



Re: Client Focused Reforms (“CFRs”)

SUMMARY OF CHANGES

AS AT JUNE 30, 2021

On June 30, 2021 The Canadian Securities Administrators (“CSA”) implemented the first step of a series of reforms related to the securities industry. As a Member of the Mutual Fund Dealers Association (“MFDA”) WFG Securities Inc. (“WFGS”) will adhere to the new rules and ensure its Approved Persons (“APs”) comply with the CFRs. The following is a summary of the CSA requirements that may affect clients at this time.

A key part of the CFRs addresses the requirement to put the interests of clients first, and to disclose and resolve any real or perceived conflicts of interest. A conflict of interest may (or may not) arise when the interests of two different parties are not the same. For example, where commissions may be earned from the purchase of a product or the referral of a client to an approved related party. It is important for clients to understand that when mutual funds are purchased compensation will be paid to their AP. The same may be true for approved referrals for services not offered by their AP or WFGS. Please note that personal financial dealings with clients are strictly prohibited. APs should never request compensation be paid directly to them.

CFRs require that firms and APs disclose, document and address material conflicts of interest and ensure that they are in the client’s best interest. WFGS has robust processes and procedures to identify, document, address and disclose conflicts of interest. The following is a summary of the conflict of interest disclosure requirements being implemented as of June 30, 2021:

- **Compensation:** When compensation is earned from the sale of mutual funds, it is paid to WFGS directly and WFGS then pays your AP. WFGS does not add additional compensation nor incentivize the sales of any individual product or provider. It may be considered a material conflict of interest to receive third party compensation. WFGS reviews and assesses compensation related to incentives and third-party compensation arrangements to ensure they are without influence from any third parties. If a client is unsure regarding any particular product or service that has been recommended to them, or any of the information contained in

their WFGS client statements, they should contact their advisor, or wfgcanadacompliance@transamerica.com, for assistance. Please see below for the location of the Conflicts of Interest disclosure, to be reviewed at any time.

- **Referral Arrangements:** APs may refer clients to another party for services that may not be offered through WFGS. Such referrals may result in the payment of a referral fee to WFGS who then pays the clients AP. The CFRs also address referral arrangements and the fact that they must be in the client's best interest. WFGS has robust processes and procedures to document and disclose referral arrangements. Any referral arrangement should be in the client's best interest and consider the benefits to the client. If a client has been referred to, or is unsure of, a referral arrangement that has been recommended, they should contact their advisor, or wfgcanadacompliance@transamerica.com, for assistance.
- **Outside Business Activities ("OBAs"):** Conflicts of Interest may also exist in relation to OBAs. WFGS permits APs to engage in OBAs provided those activities are disclosed to, and approved by, WFGS Head Office. Once approved, APs are required to give their clients a disclosure form explaining the activity and how conflicts may be addressed. Client interests must take priority over any material or non-material benefit that an AP may receive and having this information will help make an informed decision. If clients have questions about, or are unsure of, an OBA their AP has, they should contact their advisor, or wfgcanadacompliance@transamerica.com, for assistance.

This disclosure has also been included with second quarter WFGS client statements. For clients that have not already signed up to receive your statements electronically, please consider doing so. New clients to WFGS can do so by using this link <https://winfund.wfgcanada.com/IA/Login>. The preferred browser to use this link is Google Chrome. Once you have signed up go to "My Profile" and "Document Delivery" and choose "Subscribe". Existing clients can access "My Profile" and "Document Delivery" and update the information directly.

It is important to read and understand the information contained in this disclosure document. It outlines potential conflicts of interest, including referral arrangements, that may be applicable to clients and that should be considered when making an informed investment decision.

For further information on Client Focused Reforms and to view the Conflicts of Interest Disclosure directly, please visit our website at <https://www.worldfinancialgroup.com/contact-us>. Please note that this disclosure will be available to be reviewed on our website as of June 30, 2021.