

VALUE

# THE COST OF FINANCIAL ADVICE

If you have your financial assets professionally managed, fees are deducted from your holdings to compensate those professionals for the service and expertise they provide. Much like the fees you pay to a mechanic or a business consultant, there is an exchange of value in the relationship you have with your Financial Advisor.

**At Vancea Financial client loyalty and trust is our primary objective.** To that end, we want to fully explain our fees, the total fees that are deducted from your holdings, and, most importantly, how we intend to keep your trust and strengthen our Advisor-Investor relationships through transparency and honesty.

## Why Pay For Financial Advice?

Your financial portfolio is your most important asset. If nothing else, it's wise to seek advice on how to manage it. Regardless of your level of financial education, the securities industry is oft-changing and sophisticated. Outside expertise not only ensures your portfolio is actively and wisely managed, it provides additional benefits, including:

- ✓ Mandatory, regular 'know your client' sessions that clarify your risk tolerance, ideal asset allocation and financial priorities.
- ✓ Frequent reviews of your investment, retirement and/or estate plans.
- ✓ Continuous monitoring and evaluation of Fund Manager activity and performance (to ensure they earn their portion of the fees).
- ✓ Full awareness of industry or regulatory changes that need attention or create opportunity (such as Tax-Free Savings Accounts and Registered Education Savings Plans).
- ✓ Reliable, trustworthy market information and research to help guide your financial decisions.
- ✓ Sound financial management tactics that can help manage expectations, alleviate fear, prevent impulsive or emotional decisions (that conflict with your financial strategies) and prepare you for future financial milestones (such as retirement).
- ✓ Confidence that a trusted Advisor has you as prepared for your financial future as possible.

## The Vancea Financial Difference

Our approach to financial management is unique. We focus on managing risk, which includes your risk tolerance or the riskiness of a particular investment, but also the inherent risks in your overall financial strategy (including the risk of not investing in products that fit your financial profile). Furthermore, our Advisors are motivated by your long-term success. Where other Advisors might be motivated by corporate incentives or even job advancement, our Advisors benefit from a long-term, prosperous financial partnership with you.

**When it comes to advisory fees, we fully believe that if we can help improve your financial literacy and guide your financial behaviour, you will not only see the value in our advice, you will achieve financial peace of mind.**

## WHAT YOU NEED TO KNOW

### 1) MANAGEMENT FEES

Every managed investment product deducts a Management Expense Ratio (MER) from your holdings to cover the costs of managing that fund. A typical MER (2.50% in this example) may be broken down like this:\*

- 1.20%** to the Fund company
- 0.30%** tax (depending on Province)
- 0.15%** to the Fund Dealer
- 0.85%** to your Advisor
- 2.50%**

\* For illustrative purposes. Contact your Advisor for full fees disclosure.

### 2) SALES CHARGES

In addition to MER, each managed Fund charges a sales charge, in one of three forms:

#### Front-End Load

Paid when you purchase the Fund.

#### Back-End Load

Paid when you redeem the Fund. Typically decreases to 0% over time.

#### No-Load

No sales charge.

Be sure to discuss all fees and charges with your Advisor.

**Talk to your Advisor if you have any questions**