associate acknowledges that WFG would suffer extremely costly and irreparable harm, loss and damage if any of the provisions of this Agreement are violated by the Associate. The Associate agrees that WFG shall be entitled to seek Extraordinary Relief to temporarily enjoin violations by the Associate of this Agreement and that WFG may seek Extraordinary Relief in the courts of the Province of Ontario, in any court of competent jurisdiction outside the Province of Ontario, as well as in Arbitration and if justice requires, in more than one of them, all without having to first comply with the requirements of Article V. The specifics of this Article VI shall not be deemed to preclude or narrow the judicial or arbitral powers regarding Extraordinary Relief.

VII. Associate's Promise to Indemnify and Assign

A. Associate agrees to indemnify and hold harmless, from and against any and all Indemnified Losses which are incurred, sustained, suffered, or assessed against the Indemnified Party, or all or any combination thereof, because of, arising out of or as a result of any acts or omissions, including but not limited to a breach of Section II.N or any breach of Associate's contract(s) with Preferred Companies, by Associate and also any of Associate's Downline Associates. The Indemnified Party shall be entitled to use counsel of its own choosing, shall be entitled to determine the validity of the Indemnified Loss and shall not be required to notify the Associate of the existence or progress of any claims or Indemnified Loss as a condition precedent to requiring payment by the Associate to the Indemnified Party for an Indemnified Loss.

B. As security for all amounts which may be owing to WFG from time to time pursuant to the Associate's promise of indemnification set forth in Section VII.A. hereof, and the Associate's obligation to repay his or her Debit Balance of his or her Downline Associate's Debit Balances, and all other amounts which may be owing to WFG by the Associate from time to time, pursuant to this Agreement, the Associate hereby assigns to WFG, and hereby grants to WFG a continuing security interest in, all commissions (or advances thereof) payable to the Associate by WFG. WFG shall be entitled to set off all amounts owing by the Associate pursuant to Associate's promise of indemnification set forth in Section VII.A. hereof against any commissions owing to the Associate by WFG. Associate agrees to execute all such further documents as may be required to give effect hereto.

VIII. Representations and Warranties

A. Associate expressly represents and warrants that the Associate has the authority to enter into this Agreement and that the Associate is not and will not, by virtue of entering into this Agreement and consummating the transactions contemplated hereby, or otherwise, be in breach of, violate, or interfere with, any other contract, agreement, or business relations which the Associate has or had with any third party, company, agency, association, firm, person, corporation, or other entity.

B. Associate has not engaged in nor will engage in any business practice or behavior nor has taken nor will take any action that has or will result in any violation of any restrictions or covenants to which Associate is subject pursuant to any agreement to which the Associate was heretofore a party.

IX. Miscellaneous

A. All capitalized terms used but not otherwise defined herein shall have the meaning set forth in that certain Glossary and Explanation of Terms published by WFG and in effect as of the date of this Agreement, a copy of which Associate acknowledges receipt. The Glossary and Explanation of Terms are contractual supplements to this Agreement that are binding on the Associate and by this reference are made part of this Agreement. Any changes to the Glossary and Explanation of Terms shall be effective as of the date of general publication by WFG.

B. If any term of this Agreement controverts the express, or in the opinion of WFG's counsel, the intended provisions of any applicable regulatory authority or court decision, then said term shall be governed by said regulatory provision or decision and the subject term of this Agreement shall be deemed automatically amended or deleted as the case pertains. Should such amendment or deletion materially affect the substance of this Agreement, then this Agreement shall be subject to immediate termination upon written notice to the other party.

C. Associate understands that the eligibility requirements for the sales position designations of "Marketing Director", "Senior Marketing Director", "Executive Marketing Director", "CEO Marketing Director", and otherwise, as well as the obligations that are imposed upon the Associate in such positions shall be as are published from time to time and that said requirements may be changed from time to time, by WFG, and that such designations are within the sole discretion of WFG.

D. All notices or demands hereunder shall be sent either by certified or registered mail, return receipt requested, postage and certified or registered fees prepaid, electronic mail or by overnight courier service, addressed as follows: if to WFG, addressed to Administrator of Contracts, World Financial Group of Canada Inc., at its then principal home office address; if to an officer, director or employee of WFG, then addressed to that person c/o World Financial Group Canada Inc.; and if to the Associate, addressed to him or her at the last known address which as shown on the records of WFG. For purpose of this Agreement, the Associate shall maintain only one address at a time (the "Associate's Principal Address"), and shall immediately notify WFG of any change in the Associate's Principal Address.

E. The failure or delay by any party to insist upon strict performance of the terms and conditions of this Agreement shall not be deemed a waiver of any subsequent breach of default in the terms hereof. Any waiver must be in writing and signed by the party granting the waiver. Any waiver granted by WFG must be signed by an officer designated by the President of WFG.

F. Titles and headings of sections and subsections of this Agreement are for convenience and are not intended to encompass all of the provisions therein or to interpret such provisions.

G. If any part, section, clause, paragraph, term, or provision of this Agreement shall be found to be void or unenforceable by any court or arbitration of competent jurisdiction, such finding shall have no effect upon any other part, section, clause, paragraph, term, or provision of this Agreement.

H. Associate may not assign any rights or delegate any duties under this Agreement except as expressly provided herein. WFG may, from time to time, desire to assign to its affiliates or others all or part of its rights and obligations hereunder (a "future assignment"); and the Associate consents and agrees to any such future assignment and agrees that, after any such future assignment, WFG shall be released from all obligations and liabilities so assigned, so long as such obligations and liabilities are assumed by the assignee.

I. If any party hereto commences an action or arbitration to enforce any of the provisions hereof, the prevailing Party in such action shall be entitled to an award of its reasonable lawyers' fees and all costs and expenses incurred in connection therewith.

J. This Agreement, including the Glossary and Explanation of Terms and any Associate Agreement Rules constitutes the entire agreement and understanding between the parties. WFG may from time to time modify this Agreement by giving written notice to the Associate of such modification. In the event Associate does not object to such modification in writing delivered to WFG within ten (10) business days after receipt of written notice of modification from the Associate, Associate shall be deemed to have waived his or her right to object to such modification and be deemed to have accepted all terms and conditions set forth therein. Any commissions payable on Products and Services sold pursuant to applications submitted by Associate prior to the effective date of the modification shall not be increased or decreased by such modification. If Associate objects to the proposed modification, within the time period specified in the preceding sentence, WFG shall have the option to terminate the Agreement, or to continue the Agreement in force without the proposed amendment. No change, amendment, termination or attempted waiver of any of the provisions hereof shall be binding upon WFG unless in writing and signed by an officer designated by the President of WFG.

K. Since the parties acknowledge that significant aspects of this Agreement will occur in the Province of Ontario, even though the business activities of the Associate may occur anywhere authorized, provisions of this Agreement will be governed and construed under the laws of the Province of Ontario. If conflict or choice of law rules would choose a law of another jurisdiction, each party waives such rules and agrees the substantive law of the Province of Ontario shall nonetheless govern. The parties agree that, without waiver of their rights and obligations under Section V., unless expressly provided to the contrary in this Agreement, the courts of the Province of Ontario shall have exclusive jurisdiction of any litigation between the parties and the Associate expressly submits to the jurisdiction and venue of the provincial and federal courts sitting in Ontario with respect to any such litigation.

L. Associate agrees that WFG shall have the right to run credit, employment and other financial and background investigations on the Associate at any time WFG deems useful, whether such investigation is conducted by WFG or by an outside service or third party. Associate consents to such investigations and consents to the disclosure of any person or entity to WFG of any financial, background, and employment information conducted by WFG or by an outside service or third party.

M. As a condition to becoming a member of World Financial Group, the Associate is not required to purchase any of the Products and Services and is not required to pay WFG or the Preferred Companies any consideration except for the administrative fee to process his or her application for membership. Further, Associate is not required to enter into any contract with WFG or the Preferred Companies in order to purchase any Products and Services.

N. Associate irrevocably consents to and forever authorizes the use by WFG or by anyone authorized by WFG, its legal representatives or assigns, the absolute and unqualified right to use all photographs in which the Associate has appeared for WFG and reproductions thereof, in which the Associate has been included in whole or part, made through any media without inspection or approval of the finished product or use to which it may be applied, in any manner WFG may desire, factually or fictionally, including the right to make adaptations of said material of every and any kind and character. For such purpose WFG may adopt, arrange, change, dramatize, make musical versions of, interpolate in, transpose, add to, and subtract from such photographs and reproduction to such extent as WFG, in its sole discretion, may desire, and in any language; and, further to obtain copyright in all countries on such use by WFG of such material in any form and upon any and all adaptations thereof to renew such copyrights. The Associate releases and discharges WFG, its assigns, agents or licensees from any and all claims and demands that the Associate may have, which arise out of or in connection with the use of such photographs or reproductions, including but not limited to, any and all claims of libel, slander and invasion of privacy. The Associate further releases WFG, its assigns, agents or licensees from any liability of alterations, optical illusion or faulty mechanical reproduction. Associate is over eighteen years of age and has read the above authorization and release prior to its execution.

Associate hereby elects to be: a Dedicated member _____ or a Non-Dedicated member _____
(Choose one and initial) (please initial) (please initial)

ASSOCIATE:

WORLD FINANCIAL GROUP CANADA INC.

Print Name

By: _____

RICK WILLIAMS, PRESIDENT

Signature

Date

Code Number: Internal Use Only

World Financial Group Canada Inc.

Associate Membership Agreement

GLOSSARY AND EXPLANATION OF TERMS

The following sections ("Sections") define and explain additional terms that apply to and are part of the Associate's Associate Membership Agreement ("Agreement").

A. "Advance Commissions". Any monies that may be paid to Associate as an advance against Associate's commissions, or Associate's Override Compensation, either or both of which are yet to be earned, that may become due and payable by WFG.

B. "Arbitration". The procedures set forth in this Section B to resolve all Grievances, unresolved in the normal course of business, to the extent any Party wishes to pursue the matter further.

1. **General.** All Grievances shall be resolved by Arbitration in accordance with the Rules, except that, or in addition to such Rules: i) in order to assure neutrality and impartiality of the arbitrator(s), and to preserve the confidentiality of proprietary information, the arbitrator(s) shall not be any present or past owner, officer, director, employee, consultant, associate, agent, registered representative, lawyer or other representative of any insurance company, insurance broker or insurance agency, securities broker, securities dealer or mortgage company, investment advisor or of any affiliate of any of them; ii) the Parties may be entitled to such discovery and protective orders as provided herein; iii) the locale where the arbitration shall be held is the principal head office of WFG or, if that location is not convenient for all Parties, they shall try to devise a way so that it is convenient or if that location cannot be made convenient, at such other place as the Parties may agree, or if they cannot agree, then as may be set by the Rules, as the case may be; iv) a transcript shall be made of the proceeding, the cost of which shall be borne equally by the Associate and WFG; and v) the arbitrator's(s) award shall state their findings of fact and conclusions of law.

2. **Judicial Review of Award.** The award, including such findings and conclusions, may be reviewed, vacated, modified or corrected upon application or petition of any party brought within three (3) months after the date of the award by a court of competent jurisdiction, provided that in addition to the grounds stated in the Rules, applicable law or statute, the court may also vacate, modify or correct the award if the conclusions of law are contrary to law or if the findings of fact are not supported by the facts (as determined by whether there was any pertinent and material evidence to support the findings). Otherwise, or in compliance with the court's review, the decision of the arbitrator(s) shall be final and binding. Judgment upon the award rendered by the arbitrator(s), or judgment upon the award as reviewed by the court, may be entered in any court having jurisdiction thereof.

3. **Discovery, Protective Orders.** Discovery (in the form of production of documents and depositions) of evidence pertinent and material to the Grievance may be ordered by the arbitrator(s). The discovery shall be on such terms and at such times and locations as ordered by the arbitrator(s) and their orders may be enforced by courts of competent jurisdiction. In connection with all discovery and hearings regarding Arbitration, the arbitrator(s) shall have the power to enter such protective orders as are proper under the circumstances, and the protective orders may be enforced by courts of competent jurisdiction.

4. **Waiver of Litigation.** The Parties acknowledge and agree that, except as specifically provided to the contrary in this Agreement, this Section B is and shall be the Parties' exclusive remedy for any Grievance arising out of or relating to this Agreement, or the breach thereof. It is the intent of the Parties that, except as specifically provided to the contrary in this Agreement, to the fullest extent allowed by law all Grievances, including any claim or defense (whether created or governed by federal, provincial or local law, rule or regulation) shall be resolved in an arbitral rather than a judicial forum. It is understood by the Parties that it is to their mutual benefit to submit Grievances that they are unable to resolve themselves for resolution by a neutral referee in an arbitral rather than a judicial forum. Those Parties recognize that by choosing Arbitration as the mechanism for resolving Grievances, each Party expects to ensure a more expeditious and economical resolution of their Grievances than is available in most cases in a judicial forum. Accordingly, except as specifically provided to the contrary in this Agreement, the Parties expressly waive the right to litigate in a judicial forum all Grievances and waive the right to trial by jury. The Parties further agree that the findings of fact issued by the arbitrator(s), as reviewed, if applicable, shall be binding on them in any subsequent arbitration, litigation or other proceeding.

5. **No Condition Precedent to Action and Power of Arbitrators.** Anything herein or elsewhere contained to the contrary notwithstanding, WFG shall not be required to negotiate, arbitrate, or litigate as a condition precedent to taking any action under this Agreement. The Parties expressly authorize the arbitrator(s) to fashion and award any type of remedy that could be awarded by a court, including such equitable or extraordinary remedies as temporary and permanent injunctive relief.

6. **Extraordinary Relief.** The Parties agree that WFG has the right to seek preliminary and temporary restraining orders, injunctions and other extraordinary relief (such orders, injunctions and other relief referred to as "Extraordinary Relief") under Article VI of the Agreement without complying with Article V of the Agreement or this Section B. Without limitation, the Parties agree that the requirements for Arbitration under Article V of the Agreement or this Section B do not preclude WFG from seeking in an arbitral or in a judicial forum or in both, Extraordinary Relief to protect its rights under Article VI of the Agreement. Neither Article V of the Agreement or this Section B shall be deemed to preclude or narrow the judicial or arbitral powers regarding Extraordinary Relief.

7. **Statute of Limitations.** Unless otherwise tolled or satisfied with respect to Arbitration, a demand for arbitration must be filed under the Rules within the time prescribed by the applicable statutes of limitations.

8. **Beneficiaries.** The Associate and WFG intend and agree that all of the Corporate People shall be beneficiaries of all the provisions of this Section B and that as beneficiaries and as Parties, they, or any of them shall have the right to enforce all provisions of this Section B to the same extent as WFG and the Associates.

C. "Associate Agreement Guidelines" and "Associate Agreement Rules". Associate Agreement Guidelines are those guidelines published in writing from time to time by WFG to members containing sales position designations, performance standards, commission rates, and other matters affecting members' compensation. Associate Agreement Rules are those rules published in writing from time to time by WFG to members containing certain additional requirements imposed on members as part of their

contractual relationship with WFG. Associate Agreement Guidelines and Rules are contractual supplements to this Agreement that are binding on the Associate and by this reference are made part of this Agreement. Associate Agreement Guidelines and Rules are not governed by the notice requirements of this Agreement; provided, however, that any changes set forth therein shall be effective as of the date of general publication.

D. “Corporate People”. Any and all of the officers, directors, and employees of WFG, whether present or past and whether in their individual or their corporate capacities.

E. “Covenants”. Those covenants set forth below in this Section E.

1. Valuable Assets of WFG. The Associate understands and acknowledges that WFG have developed, through the expenditure of considerable sums of monies, and owns, the following valuable, special and unique assets: i) a competent network of contractually affiliated sales associates/representatives, which representatives are located throughout Canada, but are and have been organized and trained, with the result that WFG is a highly effective marketing organization; ii) a lasting and sophisticated relationship with the Preferred Companies; and iii) the Customers particularly insofar as WFG receives its primary compensation from the sales of Products and Services to such Customers. The Associate understands and acknowledges that commissions the Associate earns from the sale of Products and Services constitute, in part, compensation for producing the property rights of WFG in its network of contractually affiliated sales associates/representatives and in the Products and Services sold by the Associate or his or her Downline Associates and for the Associate’s agreement herein not to violate or interfere with such property rights and not to breach the covenants set forth below.

2. Customer Non-Replacement. Absent the issue of the then current suitability of the product for the Customer, the Associate covenants that he or she will not, at any time during the term of this Agreement, and for a period of two (2) years thereafter, directly or indirectly, individually or in concert with another, induce or attempt to induce any Customer to terminate, reduce coverage under or replace any of the Products and Services which have been sold by the Associate or his or her Downline Associates. In this Section E, the term “Customer” shall be limited during the two (2) year period after the Termination of this Agreement, to those Customers i) to whom the Associate or his or her Downline Associates sold Products and Services and who continue to hold such Products and Services originally sold to them by Associate or his or her Downline Associates; and ii) who reside, at the time of the inducement or attempted inducement, in the geographical area within eighty (80) kilometers of the location of the Associate’s office(s) during the eighteen (18) month period preceding Termination of this Agreement. The Associate understands and acknowledges that this Section E (2) is not a non-solicitation covenant; it is a non-replacement covenant. For purposes of this Agreement the Associate’s office shall mean that office or offices from which the Associate, during the eighteen (18) month period preceding Termination of the Agreement conducted his or her business operations as an Associate of WFG. The Associate agrees and acknowledges that a breach of the Associate’s promise in this Section E (2) would constitute wrongful interference with contractual rights of WFG.

3. Associate Non-Recruitment. The Associate covenants that he or she will not, at any time during the term of this Agreement, and for a period of two (2) years thereafter, directly or indirectly: i) induce or attempt to induce any person who is contractually affiliated with WFG as a member or in other capacity, or any member of WFG’s administrative staff, to terminate their relationship with WFG; or ii) hire, induce, or attempt to hire or induce any such persons to sell or solicit products and services which are competitive with the Products and Services for any person or entity other than WFG. The Associate’s covenants in the preceding sentence are limited and only apply with respect to any person that resided in or engaged in business activities in the geographic area within eighty (80) kilometers of the location of the Associate’s office(s) during the eighteen (18) month period preceding Termination of this Agreement. The Associate acknowledges that any violation of this Section E(3) by the Associate with respect to any member of WFG’s network of contractually affiliated sales associates/representatives constitutes wrongful interference with WFG’s contractual relationship with such persons and with WFG’s and the Preferred Companies’ administrative staffs.

4. Non-Disclosure Covenant. The Associate will not use, disseminate or reveal, other than on behalf of WFG as authorized by WFG or the Preferred Companies, while this Agreement is in force, or within two (2) years after Termination of this Agreement, any confidential information or trade secrets of WFG or of the Preferred Companies, which the Associate has or hereafter receives, including any Customer or list of WFG associates, whether obtained from WFG or any other person or compiled by or on behalf of the Associate; provided, however, that confidential information does not include information which becomes generally available to the public other than as a result of disclosures by the Associate or any member of WFG’s network of contractually affiliated sales associates. The Associate agrees that immediately upon the Termination of this Agreement he or she will return all documents, files and lists containing any confidential information or trade secrets to WFG and the same shall not be copied or duplicated. For purposes of this Agreement the term “confidential information” means any and all confidential and proprietary data and information created by or belonging to WFG which has value to and are not generally known by the competitors or potential competitors of WFG now or hereafter acquired or disclosed to the Associate.

5. Non-Solicitation. The Associate shall not, at any time during the term of this Agreement, directly or indirectly, individually or in concert with another, solicit or attempt to solicit, induce or attempt to induce any member of WFG’s network of contractually affiliated sales associates/representatives to purchase any products and services other than the Products and Services.

6. Covenants Of Other Associates And Harm to WFG. The Associate acknowledges that all members of WFG’s network of contractually affiliated sales associates/representatives have executed agreements with WFG containing covenants identical or similar to the Covenants and that any act by the Associate to induce or attempt to induce any member to breach any portion of his or her agreement with WFG would constitute wrongful interference with the contractual rights of WFG with such member. The Associate acknowledges that WFG would suffer extremely costly and irreparable harm, loss and damage if, during the term of the Covenants, the Associate should violate any of said Covenants.

7. Equitable Relief. The Associate acknowledges and agrees that, in the event that he or she were to violate or threaten to violate any of the Covenants, WFG’s recovery of damages would be inadequate to protect WFG. Accordingly, the Associate agrees that, in the event of a violation, actual or threatened, of any such Covenants, WFG shall be entitled to injunctive relief and specific performance, notwithstanding any other provision of this Agreement to the contrary. The Associate acknowledges and agrees that injunctive relief and specific performance are appropriate and necessary in the event of a violation, actual or threatened, of such covenants because there may be no adequate remedy at law for violation of any of such Covenants in that, among other reasons, the property rights of WFG which are protected by such covenants are unique assets which cannot be readily replaced in any reasonable period of time or in any other way adequately protected.

8. Reasonableness and Severability. The Associate acknowledges that the Covenants do not restrict the geographic areas in which the Associate may have Downline Associates and in which the Associate or such Downline Associates may solicit for the sale of Products and Services and the members of WFG’s network of contractually affiliated sales associates/representative frequently share offices with and have access to Customer information of other members, whether or not in the Associate’s hierarchy. Accordingly, the Associate acknowledges and agrees that the Covenants would be reasonable even with a much broader geographical limitation. The Associate

understands that these Covenants constitute consideration for all post-termination accrual or payment of any commissions, including Override Compensation. The Associate agrees that the Covenants are reasonable as to the Associate and necessary to protect the interest of WFG and that WFG would not associate with the Associate unless he or she entered into these Covenants. The Covenants and the acknowledgements and agreements contained in this Section E are severable and separate, and should a court determine any covenant or portion thereof to be unenforceable, it shall not affect the validity of any other paragraph of this Agreement or portion thereof. The Covenants and the acknowledgements and agreements in this Section E shall be construed as independent of any other provision in this Agreement, except (notwithstanding Article IX(G)) accrual and payment of commissions and Override Compensation. The existence of any other claim or cause of action of the Associate, whether predicated on this Agreement or otherwise, shall not constitute a defense to those Covenants or the acknowledgements.

9. **Collateral Consequences.** In addition to the rights WFG has to enforce the Covenants, the Associate agrees and understands that, as a measure of liquidated damages, in the event of any breach by him or her of any of the Covenants or the provisions of this Section E, whether during the term of or after the Termination of this Agreement, no further commissions shall accrue or be payable to Associate by WFG, or shall be accrued or paid to reduce any Debit Balance, and any Debit Balance shall thereafter be immediately due and payable by the Associate. The foregoing is intended solely as a liquidated damages provision and is not a penalty clause. Compliance with each of the Covenants is an express condition for the accrual, earning or payment of any commissions and Override Compensation by WFG and the parties do not intend for any payment provisions under this Agreement to be enforceable by the Associate independent of his or her observances of these Covenants.

F. **"Customers"**. Any person, or entity, from whom any member, solicits or attempts to solicit applications for Products and Services.

G. **"Debit Balance"**. The balance remaining from time to time after subtracting the commissions and earned commissions actually earned but unpaid, which are due and payable by WFG to Associate, from any money and value owed (regardless of whether it is then due or not) by Associate to WFG, including but not limited to expenses; license fees; commissions and expenses that Associate is required to refund to WFG because of Customer or customer cancellations, rights of withdrawal, non-renewals, terminations, lapses or otherwise; Advance Commissions; Debit Balances of Associate's Downline Associate(s); expenses and fees incurred by WFG in attempting to register prospective Downline Associates of Associate; WFG for indemnification against Associate; and other claims by WFG against Associate; and any and all money and value which may be paid, advanced, or credited by or on behalf of WFG to, or for the benefit of, Associate.

H. **"Divestiture"**. Notwithstanding anything in this Agreement to the contrary, the Associate forfeits his or her right to receive commissions if the Associate's Termination is for "cause". Further, should Associate's Termination be without "cause" but Associate subsequently violates or fails to comply with any promise, obligation, covenant, warranty or representation contained in this Agreement or in any Associate Agreement Guideline or Rule which survives the Termination of this Agreement, such violation or failure will result in the automatic forfeiture by Associate. Divestiture is at the sole discretion of WFG.

I. **"Downline Associate"**. Any member of WFG upon whose sales, fees or revenue production Associate is entitled to earn Override Compensation.

J. **"Grievance"**. Any controversy, claim or dispute arising out of or relating to this Agreement, between the Associate, on the one part and WFG and/or any of the Corporate People, or any of them, on the other part.

K. **"Indemnified Loss"**. Any and all liability, claims, demands, proceedings, obligations, assessments, loss, cost, damage and expense, of any nature whatsoever, contingent or otherwise (including, without limitation, any and all judgments, decrees, equitable relief, settlements, awards, lawyer's fees, court costs, punitive damage and arbitration costs including arbitrators' fees).

L. **"Indemnified Party"**. WFG including the WFG Affiliates and the Corporate People.

M. **"Override Compensation"**. Those commissions that are earned by the Associate from sales of Products and Services made by other members and those commissions that are earned by the Associate from sales of products and services made by sales representatives or contractors, in accordance with commission schedules, rules and regulations issued by WFG from time to time. Override Compensation is earned only by the faithful performance of Associate's obligations under this Agreement, including, but not limited to, those obligations relating to Associate's Downline Associates.

N. **"Parties"**. WFG, the Associate and the Corporate People.

O. **"Preferred Companies"**. Those companies with whom WFG has established a contractual relationship authorizing members of WFG to solicit sales of Products and Services for such companies.

P. **"Products and Services"**. Those products and services selected, approved and designated from time to time by WFG for which Associate may solicit applications.

Q. **"Prohibited Actions"**. Associate is prohibited from, and agrees that Associate shall not: i) collect from Customers, in payment of the purchase of Products and Services, cash, or cheques made payable other than to the appropriate Preferred Company, custodian bank or transfer agent relating to such purchase, all as designated by WFG; ii) offer to sell any products and services unless such are Products and Services, except as otherwise expressly set forth in this Agreement; iii) offer or sell any Products and Services unless there exists at the time of such offer or sale an effective agreement between WFG and the Preferred Company, if any, making available such services; iv) make, alter or discharge on behalf of WFG any contract or investment or waive any provision other than in strict compliance with the terms and conditions of all applicable laws in accordance with this Agreement and the procedures, manuals, guidelines, rules and regulations with this Agreement and of WFG; or v) make any misrepresentation or improperly induce a Customer to purchase Products and Services.

R. **"Roll-up"**. The transfer, with recourse, of the Debit Balance of a Downline Associate to that Downline Associate's first above Upline Associate. The term Roll-up includes the transfer, with recourse, from a Downline Associate to Associate, and also from Associate to Upline Associate. The formula and procedure for "Roll Ups" are more specifically set out in Associate Agreement Rules.

S. **"Rules"**. Where required to be applied, the applicable provisions of the Model Law of International Commercial Arbitration as adopted by the Arbitrations Act, 1991, as amended of the Province of Ontario as in effect at the time of the occurrence of any Grievance.

T. **"Termination"**. The occurrence of any of the following: i) the automatic termination, without notice, upon: the death of the Associate; or the revocation, termination or non-renewal of any of the Associate's licenses and registrations with any regulatory agencies; ii) the termination by Associate at any time, without any reason or any cause, effective upon the delivery of written notice to WFG; or iii) if Associate fails to achieve and/or maintain a personal commission level of \$2,000.00 or more for the *Canadian Associate Membership Agreement & Glossary and Explanation of Terms 8.13*

first full calendar year of membership, or any calendar year thereafter, WFG shall have the right to terminate this Agreement, or iv) the termination by WFG at any time for “cause”, effective upon the delivery of written notice to Associate.

1. For Cause. For purposes of this Agreement, Associate agrees and acknowledges that any of the following will be “cause” for termination of this Agreement by WFG: i) Associate’s violation of any federal or provincial law or regulation; ii) Associate becomes subject to sanctions or censure by any federal or provincial regulatory agency or body; iii) Associate becomes temporarily or permanently enjoined from acting as a sales associate of WFG or conducting his or her business or performing any of his or her duties under this Agreement or from acting in any of the various capacities relating to the insurance or financial service business; iv) Associate is censured, suspended or disciplined in respect to the violation of any law, rule, or regulation regarding the purchase or sale of any products and services, including the Products and Services; v) misappropriation or commingling of premiums or payments for any Products and Services; vi) engaging in a fraudulent act or misrepresenting characteristics or benefits of the Products and Services; vii) any interference with the collection of renewal premiums; viii) Associate violates any law or regulation that governs the conduct of any part of Associate’s business; ix) Associate is indicted or subject to trial for any crime involving moral turpitude; x) Associate breaches any provision of, or fails to perform or observe any obligation under, this Agreement or any other agreement that the Associate may have, now or hereafter, as a member of World Financial Group; xi) Associate fails to timely discharge any monetary obligations to WFG; xii) Associate engages in any activity which, in the sole opinion of WFG, may adversely affect the good name and reputation of WFG; xiii) Associate’s failure to comply with the procedures, manuals, rules, and regulations promulgated from time to time by WFG, including the Associate Agreement Rules; xiv) any false or incorrect statements made by Associate in any application to a regulatory authority; xv) termination for any reason of any agreement between Associate and any WFG Affiliate or Preferred Company; or xvi) the failure of Associate to comply with WFG’s annual compliance review and review procedure.

2. Rights of WFG. At WFG’s discretion, instead of immediately terminating this Agreement, WFG may impose suspension of Associate’s benefits and rights and privileges, including suspension of rights to solicit for Products and Services and suspensions and loss of commissions, and may impose other disciplinary action, without liability to Associate for loss or otherwise. Suspension or disciplinary action shall not in any way preclude or diminish WFG’s rights to terminate this Agreement at any time. In the event of termination of this Agreement by either party, WFG shall be entitled to notify the Preferred Companies to terminate the Associate’s contract(s), if any, with the Preferred Companies, and Associate acknowledges and agrees that neither WFG nor the Preferred Companies shall have any liability for any loss, damage or otherwise resulting from such termination by the Preferred Companies or notice from WFG.

U. “Upline Associate”. Any member of WFG entitled to earn Override Compensation upon the sales activities of Associate.

V. “Vested”. The right of Associate to receive commissions and Override Compensation after Termination of this Agreement, unless and until Divestiture occurs, as allowed by law. If Associate becomes Vested, then, in the event that this Agreement terminates due to Associate’s death, WFG shall pay the commissions and override Compensation to Associate’s estate or, if specifically designated in writing by Associate, to Associate’s surviving spouse.

W. “WFG Affiliate”. Any legal entity that is under common control with WFG.



WORLD FINANCIAL GROUP
CANADA INC.

World Financial Group Canada Inc. (WFG) is a financial services marketing company whose affiliates offer a broad array of financial products and services.

World Financial Group Insurance Agency of Canada Inc. (WFGIA) offers life insurance and segregated funds.

WFG Securities Inc. (WFGS) offers mutual funds.

WFG, WFGIA and WFGS are affiliated companies.

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0051CN/6.15