

The Value of Advice

Studies and surveys have repeatedly shown that investors who work with financial advisors attain better results than those who don't. Investors with advisors are more likely to: have a financial plan, invest early, invest regularly and save enough for the future. As an industry-trained professional, your financial advisor plays a vital role to establish a roadmap towards keeping you on track to meet your financial goals.

Decoding CRM2

The Client Relationship Model - Phase 2 (CRM2) involves new securities regulations designed to achieve two fundamental outcomes: they will help you clearly understand how costs and performance are reported to you, and clarify the content of your accounts. Staged over three years, the process commenced in July 2013, with scheduled yearly enhancements, and full implementation set for July 2016.

The Advisor/Dealer Relationship

As an investor you recognize the importance of good advice and partnered with a professional financial advisor. In order to focus on you and help achieve this security, your advisor must work with a dealership; it's a legal requirement.

WHAT IS A DEALERSHIP?

A dealership provides the structural framework that facilitates and supports your advisor's business. It provides support to your advisor in a variety of ways, including developing, maintaining and managing:

- Operational infrastructure and technology
- Fiduciary matters
- Ensuring integrity of data against external parties such as fund companies
- Client service support
- Account and transaction processing
- Annual tax reporting
- Regular quarterly reporting

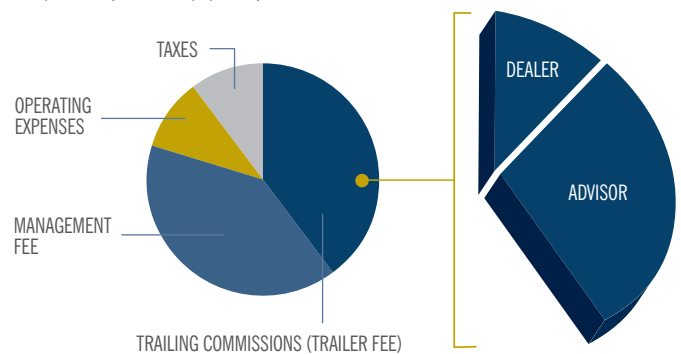
Your advisor's dealership also provides a full spectrum of Compliance services designed to help further consumer protection and advisor oversight.

Explaining Fees and Compensation

Typically your advisor gets paid in one of two ways: through a fee embedded in the cost of the mutual fund or a separate fee paid directly by you.

The cost charged by the mutual fund is known as a mutual fund's management expense ratio (MER). The MER is a measure of the total costs of operating a mutual fund. Within your mutual fund's MER there are three main components – fees, expenses and taxes:

Example shown is for illustration purposes only



OPERATING EXPENSES include: unitholder recordkeeping, trustee services and client reporting. Percentages charged to each fund vary depending on several factors, including asset class of investment fund.

MANAGEMENT FEES are paid to the fund manager to make investment decisions for the fund. The fund manager determines which securities to buy or sell. These decisions must reflect the investment objectives of the fund, as stated in the simplified prospectus.

TRAILING COMMISSIONS are paid to the dealer of record for each client account. It is a percentage; based on the assets of each account. The percentage range depends on a variety of factors including load type and fund type. Some load types do not include any trailing commissions as these are meant to be included in fee-based accounts.

The fund company pays to your advisor's dealer the trailing commission on your behalf. This trailing commission includes a portion for your advisor's compensation.

If your mutual funds are held in a fee-based account, you do not pay trailing commissions in your MER. In place, you pay a fee to your advisor's dealer based on the value of your assets. A portion of this fee includes your advisor's compensation.

Your Advisor and Worldsource Financial Management Inc.

Your advisor has chosen to partner with Worldsource Financial Management Inc. (WFM), a fully-integrated wealth management dealer. WFM supports independent mutual fund advisors across Canada.