



NON-REGISTERED

Investment Application



PLANNING



INVESTING



BORROWING



NON-REGISTERED Investment Application

FOR OFFICE USE ONLY

☐ FEE-BASED ACCOUNT

FEE PAYMENT: ☐ REDEMPTION ☐ EFT (Void cheque required)

Banking on file (bank): _____

(last 3 digits of account) _____

Related parties: _____

☐ NEW CLIENT

☐ EXISTING CLIENT

REP.

NUMBER

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ACCOUNT
NUMBER

--	--	--	--	--	--	--	--	--	--

Investor Information

☐ MR. ☐ MRS. ☐ MISS ☐ MS. ☐ DR. ☐ COMPANY

LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____

ADDRESS: _____

CITY: _____ PROVINCE: _____ POSTAL CODE: _____

PHONE: PRIMARY _____ BUS. _____ CELL _____ EMAIL: _____

SOCIAL INSURANCE NUMBER:

M	A	N	D	A	T	O	R	Y
---	---	---	---	---	---	---	---	---

 DATE OF BIRTH:

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

STATE YOUR PLACE OF BIRTH: _____ LIST ALL COUNTRIES IN WHICH YOU HOLD CITIZENSHIP: _____

LIST ALL COUNTRIES IN WHICH YOU FILE INCOME TAX RETURNS: _____

NAME OF EMPLOYER: (SCHOOL NAME/OTHER) _____ TYPE OF BUSINESS: _____

ADDRESS: _____

OCCUPATION: ☐ TEACHER ☐ EDUCATIONAL EMPLOYEE ☐ SCHOOL ADMINISTRATION ☐ OTHER _____

SCHOOL BOARD _____

AFFILIATIONS: ☐ OSSTF ☐ ETFO ☐ OECA ☐ AEFO ☐ COLLEGE ☐ UNIVERSITY ☐ PRIVATE SCHOOL ☐ OPC ☐ CPCO ☐ OTHER

WORKING STATUS: ☐ EMPLOYED FULL-TIME ☐ EMPLOYED PART-TIME ☐ RETIRED ☐ OTHER _____

PLEASE SELECT ONE OF THE TWO METHODS BELOW FOR CLIENT IDENTIFICATION VERIFICATION.

Method #1: ID Verification

Full name as it appears on ID	Issuing Authority	Date of issue (if applicable) (mm/dd/yyyy) / /
ID Type	ID Number	ID Expiry date (mm/dd/yyyy) / /
ID Place of issue (jurisdiction)	Issuing Country	ID Verification date (mm/dd/yyyy) / /

Method #2: Dual Method

Information verified: <input type="checkbox"/> Name and address + name and DOB <input type="checkbox"/> Name and address + name and confirmation of financial account <input type="checkbox"/> Name and DOB + name and confirmation of financial account	
Name of Reliable source of information	Reliable source of information type (example: utility bill, bank statement, etc.)
Reliable source of information account / reference #	Verification date (mm/dd/yyyy) / /
Name of Reliable source of information	Reliable source of information type (example: utility bill, bank statement, etc.)
Reliable source of information account / reference #	Verification date (mm/dd/yyyy) / /

Investor Information (cont'd.)

PLEASE COMPLETE IF APPLICABLE: ☐ JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP ☐ TENANTS IN COMMON

LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____

ADDRESS: _____

CITY: _____ PROVINCE: _____ POSTAL CODE: _____

PHONE: PRIMARY _____ BUS. _____ CELL _____ EMAIL: _____

SOCIAL INSURANCE NUMBER:

M	A	N	D	A	T	O	R	Y
---	---	---	---	---	---	---	---	---

 DATE OF BIRTH:

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

STATE YOUR PLACE OF BIRTH: _____ LIST ALL COUNTRIES IN WHICH YOU HOLD CITIZENSHIP: _____

LIST ALL COUNTRIES IN WHICH YOU FILE INCOME TAX RETURNS: _____

NAME OF EMPLOYER: (SCHOOL NAME/OTHER) _____ TYPE OF BUSINESS: _____

ADDRESS: _____

OCCUPATION: ☐ TEACHER ☐ EDUCATIONAL EMPLOYEE ☐ SCHOOL ADMINISTRATION ☐ OTHER _____

SCHOOL BOARD _____

AFFILIATIONS: ☐ OSSTF ☐ ETFO ☐ OECA ☐ AEFO ☐ COLLEGE ☐ UNIVERSITY ☐ PRIVATE SCHOOL ☐ OPC ☐ CPCO ☐ OTHER _____

WORKING STATUS: ☐ EMPLOYED FULL-TIME ☐ EMPLOYED PART-TIME ☐ RETIRED ☐ OTHER _____

PLEASE SELECT ONE OF THE TWO METHODS BELOW FOR CLIENT IDENTIFICATION VERIFICATION.

Method #1: ID Verification

Full name as it appears on ID	Issuing Authority	Date of issue (if applicable) (mm/dd/yyyy) / /
ID Type	ID Number	ID Expiry date (mm/dd/yyyy) / /
ID Place of issue (jurisdiction)	Issuing Country	ID Verification date (mm/dd/yyyy) / /

Method #2: Dual Method

Information verified: <input type="checkbox"/> Name and address + name and DOB <input type="checkbox"/> Name and address + name and confirmation of financial account <input type="checkbox"/> Name and DOB + name and confirmation of financial account	
Name of Reliable source of information	Reliable source of information type (example: utility bill, bank statement, etc.)
Reliable source of information account / reference #	Verification date (mm/dd/yyyy) / /
Name of Reliable source of information	Reliable source of information type (example: utility bill, bank statement, etc.)
Reliable source of information account / reference #	Verification date (mm/dd/yyyy) / /

PLEASE COMPLETE IF APPLICABLE: ☐ IN TRUST FOR

LAST NAME: _____ FIRST NAME: _____ MIDDLE NAME: _____

SOCIAL INSURANCE NUMBER:

M	A	N	D	A	T	O	R	Y
---	---	---	---	---	---	---	---	---

 DATE OF BIRTH:

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

Know Your Client Information – Mandatory

(Applicable securities laws require us to determine the general investment needs and objectives of potential purchasers before executing purchase orders. This information will be held in strict confidence.)

Investment Knowledge

P** S**

☐ ☐ SOPHISTICATED

☐ ☐ GOOD

☐ ☐ FAIR

☐ ☐ POOR

Investment Objective**

☐ INCOME _____ %

☐ MEDIUM TERM (Balanced) _____ %

☐ LONG TERM GROWTH _____ %

Investment Risk Tolerance*

☐ HIGH

☐ MEDIUM

☐ LOW

Marital Status

☐ MARRIED

☐ SINGLE

☐ OTHER

Investment Time Horizon*

☐ 1-2 YEARS

☐ 3-5 YEARS

☐ 6-9 YEARS

☐ OVER 10 YEARS

(*Please refer to Appendix A for more information.)

(**P is the primary account holder; S is the secondary or joint account holder)

Gross Annual Income

P** _____

S** _____

Net Worth* (includes spouse ☐)

LIQUID ASSETS \$ _____

FIXED ASSETS + \$ _____

LIABILITIES - \$ _____

NET WORTH = \$ _____

DID YOU BORROW MONEY FOR INVESTING IN THIS ACCOUNT? ☐ YES ☐ NO

SPOUSE'S NAME: _____ SPOUSE'S OCCUPATION: _____

NUMBER OF DEPENDANTS: _____

Investment Instructions

SOURCE OF FUNDS: ☐ CHEQUE DEPOSIT ☐ TRANSFER FROM OTHER INSTITUTION ☐ TRANSFER FROM ANOTHER EDUCATORS ACCOUNT ☐ EFT FROM BANK (please specify) _____

FUND CODE	FUND NAME	AMOUNT \$ OR %	PRE-AUTHORIZED CONTRIBUTION AMOUNT \$ OR %	SYSTEMATIC WITHDRAWAL AMOUNT \$ OR %
TOTALS				

☐ RE-INVEST DISTRIBUTIONS ☐ PAY DISTRIBUTION IN CASH (Please attach a void cheque)

Pre-Authorized Contribution Plan (PAC)

FEE-BASED ☐ FREQUENCY: ☐ ONE-TIME ☐ WEEKLY ☐ BI-WEEKLY ☐ SEMI-MONTHLY ☐ MONTHLY

START DATE:

PRE-AUTHORIZED CONTRIBUTION AMOUNT \$ _____

Where my application is for Pre-Authorized Contributions, I hereby authorize and request Educators Financial Group to draw on my account, whether the account continues to be maintained at the named branch or is transferred to another branch of the financial institution.

A VOID CHEQUE IS REQUIRED TO ESTABLISH A PRE-AUTHORIZED CONTRIBUTION PLAN

For the terms and conditions related to your PAC please refer to the attached Pre-Authorized Chequing Agreement.

ACCOUNT HOLDER'S SIGNATURE

DATE

JOINT ACCOUNT HOLDER'S SIGNATURE (IF APPLICABLE)

DATE

Systematic Withdrawal Plan (SWP)

FREQUENCY: ☐ WEEKLY ☐ BI-WEEKLY ☐ SEMI-MONTHLY ☐ MONTHLY START DATE:

SYSTEMATIC WITHDRAWAL AMOUNT \$ _____

WITHDRAWALS TO BE SENT TO: ☐ MAIL A CHEQUE TO HOME ADDRESS ☐ DEPOSIT TO BANK ACCOUNT

Set-up and changes are required by the 1st of each month.

A VOID CHEQUE IS REQUIRED TO ESTABLISH A SYSTEMATIC WITHDRAWAL PLAN

Federal ID Requirements

Educators Financial Group is required under the federal *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to obtain certain information regarding the identity of each individual who wishes to open an investment account at Educators Financial Group or who is authorized by the account holder to transact on such an investment account. The Act requires Educators Financial Group to use two methods to verify the identity of an account holder or the authorized representative of an account holder if that person wishes to establish his or her identity without a face to face meeting with a representative of Educators Financial Group. The two identification methods that Educators Financial Group has chosen are a credit bureau check and a cleared personal cheque.

If your initial purchase will be made by a method other than a personal cheque (e.g., *transfer from another account or institution*) or an attorney appointed by an account holder under a power of attorney, you must also include with this form a \$1.00 personal cheque from a Canadian financial institution, made payable to Educators Financial Group.

Indicate the primary purpose of the account

☐ PERSONAL SAVINGS ☐ RETIREMENT SAVINGS ☐ BUSINESS ACCOUNT ☐ SAVINGS FOR CHILDREN EDUCATION

OTHER _____

Use of Accounts by a Third Party

A) ARE YOU OPENING THIS ACCOUNT ON BEHALF OF ANOTHER PERSON? ☐ YES ☐ NO

B) WILL ANOTHER PERSON(S) HAVE A FINANCIAL INTEREST IN THIS ACCOUNT? ☐ YES ☐ NO

C) WILL ANY PERSON OTHER THAN THE ACCOUNT HOLDER OR AUTHORIZED REPRESENTATIVE OF THE ACCOUNT HOLDER DIRECT THE ACTIVITY IN THIS ACCOUNT? ☐ YES ☐ NO

(If you answered "yes" to either of these questions, please provide the following information about that third party.)

NAME OF THE THIRD PARTY

ADDRESS OF THE THIRD PARTY

| Y | Y | Y | Y | M | M | D | D |

DATE OF BIRTH OF THE THIRD PARTY (if he or she is an individual)

THE RELATIONSHIP THAT EXISTS BETWEEN THE ACCOUNT
HOLDER AND THE THIRD PARTY

THE PRINCIPAL BUSINESS OR THE OCCUPATION OF THE THIRD PARTY

Will this account be operated by or on behalf of?

1. A Politically Exposed Foreign Person* ☐ YES ☐ NO 3. Head of an International Organization* ☐ YES ☐ NO

2. Domestic Politically Exposed Person* ☐ YES ☐ NO

Is the account operated by a Family Member* or close associate* of the persons mentioned above? ☐ YES ☐ NO

By signing this form where indicated, I authorize Educators Financial Group to obtain information about me from a credit bureau solely for the purpose of Educators Financial Group being able to verify my identity in compliance with the client identification requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. I understand that Educators Financial Group will make no further use or disclosure of my personal identification information and that it will protect my personal identification information in accordance with the terms of its privacy policy.

(* Please refer to Appendix A for more information.)

Authorization

This is to confirm that I/we are applying to open an Educators Financial Group Non-Registered Investment Account. I/We further acknowledge that this application is subject to acceptance by Educators Financial Group. By signing here I/we verify that all the information provided is true, and you further confirm that you have read, understand and acknowledge receipt of Appendix A, the Privacy Protection Notice, the Pre-Authorized Chequing Agreement, the Client Complaint Information Form, the Complaint Handling Procedures, the Relationship Disclosure Notice and the Leverage Risk Disclosure.

I would like the ability to access my account online. ☐ YES ☐ NO

I would like to receive Educators eNews (*educator-specific financial tips, resources, and offers*) by email. ☐ YES ☐ NO

You may withdraw your consent at any time.

I would like to receive marketing communications, via SMS messaging, from Educators Financial Group. ☐ YES ☐ NO

You may withdraw your consent at any time.

Please refer to our privacy policy (<https://educatorsfinancialgroup.ca/privacy-policy-legal-notice/>) or contact us at 1.800.263-9541 for more details. If you opted in for online access and/or Educators eNews, please remember to include your email address in the Investor Information section.

INVESTOR SIGNATURE _____ DATE

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

JOINT SIGNATURE (IF REQUIRED) _____ DATE

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

SALES REPRESENTATIVE'S SIGNATURE _____ DATE

Y	Y	Y	Y	M	M	D	D
---	---	---	---	---	---	---	---

COMPLIANCE OFFICER'S APPROVAL _____ DATE OF APPROVAL YYYYYYYYMMDD

Risk Tolerance

Risk tolerance can be defined by how comfortable you are with fluctuations in the value of your investments. Please refer to the risk categories below to assist you in determining your own acceptable level of risk.

- **Low:** Demonstrate a low volatility and are for investors who are willing to accept lower returns for greater safety of capital and may include money market funds as well as some fixed income funds.
- **Medium:** Demonstrate a medium volatility and are for investors looking for moderate growth over a longer period of time and may include balanced funds as well as certain Canadian and U.S. Equity funds.
- **High:** Demonstrate a high volatility and are for investors who are growth oriented and are willing to accept significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. Examples may include labour-sponsored venture capital funds or funds that invest in specific market sectors or geographic areas such as emerging markets and science and technology funds.

Investment Objectives

- **Income:** Your objective is to generate current income from your investments and you are less concerned with capital appreciation. Investments that will satisfy this objective include fixed income investments such as funds that invest in bond or money market instruments.
- **Medium term:** You are seeking a combination of income and growth by investing in fixed income securities and equity funds. An account with growth and income objectives will typically hold at least 40% in fixed income investments and 60% in equity mutual funds.
- **Long-term growth:** You are seeking capital appreciation over the long term and current income is not a requirement. This may lead you to hold a relatively high proportion of funds that invest in equities if you also have a higher risk tolerance and long-term time horizon.

Time Horizon

Time Horizon is the period between now and the point when you will need to access a significant portion of the money you have accumulated.

Net Worth

Your Net Worth is calculated as estimated liquid assets (*i.e. investments, cash*) plus fixed assets (*i.e. real estate, registered plan assets*) less estimated liabilities (*i.e. mortgage, car loan*).

Who is a Politically Exposed Foreign Person (PEP)?

A foreign PEP is a person who holds or has held one of the following offices or positions in or on behalf of a foreign state:

- head of state or head of government;
- member of the executive council of government or member of a legislature;
- deputy minister or equivalent rank;
- ambassador, or attaché or counsellor of an ambassador;
- military officer with a rank of general or above;
- president of a state-owned company or a state-owned bank;
- head of a government agency;
- judge of a supreme court, constitutional court or other court of last resort; or
- leader or president of a political party represented in a legislature

Who is a domestic Politically Exposed Person? (PEP)

A domestic PEP is a person who holds — or has held within the last 5 years — a specific office or position in or on behalf of the Canadian federal government, a Canadian provincial government, or a Canadian municipal government:

- Governor General, lieutenant governor or head of government;
- member of the Senate or House of Commons or member of a legislature;

- deputy minister or equivalent rank;
- ambassador, or attaché or counsellor of an ambassador;
- military officer with a rank of general or above;
- president of a corporation that is wholly owned directly by Her Majesty in right of Canada or a province;
- head of a government agency;
- judge of an appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada;
- leader or president of a political party represented in a legislature; or
- mayor*.

* In line with legislation across Canada, municipal governments include cities, towns, villages and rural (county) or metropolitan municipalities. As such, a mayor is the head of a city, town, village, or rural or metropolitan municipality, regardless of the size of the population

Who is the Head of an International Organization? (HIO)

The head of an international organization is a person who is either:

1. The head of an international organization established by the governments of states; or
2. The head of an institution established by an international organization.

When we refer to the head of an international organization or the head of an institution established by an international organization we are referring to the primary person who leads that organization, for example a president or CEO.

Who is considered to be the family member of a PEP or a HIO?

If a person is a foreign PEP, domestic PEP or HIO, then certain family members must also be regarded as PEPs or HIOs. These family members are:

- their spouse or common-law partner;
- their child;
- their mother or father;
- the mother or father of their spouse or common-law partner; and
- a child of their mother or father (sibling).

Who is considered to be a close associate of a PEP or a HIO?

A close associate can be an individual who is closely connected to a PEP or HIO for personal or business reasons. Some examples are:

- business partners with, or who beneficially owns or controls a business with, a PEP or HIO;
- in a romantic relationship with a PEP or HIO, such as a boyfriend, girlfriend or mistress;
- involved in financial transactions with a PEP or a HIO;
- a prominent member of the same political party or union as a PEP or HIO;
- serving as a member of the same board as a PEP or HIO; or
- closely carrying out charitable works with a PEP or HIO.



PRIVACY PROTECTION Notice

Educators Financial Group ("*Educators*") is committed to protecting the privacy of personal information that we collect and maintain in the course of carrying on our business. This Privacy Protection Notice describes how we collect, hold, use and disclose your personal information. You understand that in signing this application that you consent to your personal information being collected, held, used and disclosed by Educators Financial Group as Agent for the Royal Trust Company.

1. Client Record and Personal Information:

We hold the personal information we collect about you (*and your spouse and/or beneficiary as applicable*) for the purposes identified in this Notice in your client record. Depending on the investment or service you request, you understand the personal information collected may include but is not limited to:

- Your name, address, telephone number, social insurance number, date of birth and account holdings;
- The name, address, social insurance number and date of birth of your spouse/partner and/or beneficiary;
- Your email address, school board and or affiliation; and
- Your banking information (*i.e. void cheque for setting up a Pre-Authorized Contribution Plan – PAC*).

2. Your Personal Information – Collecting, Holding, Using and Disclosing:

You understand that Educators may collect, hold, and use the personal information in your client record as well as collect personal information from and disclose personal to third parties identified in Section 3 for the following purposes:

- To verify your identity and to ensure the accuracy of information contained in your client record;
- To establish and maintain an investment account for you;
- To fully understand your investment needs, objectives and tolerance for risk so that Educators may determine appropriate investment strategies for you;
- To establish and maintain services that you may request such as a PAC (*Pre-Authorized Contribution Plan*) and/or a Group Payroll Deduction Plan;
- To execute transactions for you such as transferring funds by electronic or other means;
- To establish and maintain paper/electronic communications with you through mediums including newsletters, statements, eNews, special mailings, transaction confirmations, tax receipts and other information as needed to service your account;
- Verifying information previously given by you with any other organization when necessary for the purposes provided in this Notice;
- To occasionally conduct research to determine how better to serve our clients;
- To meet legal and regulatory requirements; and
- To provide me with information about Educators Financial Group products and services.

3. Third Parties:

- Educators may collect your personal information for the purposes identified in this Notice from third parties such as other financial institutions and mutual fund companies, and from third parties who represent that they have the right to disclose the information.
- Educators may transfer your personal information for the purposes identified in this Notice to our service providers, such as account statement preparation and mailing companies, courier companies and document storage companies. When Educators transfers personal information to our service providers, we ensure by contractual means that the transferred personal information is used only for the purposes for which the service provider is retained and is protected to the same degree as it is when in our possession.
- Educators may disclose your personal information to third parties when permitted or required by law, such as disclosure for tax purposes to the Canada Revenue Agency.

4. Your Rights:

- You have the right to expect that Educators will only use or disclose your personal information for the purpose for which it was collected, unless you give consent for it to be used for other reasons;
- You have the right to know who at Educators is responsible for protecting your personal information and that access to your information is restricted to and may only be accessed by employees of Educators whose professional duties require them to do so;
- You are entitled to access, through a written request, the personal information in your client record, subject to limited exceptions set out in law. You may verify this personal information and request in writing that any inaccurate information be corrected; and
- If your concerns about access to and/or the correction of your personal information have not been resolved to your satisfaction, or if you have questions or other concerns about the management of your personal information, you may contact the Privacy Officer at Educators. If after contacting Educators' Privacy Officer your question or concern has not been resolved, you have the right to file a formal complaint with the Privacy Commissioner of Ontario.



PRE-AUTHORIZED Chequing Agreement

(Not applicable for Locked-in RSP, LIRA, RIF, LIF, RLSP or RLIF account types)

By signing the Pre-Authorized Contribution Plan (PAC) section of the application form you agree to the following terms and conditions:

- You authorize Educators Financial Group to debit the bank account provided for the amount(s) and in the frequencies instructed.
- You acknowledge that your debit will be considered a Funds Transfer Pre-Authorized Debit (PAD) by Canadian Payments Association definition.
- You have certain recourse rights if a debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this pre-authorized debit agreement. To obtain more information on your recourse rights, you may visit our website at **www.educatorsfinancialgroup.ca** or contact us directly at **416.752.6843** or **1.800.263.9541**. Alternatively, you may visit the Canadian payments association website at **www.cdnpay.ca**.
- You confirm that all persons whose signatures are required to authorize transactions in the bank account provided have signed the Pre-Authorized Contribution Plan (PAC) section of the application form.
- You may change these instructions or cancel this plan at any time, provided that Educators Financial Group receives written notice at least 10 business days before your next scheduled PAD. To obtain a copy of a cancellation form or for more information regarding your right to cancel a preauthorized debit agreement, you may visit our website at **www.educatorsfinancialgroup.ca** or contact us directly at **416.752.6843** or **1.800.263.9541**. Alternatively, you may visit the Canadian payments association website at **www.cdnpay.ca**.
- You agree to release the financial institution of all liability if the revocation is not respected, except in the case of gross negligence by the financial institution.
- You agree that the information in this form will be shared with the financial institution, insofar as the disclosure of this information is directly related to and necessary for the proper application of the rules applicable for pre-authorized debits.
- You acknowledge and agree that you are fully liable for any charges incurred if the debits cannot be made due to insufficient funds or any other reason for which you may be held accountable.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

Client Complaint Information Form

Clients of a mutual fund dealer who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. MFDA Member dealers have a responsibility to their clients to ensure that all complaints are dealt with fairly and promptly. If you have a complaint, these are some of the steps you can take:

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.
- Contact the Mutual Fund Dealers Association of Canada (“MFDA”), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted:
 - By completing the on-line complaint form at www.mfda.ca
 - By telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332
 - By e-mail at complaints@mfda.ca¹
 - In writing by mail to 121 King Street West, Suite 1000, Toronto, ON M5H 3T9 or by fax at (416) 361-9073

Compensation:

The MFDA does not order compensation or restitution to clients of Members. The MFDA exists to regulate the operations, standards of practice and business conduct of its Members and their representatives with a mandate to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry. If you are seeking compensation, you may consider the following:

- Ombudsman for Banking Services and Investments (“OBSI”): After the dealer’s Compliance Department has responded to your complaint, you may contact OBSI. You may also contact OBSI if the dealer’s Compliance Department has not responded within

¹ You may wish to consider issues of internet security when sending sensitive information by standard e-mail.

90 days of the date you complained. OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI can make a non-binding recommendation that your firm compensate you (up to \$350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted:

- By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519
 - By e-mail at ombudsman@obsi.ca
- Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.
- Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit:
 - Manitoba: www.msc.gov.mb.ca
 - New Brunswick: www.nbsc-cvmnb.ca
 - Saskatchewan: www.sfsc.gov.sk.ca
- Québec: The Autorité des marchés financiers (“AMF”) pays indemnities to victims of fraud, fraudulent tactics or embezzlement where those responsible are individuals or firms authorized to practice under the legislation governing the provision of financial services in Quebec. It also rules on the eligibility of claims and sets the amount of the indemnities to be paid to victims. Consumers can thus be compensated to a maximum of \$200,000 per claim, through funds accumulated in a financial services compensation fund. For more information, please visit www.lautorite.qc.ca.



COMPLAINT HANDLING Procedures (CHP)

Educators Financial Group has procedures in place to handle complaints in a fair and prompt manner. This is a summary of those procedures, which we provide to new clients and to persons who have filed a complaint. This summary is posted on our website. New clients and those who submit a verbal or written complaint are provided with a copy of the Client Complaint Information Form (CCIF) which provides information for options that complainants have when making a complaint.

How Complaints Can Be Filed

All complaints may be directed to the Compliance Department by letter sent to our firm address below, by email; info@educatorsfinancialgroup.ca or by phone at 1.800.263.9541.

2225 Sheppard Avenue East
Suite 1105
Toronto, Ontario
M2J 5C2

How Complaints are Handled

We will send you an initial acknowledgement and response within (5) five business days of receiving your complaint. We will also send you a copy of our Client Complaint Information Form (CCIF), as well as a copy of our Complaint Handling Procedures (CHP).

We will investigate your complaint and look at all the information and documentation necessary. We may need to contact you for additional information and assistance is available if required for any reason. We will usually complete this process within 90 days or less and send you a written resolution response unless the case is very complicated and we are waiting for additional information.

If you are not satisfied with our response, a complaint can also be filed with:

- I. Mutual Fund Dealers Association of Canada (MFDA): Investigates complaints about mutual fund dealers and their Advisors and takes enforcement action where appropriate. There is no cost to clients to submit a complaint to the MFDA.

121 King Street West, Suite 1000
Toronto, ON M5H 3T9

Call: 416.361.6332

Toll Free: 1.800.263.9541

Fax: 416.361.9073

Email: complaints@mfda.ca

- II. Ombudsman for Banking Services & Investment (OBSI): Independent from the MFDA, government and the financial services industry. OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients.

401 Bay Street, Suite 1505
P.O. Box 5

Toronto, ON M5H 2Y4

Call: 1.888.451.4519

Fax: 1.888.422.2865

Email: ombudsman@obsi.ca

- III. You may also wish to retain a lawyer to assist with your complaint.

Settlements

Complainants may be required to sign releases or waivers for financial settlements offered and please be advised that our Advisors cannot enter into a private settlement without written consent of the firm.

Clients and complainants may contact us at any time to provide additional information or for updates on their complaint, by contacting our Chief Compliance Officer.

Privacy

If you have a complaint about the treatment of your personal information, you may contact the Compliance or the Office of the Privacy Commissioner of Canada at **1.800.282.1376**.



RELATIONSHIP Disclosure Notice

As a member of the Mutual Fund Dealers Association of Canada (MFDA), Educators Financial Group ("Educators") is required to provide all clients (*new and existing*), core information about the nature of their relationship between Educators and its financial advisors. The objective of the relationship disclosure requirement is to ensure that clients understand their obligations upon opening an account, as well as the obligations of Educators in regards to informing clients about service levels and costs.

Nature of the Advisory Relationship

As a client of Educators, you are responsible for making your investment decisions. However, you may rely on the advice given by your designated financial advisor – as the financial advisor is always responsible for the advice given, and for ensuring that the advice is suitable based on the client's investment needs and objectives.

Nature of Products and Services Offered

Educators offers the ability to choose from thousands of mutual fund products, including its own family of mutual funds. Our services include free financial planning, webinars, workshops, and for clients looking to purchase securities other than mutual funds, we have partnered with third party service provider, Qtrade and Virtual Wealth. In addition, Educators is also a Mortgage Brokerage firm offering mortgages to clients, as well as lines of credit and loans through various lending partners. For more detailed information on the specific products and services offered, clients can visit educatorsfinancialgroup.ca, or call **1.800.263.9541** and ask to speak to an Account Manager. Any cost of borrowing or other required disclosure under the *Mortgage Brokerages, Lenders and Administrators Act, 2006 (Ontario)* will be provided to you if you arrange a mortgage through us. If a referral is made to one of our lending partners for a line of credit or a loan, a separate disclosure document regarding our relationship with the lending partner will be provided to you.

Type of Client Accounts

Educators offers investment accounts such as Registered Retirement Savings Plans (RRSPs), Registered Retirement Income Funds (RRIFs), Registered Education Savings Plans (RESPs), Tax-Free Savings Accounts (TFSAs) and Non-Registered (Cash) accounts.

Commission and Fee-Based Accounts

Commission-Based Account

When you purchase Educators Mutual Funds, you pay a fee indirectly in the form of the Management Expense Ratio (MER). The MER includes an annual management fee that is calculated daily and is paid to Educators Financial Group to manage the Educators Mutual Funds and their investments, including the Portfolio Managers who make the investment decisions. Educators receives a trailing commission when your purchase 3rd party securities. This represents a portion of the MER that you pay indirectly to the 3rd party company.

Fee-Based Account

In a fee-based account, you pay a fee based on a percentage of the value of the money you have invested in the account. If you are in a fee-based account, Educators will not receive a trailing commission. Since no trailer fee is paid, the MER of the securities held in a fee-based account will be lower than the same security held in a nonfee based account.

Procedures Regarding Handling of Cash and Cheques

Educators does not accept cash deposits. All payments must be provided by cheque (personal or certified) or electronically through the client's financial institution. All cheques must be made payable to Educators Financial Group and should never be made payable to a financial advisor.

Suitability of Orders Accepted/Recommendations Made

Educators is required under securities legislation, and MFDA rules to:

- Ensure each investment recommendation is suitable for the client in relation to the client's investment objectives, risk tolerance, and other personal circumstances; and
- To perform a suitability assessment of all trades proposed by you, regardless of whether or not a recommendation is made

In addition, when any of the conditions noted below occur, we are required to perform a suitability assessment of the investments held in your account(s):

- When you transfer assets into an account at Educators;
- When Educators or your financial advisor becomes aware of a material change in your personal information such as your stated risk tolerance, time horizon and investment objective; or
- When there is a change in the financial advisor responsible for your investment account(s)

Definition of KYC (Know Your Client) Terms

We are required under securities legislation to collect certain personal information about you and your financial condition, pursuant to our KYC obligations. We do this through the KYC form and account application that you complete in order to open an account. This information also helps us perform our required suitability review when securities are traded in your account. It is therefore very important that this information be kept up to date. Please contact your financial advisor if any

of the personal information provided to us changes materially. Material changes would generally be any significant changes relating to your annual income, investment objectives, risk tolerances, time horizon or net worth. For a full description of KYC terms, including Risk Tolerance, Investment Objective and Time Horizon, please refer to your Educators KYC form and application.

Investment Risks

All investments have some level and type of risk. Simply stated, risk is the possibility you will lose money, or not make money on your investment. Each investor has a different tolerance for risk. Some investors are more conservative than others when making their investment decisions. It is important to take into account your own comfort with risk as well as the amount of risk suitable for your financial circumstances and goals. The risks associated with investing in a mutual fund are similar to the risks associated with the securities in which the mutual fund invests. Generally, the higher an investment's anticipated return, the greater the risk you must be prepared to take.

When deciding how much risk is right for you, think about how much time you have until you need the money: If you are investing for less than a year, you should not take undue risk. There may not be enough time to recover the full amount of your investment if the mutual fund falls in value. A longer time horizon allows you to take on more risk. Although the value of your investments may drop in the short term, longer investment horizons may help to lessen the effects of short-term market volatility.

It is important that you understand the risks associated with the funds held in your account. All of our funds have been assessed by us for their relative level of risk, and are rated as either: low, low-medium, medium, medium-high, or high, as applicable. The risk rating of any particular fund is set out in the Fund Facts sheet for that fund. There is also a detailed discussion of the risks associated with investing in mutual funds generally, as well as the risks associated with each fund, and a description of the various risk rating categories in the funds' simplified prospectus. We encourage you to review this material or speak to your financial advisor. For the specific risks associated with a particular fund, refer to the fund's simplified prospectus or speak to your financial advisor.

Risks associated with borrowing money to invest

Borrowing money, often referred to as leveraging, to invest is risky and should only be considered if you are:

- Comfortable with taking risk
- Are investing for the long-term
- Have a stable income and
- Are comfortable with taking on debt to purchase investments that may go up or down in value

If you use leveraging to invest, you may end up losing money:

- If the investments go down in value and you have borrowed money, your losses would be larger than had you used your own money
- Whether your investments make money or not you will still have to pay back the loan plus interest
- You may have to sell other assets or use money you had set aside for other purposes to pay back the loan
- If you used your home as security for the loan, you may lose your home
- If the investments go up in value, you may still not make enough money to recover the costs of borrowing

Conflicts of Interest

Under securities regulations, Educators Financial Group is required to identify material conflicts of interest that could arise between Educators Financial Group, including each individual acting on its behalf, and its clients. Furthermore, if an investor would expect to be informed of the nature and extent of an identified conflict of interest, Educators Financial Group must do so. The purpose of this disclosure is to provide you with a description of such conflicts and the measures Educators Financial Group has taken to prevent, avoid, and mitigate such conflicts.

All conflicts will be addressed in a fair and transparent manner, consistent with the best interest of our clients. We will try to avoid conflicts where possible, and in all other cases we will manage it through internal controls and policies. If a conflict can't be managed in your best interest, it will be avoided.

The following are potential conflict of interests and how they are managed in your best interest:

Advisor Compensation

Educators Financial Group Advisors are compensated through a combination of salary and incentive compensation. They do not receive any commission for selling specific products. The incentive compensation is based on achievement of metrics related to asset gathering, client acquisition, and other corporate metrics which may change from time to time. An Advisor may refer you to our Lending Services team if you are looking for a mortgage. A commission may be paid in the event you move forward with a mortgage through Educators Financial Group.

Educators Mutual Funds

Educators Financial Group offers proprietary mutual funds, available only from us and available exclusively to members of the education community and their family members. To ensure that the products we make available are in your best interest, controls are in place that include:

- Educators Advisors do not receive any benefit from recommending our proprietary mutual funds over the 3rd party mutual funds that are available through the organization
- Educators Investment Committee monitors our family of mutual funds on a regular basis to ensure that they remain competitive versus similar products made available by other 3rd party mutual fund companies

- Educators Mutual Funds charge a management fee which is disclosed in our Fund Facts document and provided to you in advance of a purchase. On an annual basis, we will report the total management fees on your Annual Charges and Compensation Report
- Educators Financial Group makes the 3rd party mutual funds on our product shelf as easily accessible to our clients as our family of mutual funds

3rd Party Mutual Funds

Educators Financial Group may receive compensation from 3rd party mutual fund companies based on their products we sell you, in the form of a “trailing commission”. In these instances, we will disclose the compensation in advance of the purchase and provide the Fund Facts document that outlines the compensation associated with that product. On an annual basis, we will report to you the total amount of trailing commissions received on your Annual Charges and Compensation Report.

Referral Arrangements

Educators Financial Group may enter into a referral arrangement with other registrant firms when we are unable to offer you a certain product or service that is determined to be in your best interest. In such instances, the other registrant firm may pay a referral fee to Educators Financial Group. The referral fee is a negotiated amount between the other firm and Educators Financial Group. The details of the relationship between Educators Financial Group and the other firm will be provided to you prior to account opening.

Outside Business Activities

Educators Financial Group Advisors may engage in business activities that are outside of our business activities. In these instances, the Advisor must get approval from us to engage in any such activity. Activities where a conflict of interest may exist will be avoided if it can't be addressed in your best interest.

Content and Frequency of Reporting

Educators sends out four types of reporting documentation: trade confirmations, quarterly statements, annual charges and compensation report and an annual performance report. Trade confirmations are sent out whenever a new transaction is processed through your account and are mailed within four business days from the date of the transaction. The confirmations include: the name of the fund(s), the type of transaction (*i.e. purchase, redemption, switch*), the unit price, the quantity transacted and trade date, as well as other pertinent information.

Account statements are sent out on a quarterly basis and consist of a detailed transaction history, an overall account summary showing the unit balance, unit price and market value for each fund, opening market value, and closing market value. Account rates of returns are also provided on statements of accounts. For more specific content, clients can refer to their respective trade confirmations and quarterly statements. We encourage you to review trade confirmations and quarterly statements carefully, so that you understand the transactions that have occurred in your account, your account holdings and performance.

Charges and compensation reports are sent out on an annual basis and provide you with details about the money received by Educators Financial Group throughout the year to provide dealer services to you. This report includes details about commissions from GICs, trailing commissions from 3rd party funds and High Interest Savings Accounts (HISA), and the Management Expense Ratios (MER) for Educators Financial Group funds.

Performance reports are sent out on an annual basis and provide you with details about how your accounts with Educators Financial Group have performed. The report includes details about your deposit and withdrawals and change in market value for the year and since inception. The report also includes your personal rate of return using a calculation known as the “money weighted method” for the periods of 1, 3, 5, 10-year and since inception.

If you have any questions about the various reporting provided, please speak to your financial advisor.

Compensation and Reference to Other Sources of Information

Educators charges an aggregate management fee plus HST for its combined services as investment fund manager and principal distributor to our fund—a portion of that management fee is used by us to pay the third-party portfolio advisers to our funds. We do not charge administration costs against our funds for regulatory filing fees, record keeping or accounting. Consistent with industry practice, the only additional costs charged to our funds in addition to our management fees are the fees and expenses of the Independent Review Committee and brokerage costs. If clients choose to close their account, Educators charges a \$150 fee plus HST for the full transfer of holdings in a registered account (*excluding RESPs*), as well as a non-registered account to another financial institution.

Further information with respect to fees and costs in respect of our funds can be found in our simplified prospectus, Fund Fact sheets, Annual Information Form (AIF), online at educatorsfinancialgroup.ca, or clients can speak to their financial advisor.

In addition, if we as a mutual fund dealer sell a third-party fund to you, we do not levy any sales charges for doing so. We may, however, receive trailer fees (*also known as service fees*) from that third-party fund in accordance with its policies in this regard for so long as the fund in question remains in your account with us. If we receive revenue in respect of any referral fee arrangements with others, we will provide you with specific disclosure regarding that referral arrangement and the associated fees we receive in accordance with regulatory requirements.

Performance Benchmarks

We do not currently use benchmarks in order to assess the relative performance of your account. We have, however, for many of our funds, established a benchmark, or a blended benchmark, consistent with the types of securities that the fund may hold, that we use to assess the effectiveness of the portfolio adviser appointed for that fund and to decide when a change of portfolio adviser would be appropriate.

R Digital Client Portal - Electronic Delivery of Quarterly Statements

Educators Financial Groups R Digital client portal offers you the ability to receive your quarterly statements electronically. By changing your preference to electronic in the client portal, you consent to Educators Financial Group delivering your quarterly statement by this method only. No paper copy will be mailed to the address we have on file once the preference is changed.

Our electronic delivery is currently limited to our quarterly statements at this time. Trade confirmations and tax slips will continue to be mailed to the address on file.

Electronic Delivery of Quarterly Statement

1. When your quarterly statements are posted to the client portal, you will receive an email notification to inform you that your statement is now available
2. If your email address has changed, you will need to update it directly in the client portal or contact our office so that we may update our records to avoid any delivery disruptions

Access to Quarterly Statement

1. Your quarterly statement is easily accessible in the client portal. Once logged into the client portal, simply select client documents from the menu option to view them
2. Your quarterly statements will remain available to you indefinitely. Should the retention policy change, you will be notified prior to the implementation of any new retention policy
3. You will have the ability to download and save as well as print the quarterly statements delivered electronically
4. If you wish to go back to receiving a printed copy of your quarterly statement by mail, you can simply update your delivery preference in the client portal to mail

Unsuccessful Delivery

Internal processes are in place to ensure that an email notification is successfully delivered to notify you about your quarterly statements being available. If the email notification delivery is unsuccessful, a paper copy of your statement will be mailed to your address on file.

Confidentiality of Documents

All necessary steps have been taken to ensure the confidentiality of your personal information as well as the information contained in your quarterly statement throughout the electronic delivery process. You may view a copy of our Privacy Policy here: <https://www.educatorsfinancialgroup.ca/privacy-policy-legal-notice>



LEVERAGE RISK Disclosure

RISK OF BORROWING TO INVEST

Here are some risks and factors that you should consider before borrowing to invest:

Is it Right for You?

Borrowing money to invest is risky. You should only consider borrowing to invest if:

- o You are comfortable with taking risk.
- o You are investing for the long-term.
- o You have a stable income.
- o You are comfortable taking on debt to buy investments that may go up or down in value.

You should not borrow to invest if:

- o You have a low tolerance for risk.
- o You are investing for a short period of time.
- o You intend to rely on income from the investments to pay living expenses.
- o You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

You Can End Up Losing Money

- If the investments go down in value and you have borrowed money, your losses would be larger than had you invested using your own money.
- Whether your investments make money or not you will still have to pay back the loan plus interest. You may have to sell other assets or use money you had set aside for other purposes to pay back the loan.
- If you used your home as security for the loan, you may lose your home.
- If the investments go up in value, you may still not make enough money to cover the costs of borrowing.

Tax Considerations

- You should not borrow to invest just to receive a tax deduction.
- Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest. Your advisor should discuss with you the risks of borrowing to invest.