

Investia Client Fee – FAQ

1. What is the process for collecting consent and banking information?

Since March 2023, we collect consent and banking information from new clients through the Investia NCAF and from existing clients through the Investia KYC Update Form.

In addition, when clients holding only client-name accounts log into the Investia Client Portal, they will be prompted to provide their consent and banking information if we do not already have it on file. **Only consents captured in previous years and up to June 30th of the current year will be charged the Client Administrative Fee.** If consent is not on file or received on June 30, the Client Fee will accrue to the following year.

For clients who completed the Client Administrative Fee Payment Information Form in 2022, we will consider this as consent and continue to pull the fees from the client's bank account, unless we have received consent through an NCAF or KYC Update Form.

2. How did Investia inform clients about the new fees?

- **December 2021** – The CRM2 disclosure section of the client's statement was modified to introduce the new annual Client Administrative Fee and the harmonized Investia nominee fee.
- **February 2022** – Advisors were provided with templated client communication letters introducing the Client Administrative Fee. For advisors who elected to pay the fees on behalf of their clients, we also provided a client letter template to this effect. Advisors are able to provide these letters to their clients as they see necessary.

3. What are the rules pertaining to administrative fees?

- One \$50 fee per client (SIN or corporation) is charged, plus applicable taxes.
- Clients holding both an individual and a joint account only pay a single Client Fee as the trigger for the payment is based on SIN.
- The fee is based on primary SIN – individuals who are only a secondary account holder will not be charged a Client Fee in 2024.
- The fee period is from January 1 to December 31.
- Clients who are active with Investia on December 31 of the previous year are billed early in the third quarter of the current year.
- New clients arriving during the year are not going to be billed until the following year.
- Clients who hold both an individual account and a corporate account are charged a Client Fee for each account.

We will waive fees for RESPS, RDSPs, segregated funds and closed products. All other account types are eligible to be charged, if not by taking the fee from their assets, we will take the fee from the client's bank account, where consent and banking information are on file. This relates to group accounts, ETFs, intermediary accounts, GIC only accounts, etc.

4. If there is a client-name open plan with multiple owners, who is charged and how is the Client Fee billed?

One Client Fee is billed to the primary owner of the account. If it is a joint account, the Client Fee is based on the primary holder of the account.

5. How will advisors know who is and is not eligible for the fee?

For a list of all eligible clients, please consult the Client Fee Dashboard on the Investia Advisor Centre. This will inform you of the eligibility status of all your clients for the Client Fee.

6. What are the Client Fee payment options?

Upon receiving client consent, the fee will be collected from the client's investments where possible, failing that, the fee will be pulled from the client's bank account. **Payments made by clients (credit cards, cheques, e-transfers) will not be accepted.**

7. Does banking information on the NCAFs and KYC Update Form require signatures on the supporting bank documents or are the signatures on the NCAFs/KYC Update Form acceptable?

As long as the client has signed the Investia NCAF/KYC Update Form, no further signatures are required on supporting bank documents.

8. Can the client choose to have the fees taken from their bank account rather than their Investia accounts?

No. As stated on the NCAF/KYC Update Form, the Client Fee will be pulled from the client's investments first. If we are unable to pull the fee from the client's investments, the Client Fee will be taken from the client's bank account.

9. Some of my clients do not have chequing accounts and are not computer savvy. How will the fees be collected for them?

We will take the fee from their investments, otherwise the fee will accrue until paid.

10. Can an advisor choose to pay the fee on behalf of some or all of their clients?

Yes, the advisor can pay the fee for their clients by deducting the amount from their commissions. The cost to advisors in 2024 is \$50 plus applicable taxes per eligible client. Advisors will be able to select the clients they wish to pay for on the Client Fee Dashboard between approximately the end of April 2024 and June 30, 2024. This will include all client account types, i.e., client-name, nominee and intermediary accounts.

IMPORTANT: If there is an amount owing from 2022 and/or 2023, these amounts will be added to the amount for 2024. For example, if the client has an amount owing of \$50 from 2022 and \$50 from 2023, the cost to the advisor for this client will be \$150 (\$50 for 2022 + \$50 for 2023 + \$50 for 2024) + applicable tax. The advisor will be charged the total amount owing. Advisors will be able to see if there is an amount owing on the Client Fee Dashboard while making their selection.

11. Why should a client provide consent if the advisor chooses to pay the fees on their behalf?

The client still needs to acknowledge and consent that Investia is charging the fee and that it can be taken from their investments or bank account. Should the advisor choose not to pay the Client Fee on behalf of their client in the future, we will have consent on file.

12. Will the client year-end statement disclose that the Client Fee was covered by the advisor?

If the advisor chooses to pay the fee, there will be no indication on the year-end statement that a Client Fee was charged.

13. When will deductions from commissions take place?

For advisors who pay the Client Fee on behalf of their clients, the commission deductions will be processed on the second week of September. For amounts greater than \$1,000, commission deductions will occur in equal instalments on:

- Second week of September
- Second week of October
- Second week of November

For advisors who wish to pay an outstanding Client Fee after the deadline of June 30, 2024, we will exceptionally continue to offer this option by opening the Client Fee Dashboard for a period prior to year-end, similar to what we did in 2023.

14. Will my clients still receive an invoice for the fees if I pay the fees for them?

No invoices will be sent this year.

15. Is the fee subject to sales tax?

Yes, the Client Administrative Fee is subject to applicable sales taxes.

16. What will Investia do to collect the fee from clients?

Until existing clients provide their consent through either the KYC Update Form or Client Portal, the fee will not be withdrawn from the client's assets or bank account. If Investia is unable to withdraw the fee by the due date, the amount will roll over to the next year. There is a disclosure on the statement that indicates any outstanding fees will be accumulated to the following year.

17. What happens if my client doesn't consent to Investia redeeming from their funds or bank account?

Providing consent and banking information has become mandatory through the NCAF for new clients and through the KYC Update Form for existing clients.

18. What about those clients who closed their accounts rather than paying the fee, will the advisor be charged and if so, how much?

It is our intention to charge clients leaving Investia provided we have obtained consent. If an advisor chooses to leave the dealership, the advisor will be responsible for paying all outstanding Client Fees.

19. When did the Dynamic fee waiver program cease to apply?

The Dynamic fee waiver program ended in 2022.

20. Will the iA Clarington fee waiver program continue to apply?

We are pleased to continue the existing iA Clarington Relationship Pricing program for new and existing **nominee account holders only**. Determination of the eligibility to waive the fees is based on using the assets of the client **with the primary SIN on file**.

For example, John Smith and Jane Smith each have individual client IDs, and they also share a joint client ID.

- John is the primary SIN on his individual account, in which he holds \$15K in CCM funds.
- Jane is the primary SIN on her individual account, in which she holds \$15K in CCM funds.
- John is the primary SIN on the joint account he shares with Jane, in which they hold \$10K in CCM funds.

	Individual Account		Joint Account				
	Value of CCM Funds	Primary SIN on the Account?	Value of CCM Funds	Primary SIN on the Account	Total Value of CCM Assets	Assets Eligible for iAC Fee Exemption	Fees Waived?
John Smith	\$15K	Yes	\$10K	Yes	\$25K	\$25K	Yes
Jane Smith	\$15K	Yes	\$10K	No	\$25K	\$15K	No

In this example, only John’s fee will be waived under the IA Clarington Relationship Pricing Program, because he is the primary SIN on both his individual and joint accounts, whereas Jane is only the primary SIN on her individual account, which means her joint account cannot be factored in for the fee exemption.

Fees will be waived in the following scenarios:

- If a client holds \$25,000 (book value or market value) or more in their nominee plans, they **will qualify** for their fee to be waived.
- If a client holds 100% of iA Clarington assets within all his Nominee plans, they **will qualify** for their fee to be waived. However, if they also hold other assets outside of their nominee account, they **will not qualify** for the waiver, unless those other assets are ineligible assets (RESPs, RDSPs, segregated funds or closed products).

For more information about this program, please refer to the following document: [Investia Relationship Pricing Program](#)

21. When will all the fees be harmonized, and the single \$50 Client Fee be effective?

As of January 1, 2024, fees are billed annually early in the third quarter.

22. Are we consistent with other dealers in charging a Client Fee?

Yes, other dealers and financial institutions have fee schedules that apply to their clients. In most cases, clients are unaware of what fees they pay. In line with our approach of open architecture, transparency and full disclosure, we believe that introducing one, single fee instead of a variety of fees makes it easy for the client to understand what they pay.

- We have introduced this program in the spirit of transparency as there are no hidden fees.
- We have removed all other fees and the only fee applicable is the Client Administrative Fee of \$50 plus applicable taxes.
- We are confident that we have one, if not, the most competitive offerings in the market.

23. How can I view my clients' payment statuses?

For advisors who would like to obtain a list of their clients who have paid their fees and those with outstanding fees, this information is available on the Client Fee Dashboard on the Advisor Centre. Payment statuses are updated weekly.

24. Will clients who hold only segregated funds have to pay the Client Fee?

As we are in the process of transitioning all segregated funds to PPI or the MGA of your choice, the Client Fee will not be applicable in this particular situation.

25. If my client holds assets in both a client-name and a nominee account, where will the fee be collected from?

In this situation, one \$50 plus applicable taxes Client Fee will be pulled from the nominee account.

26. Can the advisor request to pay the Client Fee after the Client Fees have already been collected for the year?

The deadline for advisors to request to pay the fees on behalf of their clients is June 30 of each year. If we have already collected the Client Fee for the year from the client, advisors **will not** be able to request an adjustment to have the fee reimbursed and deducted from commissions.

27. Which fund companies have we partnered with to be able to take client-name only Client Fees from?

We currently have 9 fund companies that we can pull assets from for client-name accounts. They are as follows: Fidelity, CI Investments, iA Clarington, Invesco, Dynamic, Mackenzie, CIBC, TD Investments and Manulife. In 2024, we are working to add a few more to this list.

28. How is it determined which plan and fund the fees will be taken from?

The following is the hierarchy of the plans we take from; RRSPs, LIRAs, RRIFs, LIFs, open, TFSAs, and then leverage accounts. Within the appropriate plan, we pull from the highest market value, lowest cost fund. For clients with only GIC accounts, group RRSPs and intermediary account, we will take the fees from the client's bank account where both the client's consent and banking information are on file.

29. Are my fees waived if I am an Investia advisor with my own account?

Advisors, their spouses and assistants with Investia, will be eligible to have their own personal fees waived if their assets are held in a **nominee account with Investia**. This also includes corporate accounts of the advisor. A request to provide the client IDs to identify these accounts was sent out in Q2, to be completed and returned no later than May 16, 2024.

30. What happens if there is a change of advisor during the period that the Client Fee Dashboard is open if an advisor wishes to pay for their clients' fees?

If the original advisor has selected to pay for the Client Fees and indicates that in the Client Fee Dashboard, that option/selection will remain with the client as the rep code change is processed and the selection will appear under the new advisor in the Client Fee Dashboard. The fees will be deducted from the new advisor's commission. If there is a sale of a book of business from one advisor to another, this should be discussed as part of the negotiations of the sale transaction.

Additional information

For more information pertaining to Client Fees, please refer to the following documents, which are also available on the Investia website at investia.ca:

- [Investia Administrative Fee Schedule](#)
- [Investia Relationship Disclosure Document](#)