

# Segregated Fund New Account Application Form

(NAAF/KYC)



WORLD FINANCIAL GROUP  
INSURANCE AGENCY  
OF CANADA INC.

A Transamerica Company

# **World Financial Group Insurance Agency of Canada Inc.**

Clients should always read the Information Folder and ensure that a product is right for them before investing. All investments inherently carry a degree of risk, and clients should ensure that they are comfortable with the risks associated with their investment before their purchase.



# SEGREGATED FUND CONTRACT APPLICATION - DISCLOSURES AND DISCLAIMERS

All the details of the contract benefits and provisions that you should know about this segregated fund contract are contained in the Information Folder and Policy Contract. Please refer to them and review any questions you have with your agent.

Please note that the value of your contract can go up or down subject to the guarantees. Any withdrawals you make will reduce your guarantees. For full details, please refer to the appropriate section of the Insurer's Information Folder and the segregated funds contract. Also, note that the contract maturity date establishes when the contract guarantees will come into effect.

Segregated funds are investment products. The performance of the investment options available in segregated funds is not guaranteed. You should carefully consider your **tolerance for risk** when you select an investment option. Other critical factors to consider are your **investment time horizon**; your **investment knowledge** and your **investment objective**.

## POINT OF SALE DISCLOSURE

At the time you enter into a segregated fund contract, you must be presented with key documents.

- The **Information Folder** must be delivered to you before you sign the application for the segregated fund. The Information Folder must contain a **Key Facts** document that briefly describes the key features of the contract.
- You may choose to receive these disclosure documents either physically (in person, mail or fax) or electronically (e-mail or viewed online). You must sign acknowledging receipt of these documents.
- You need to be aware that the insurer must offer a two-day rescission right (i.e. free exit) that applies to the decision to enter into the contract and/or any fund selection.

## COMPENSATION DISCLOSURE STATEMENT

World Financial Group Insurance Agency of Canada Inc. (WFGIA), in performing our services on your behalf, may be eligible to receive compensation from one or more sources. Your agent can give you a complete explanation of the compensation he or she will receive if you buy insurance products, such as segregated funds.

## TERMS AND CONDITIONS

A withdrawal from one fund, and a deposit to another, will result in the funds being out of the market for at least one valuation day. Unit values fluctuate daily and there is a risk of being out the market during a unit value change.

- The withdrawal transaction could negatively affect the value of the contract's Death Benefit Guarantee.
- The withdrawal transactions could negatively affect the value of the contract's Maturity Guarantee.
- The withdrawal may result in a capital gain or a capital loss since it creates a taxable disposition (non-registered contracts only).
- You may be charged deferred sales charges for the withdrawal portion of this transaction.
- Movement between sales charge options must be within the same guarantee class.
- You have the right to change your mind within two business days of either the date you received confirmation, or five business days after it is mailed. With written notification we will refund the lesser of, the value of your deposit or the market value of the day we receive your request. Fees and charges will be refunded.

## RESPONSIBILITY

You will not hold WFGIA liable for any loss or any failure to obtain any profit that is caused directly or indirectly by government

restrictions, exchange or market rulings, suspension of trading, unavailability of any Electronic Service to allow for maintenance, updates or other reasonable cause, wars, strikes or other conditions beyond its control, or any errors or omissions in connection with or in the handling of orders relating to the purchase, sale, execution or expiration of any trades or any related matter, unless WFGIA was grossly negligent.

WFGIA will not act on any verbal instructions. In order to process a purchase, switch, sale, or any other transaction, written instructions will be required. WFGIA hereby guarantees repayment of any monetary loss that is incurred by the applicant as the result of a sale of segregated fund shares or units contemplated by this client application form, provided such loss is directly attributable to fraud, theft or negligence on the part of WFGIA, or an employee thereof.

## BORROWING MONEY FOR INVESTMENT PURPOSES

Leveraging consists of borrowing money for investment purposes. This allows you to make a larger investment than if you only draw on your own savings. For the purposes of this information sheet, assume that leveraging involves borrowing at least \$15,000 for an investment and repaying the loan over several years. **Borrowing to invest can involve significant risk.**

Before you use leveraging:

1. Read the documentation received on the risks of this strategy.
2. Determine your tolerance for risk. Make sure you have fully understood and evaluated the risks of borrowing to invest and that this strategy fits into your risk profile.
3. Make sure that your investment horizon is long enough (5 years minimum).
4. Make sure you fully understand the tax impact of this strategy.
5. Borrow only what you can repay without having to sell your investment. Do not borrow more than you can repay.

**Know exactly how much money you would lose in a worse-case scenario. For example, would you be able to handle a 30% decline in the value of your investments?**

## YOU HAVE A MEDIUM TO HIGH TOLERANCE FOR RISK

You should be comfortable with the risk of borrowing for investment purposes. This strategy is not appropriate for conservative investors whose profiles call for investments with a low level of risk. This strategy is more suitable for investors with long-term investment horizons (5 to 10 years). It is not suitable for older investors or those approaching retirement who seek to maximize income and preserve capital.



# INDIVIDUAL VARIABLE INSURANCE CONTRACT [SEG FUNDS] NEW ACCOUNT APPLICATION FORM (NAAF/KYC) DEALER 3057

**FOR FILING PURPOSES ONLY. DO NOT DUPLICATE.**

For corporate accounts, attach a Corporate Resolution, the Articles of Incorporation, confirmation of corporate name and confirmation of names of all Directors.

**CLIENT INFORMATION** [ Update to Existing Client  Corporate  ]

Mr.  Mrs.  Miss  Ms.  Dr.  Other \_\_\_\_\_ Language Preference:  English  French

First Name/Business Name \_\_\_\_\_ Last Name/Business Name \_\_\_\_\_ Social Insurance Number \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address/Contact Name and Position \_\_\_\_\_ Telephone Number (Residence) \_\_\_\_\_ Telephone Number (Business) \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_ Email Address \_\_\_\_\_

Employer Name \_\_\_\_\_ Address \_\_\_\_\_ Occupation / Nature of Business - Type of Legal Entity(for Corporate Accounts) \_\_\_\_\_

If Joint  
First Name \_\_\_\_\_ Joint Application / In Trust for Last Name \_\_\_\_\_ Social Insurance Number \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address \_\_\_\_\_ Telephone Number (Residence) \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_ Email Address \_\_\_\_\_

Employer Name \_\_\_\_\_ Address \_\_\_\_\_ Occupation \_\_\_\_\_

Spouse's Name \_\_\_\_\_ Spouse Date of Birth \_\_\_\_\_

**Foreign Tax Reporting Requirements - Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)**

**Client:** Declaration of Tax Residence

- I am a tax resident of Canada
- I am a tax resident or citizen of the United States or a Tax Resident of other jurisdiction \*You MUST complete and attach the Declaration of Tax Residence Form\*

**Joint Client:** Declaration of Tax Residence

- I am a tax resident of Canada
- I am a tax resident or citizen of the United States or a Tax Resident of other jurisdiction \*You MUST complete and attach the Declaration of Tax Residence Form\*

ITF clients must also provide FATCA information. Please add separate Declaration of Tax Residence form

For information related to FATCA and CRS, please refer to the Declaration of Tax Residence Form on Winfund.

[Declaration of Tax Residence for Entities Form](#) [Declaration of Tax Residence for Individuals Form](#)

**KNOW YOUR CLIENT INFORMATION (Individual)**

Approximate Income:  Under \$25,000  \$25,000-\$49,999  \$50,000-\$74,999  \$75,000-\$99,999  
 \$100,000-\$124,999  \$125,000-\$199,999  \$200,000-\$999,999  \$1 Million and over

**Net Worth:**  Including Spouse Liquid Assets: \$ \_\_\_\_\_ + Fixed Assets: \$ \_\_\_\_\_ - Liabilities: \$ \_\_\_\_\_ = Net Worth: \$ \_\_\_\_\_

Investment Knowledge:  Novice  Fair  Good  Sophisticated

Other Investments:  Bonds  Segregated Funds  Stocks  Mutual Funds  Term Deposits/GIC  Real Estate & Mortgages  
 Other \_\_\_\_\_

**KNOW YOUR CLIENT INFORMATION (Joint)**

Approximate Income:  Under \$25,000  \$25,000-\$49,999  \$50,000-\$74,999  \$75,000-\$99,999  
 \$100,000-\$124,999  \$125,000-\$199,999  \$200,000-\$999,999  \$1 Million and over

**Net Worth:**  Including Spouse Liquid Assets: \$ \_\_\_\_\_ + Fixed Assets: \$ \_\_\_\_\_ - Liabilities: \$ \_\_\_\_\_ = Net Worth: \$ \_\_\_\_\_

Investment Knowledge:  Novice  Fair  Good  Sophisticated

Other Investments:  Bonds  Segregated Funds  Stocks  Mutual Funds  Term Deposits/GIC  Real Estate & Mortgages  
 Other \_\_\_\_\_

**Investment Information**  Individual Account  Joint  Plan ID \_\_\_\_\_  New  Updated

Plan Type:  Non-Registered  RRSP  RESP  RRIF  LIRA  TFSA  SRSP  RDSP  LIF  (Other) \_\_\_\_\_

Investment Objective:  Safety \_\_\_\_\_%  Income \_\_\_\_\_%  Growth \_\_\_\_\_%  Speculative \_\_\_\_\_%

Investment Time Horizon:  < 1 Year  1 - 3 Years  4 - 6 Years  7 - 9 Years  10+ Years  20+ Years

Risk Tolerance:  Low \_\_\_\_\_%  Low/Medium \_\_\_\_\_%  Medium \_\_\_\_\_%  Medium/High \_\_\_\_\_%  High \_\_\_\_\_%

Purpose:  Tax Savings  Child Education  Retirement Planning  Estate Planning  Savings

**Investment Information**  Individual Account  Joint  Plan ID \_\_\_\_\_  New  Updated

Plan Type:  Non-Registered  RRSP  RESP  RRIF  LIRA  TFSA  SRSP  RDSP  LIF  (Other) \_\_\_\_\_

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Risk Tolerance:  Low \_\_\_\_\_%  Low/Medium \_\_\_\_\_%  Medium \_\_\_\_\_%  Medium/High \_\_\_\_\_%  High \_\_\_\_\_%

Purpose:  Tax Savings  Child Education  Retirement Planning  Estate Planning  Savings

**Will any other person or persons:**

- A) Have a financial interest in this account?  Yes  No If Yes, provide particulars \_\_\_\_\_
  - B) Have trading authorization in this account?  Yes  No If Yes, provide particulars \_\_\_\_\_  
(Trading authorization held by a third party for the client's account must be documented)
  - C) Are you acting on the instructions of another individual?  Yes  No
  - C) Are you opening this account on behalf of a third party?  Yes  No
- If yes, complete the WFGIA Third Party Determination Form and attach a copy of the Power of Attorney, if applicable.

**For Corporate Accounts:**

- Is the Company a Registered Charity?  
 Yes  No
- Is the Company Not-For Profit?  
 Yes  No
- Does the Company solicit charitable financial donations from the public?  
 Yes  No

**Politically Exposed Person (PEP)/ Heads of International Organizations (HIO)**

Please indicate if you, a member of your family (your spouse or common-law partner, your child, your mother or father, the mother or father of your spouse or common-law partner, or a child of your mother or father), or a close associate is a head of state or government; a member of the executive council of government or member of a legislature; a deputy minister (or equivalent); an ambassador or an ambassador's attache or counsellor; a military general (or higher rank); a president of a state-owned company or bank; a head of a government agency; a judge; a leader or president of a political party in a legislature; the head of an international organization established by the government of states; or the head of an institution established by an international organization.

Yes  No If yes, please provide details/position: \_\_\_\_\_

**Privacy Consent**

From time to time, your agent and/or World Financial Group Insurance Agency of Canada Inc. (WFGIA) may communicate with you via telephone, mail, email or other electronic means to discuss products and services sold by your agent and offered through WFGIA that may be of interest to you. Do you agree to be included in these communications and your personal information to be used for this optional purpose?

Yes  No (You may elect to unsubscribe or request to have yourself removed from these communications at any time by selecting the unsubscribe option in an email or by contacting the WFGIA Privacy Officer.)

**CLIENT IDENTITY VERIFICATION/FOR CORPORATIONS PROVIDE THE ID FOR AUTHORIZED SIGNATORIES**

The Proceeds of Crime Legislation (Money Laundering and Terrorist Financing Act) obligates World Financial Group Insurance Agency of Canada Inc (WFGIA) to verify the identity of any person(s) involved with an investment account. This includes any person authorized to give instructions on the account. The identity of a corporate applicant must be ascertained by verifying, in the same manner, the identity of the individual (officer) who is signing the NAAF on behalf of the corporate client. (NOTE: Client I.D. should be updated every 2 years (minimum) if the client has an existing account.)

Financial Institution Name	Transit Number	Institution Number	Account Number
Address	City	Province	Postal Code

**Client Approval Documentation**       Driver's License       Birth Certificate       Passport       Other (Specify) \_\_\_\_\_

Document Number: \_\_\_\_\_ Jurisdiction: \_\_\_\_\_ Expiry: \_\_\_\_\_

Citizenship:     Canadian     U.S.     Other (Specify) \_\_\_\_\_     Met Client in Person     I.D. verified physically by Agent

**Joint Applicant Approval Documentation**       Driver's License       Birth Certificate       Passport       Other (Specify) \_\_\_\_\_

Document Number: \_\_\_\_\_ Jurisdiction: \_\_\_\_\_ Expiry: \_\_\_\_\_

Citizenship:     Canadian     U.S.     Other (Specify) \_\_\_\_\_     Met Client in Person     I.D. verified physically by Agent

I/We hereby declare that I/we have provided original documentation to our agent in order to verify my/our identity and that my/our name(s), date of birth, the document number and issuing jurisdiction appearing therein, as indicated above, were correctly transcribed from such document(s).

I/We have read and understand the leveraging disclosure document included in this document.

I/We have read and understand the Client Complaint Information Form included in this document.

I/We have received, read and understand the Information Folder

I/We have read and fully understand the "Your Personal Information" section on the reverse and acknowledge and consent to the collection, use and disclosure of my personal information for the purposes identified therein.

By signing below, I/we acknowledge that I/we have read the disclosures on the reverse and I/we declare that I/we understand the charges, terms, conditions, client complaint information and provisions stated therein.

**Cheques must be payable to fund company and not directly to an agent.**

Application Signature	Date
Joint Application Signature	Date

Agent Name - Print Name	Agent Code	Agent Signature	Date
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**For Office Use**

\_\_\_\_\_  
Date

## **YOUR TAX RATE IS FAIRLY HIGH**

Borrowing money to purchase a segregated fund is particularly suitable for investors with fairly high tax rates because the interest payable on the loan is tax deductible. However, borrowing is not necessarily a good strategy based solely on tax benefits. You should not consider only this criterion when deciding whether or not to use leveraging.

## **YOU ARE IN A HEALTHY FINANCIAL POSITION**

You should be able to repay the loan in addition to the interest stipulated in the loan agreement. Generally, a loan for the purchase of an investment should not exceed 30% of your net worth and 50% of your net liquid assets. For example, if your net liquid assets total \$200,000, you should not take out a loan for more than \$100,000.

## **YOU HAVE THE REQUIRED KNOWLEDGE**

You should be aware of the risks associated with borrowing for investment purposes. When you use leveraging, the value of the securities purchased could decline and be lower than the value of the loan. You may be required to incur losses according to the terms of the loan. Furthermore, if you rely on the return generated by the securities you have purchased to cover the payments on the loan, you may be unable to repay the loan.

## **ONCE YOU HAVE TAKEN OUT A LOAN**

Notify your agent if your financial position changes. For example, divorce, loss of employment or retirement are events that should prompt you to review the suitability of leveraging. Monitor interest rates because when they rise, the cost of borrowing usually increases.

## **THE DRAWBACKS OF BORROWING FOR INVESTMENT PURPOSES**

The return on your investments may be lower than the borrowing rate (after income tax is taken into consideration) and your investments may lose value, and your financial institution may demand repayment of the loan. Remember:

- You will need to repay the loan in full
- You will need to pay all accumulated interest

## **FILING A COMPLAINT**

A market conduct complaint is any complaint that brings into question the actions of agents in regards to his/her conduct in connection with the sale, sales development or service of WFGIA approved insurance products. It is an expression of dissatisfaction against the insurer or your agent with the identification of real or potential harm that you have experienced, or may experience, and your request for remedial action.

For more information on how to file a complaint, contact the Compliance Department of the insurance company that issued the contract or the Compliance Department at World Financial Group Insurance Agency of Canada Inc.

## **PERSONAL INFORMATION**

World Financial Group Insurance Agency of Canada Inc. (WFGIA) is committed to protecting the privacy of all personal client information that is being collected, used and disclosed in the course of carrying out business with you. Upon receipt of this application, WFGIA will establish a file in which will be placed personal information about you concerning (a) this application, (b) any other form, application, authorization, trade ticket or other document you complete in relation to this application or to your investment account with us, and (c) other documents or information relating to the servicing and administration of this application or your investment account with us. We collect personal information about you from this application and any supplementary forms, and from our agents. We collect and use your personal information for the purposes of assessing and implementing your investment objectives and instructions, providing you with investment advice, servicing and administering this application and your investment account with us, and for such other purposes as are outlined in this application. Your information may be disclosed to your agent for the purposes identified above. Your Social Insurance Number will be used for income reporting purposes.

Your banking information will be disclosed to the financial institution(s) processing your investment deposits and withdrawals. You represent and warrant that you are authorized to provide the personal information of a referring third party as requested in this application.

From time to time WFGIA may use your personal information to determine which other financial or insurance products and services may meet your needs and to offer them to you. Your consent for this use of your personal information is optional. If you do not wish your personal information to be used for this optional purpose, please make the appropriate selection on the front of this form.

Employees or authorized agents of WFGIA who will be responsible for functions relevant to the purposes identified above, and other persons authorized by you or by law, will have access to the personal information contained in your file. Subject to exceptions set out in applicable legislation, you may access your file and request corrections to your personal information by sending a written request to World Financial Group Insurance Agency of Canada Inc. Attn: Privacy Officer, 5000 Yonge Street, Suite 800, Toronto, ON M2N 7E9.

**By completing and signing this application, you acknowledge and agree that you have provided personal and financial information that is true and accurate, and you consent to the collection, use and disclosure of your personal information as described herein or at the time of collection, and as required or permitted by law.**

If you have any questions concerning the processing of your transaction, please direct any inquiries to:

World Financial Group Insurance Agency of Canada Inc., Operations Support  
**5000 Yonge Street, Suite 800, Toronto, ON, M2N 7E9** Tel: 416-225-2121

## Our Goal:

To help people around the world achieve financial independence.

The WFGIA Difference:

- Our agents are trained to take a strategic approach, not just sell a product.
- We work with families to help them reach their personal goals.
- We'll help identify some of the best financial products the industry has to offer from our diversified product portfolio.

For more information, please contact your WFGIA Agent.

[worldfinancialgroup.com](http://worldfinancialgroup.com)



World Financial Group Insurance Agency of Canada Inc. (WFGIA) offers life insurance and segregated funds.

World Financial Group Canada Inc. (WFG) is a financial services marketing company whose affiliates offer a broad array of financial products and services.

WFG and WFGIA are affiliated companies.

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