



This brochure is one of a series intended to help you invest successfully and achieve your financial goals. If you have any questions or comments, speak to your financial advisor directly or contact investor services.

HOW YOUR FINANCIAL ADVISOR IS COMPENSATED

Your financial advisor provides valuable financial advice and services to you and your family. This brochure will introduce you to the fee and commission options available to you when it comes to compensating your advisor.

You can read more about fees, commissions and how your financial advisor is compensated by visiting gpwealth.ca/learning.

The cost of advice

Independent research confirms that investors who use financial advisors on an ongoing basis achieve higher levels of wealth. In fact, a report commissioned by the Investment Funds Institute of Canada (IFIC) shows that investors working with financial advisors accumulate on average about three times the net worth and four times the investable assets as do-it-yourself investors.



To learn more about the value your financial advisor provides, download the Investment Institute of Canada's (IFIC) new report at:

[***gpwealth.ca/valueofadvice***](http://gpwealth.ca/valueofadvice)

DID YOU KNOW?

Independent research confirms that investors who use financial advisors on an ongoing basis achieve higher levels of wealth.

INVESTORS WHO WORK WITH FINANCIAL ADVISORS FOR 15 YEARS OR MORE ACCUMULATE 2.7 TIMES MORE IN SAVINGS THAN COMPARABLE INVESTORS WITHOUT ADVICE.[†]



GP WEALTH MANAGEMENT
INDEPENDENT THINKING WORKING FOR YOU

[†] Claude Montmarquette and Nathalie Vienno-Briot, *The Value of Financial Advice, The Annals of Economics and Finance*, 16-1, pp. 69-94, 2015.



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What your financial advisor can do for you:

- » **Comprehensive financial planning**
- » **Investment planning**
- » **Retirement planning**
- » **Education planning**
- » **Estate planning**
- » **Advanced tax planning**

Understanding fees and commissions

No matter what you purchase — whether it's a mutual fund, segregated fund, GIC or some other financial product — there are only two basic compensation models that your financial advisor can offer.

EMBEDDED FEES

Embedded fees or commissions are included in the overall product cost. For example, if you buy a mutual fund, an ongoing service fee is paid to GP Wealth Management and your financial advisor. This fee makes up a portion of the Management Expense Ratio (MER) that the fund company charges each year.‡

In addition to an embedded service fee, with some financial products, you pay a one-time sales commission, often referred to as a load.

There are two types of loads. With a front-end load, you pay a commission (generally from 0% to 5% of the amount invested) at the time of purchase. Or you can choose to invest with a back-end load, where you may pay a fee or commission when you sell the investment. Although you don't pay an upfront fee with the back-end load option, the mutual fund company may compensate your financial advisor with a fee or commission (generally from 0% to 5% of the amount invested).only recommending suitable investments.

FEE FOR SERVICE

Under this model, you pay GP Wealth Management and your financial advisor an annual fee that is a percentage of your total managed assets. Your financial advisor will then only recommend financial products that do not have embedded fees or commissions. Fee-for-service can provide more options for managing your portfolio. As well, for larger accounts, it can result in lower advisory fees because the more assets you have invested, the less you pay in fees as a percentage of the total assets.

SIGNATURE SERVICE ACCOUNT

Our Signature Service Account is a comprehensive and flexible fee-for-service account that gives you access to all the services, advice and investment options you need. Speak to your financial advisor to learn more.



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‡ If you would like to know and compare the MER for any mutual fund available, ask your financial advisor for the Fund Facts Document.