

# GET READY FOR F-CLASS



iA Financial Group offers you the possibility of negotiating your compensation with your clients. Even if you have experience with fee-based options, keep in mind that the administration rules for this compensation method may vary from one company to another.

**To be fully prepared to integrate the F-Class in your sales process, take the time to:**



Determine whether the F-Class is something you should consider, with the help of this document



Complete the training on iA Campus



Read and fully understand the *Advisor Guide* available in the Advisor Centre



Register for the sales taxes that apply in the province where your workplace is located

## Does the F-Class correspond to your client's profile?

- My client has \$100,000 or more in assets
- My client has concerns or questions about segregated fund fees
- My client has significant assets with other financial institutions



**Be well-prepared for your meetings to succeed with the F-Class. If the F-Class does not correspond to your client's profile, other solutions can be proposed.**

## Do you master the art of negotiating?

- **Are you ready to promote your value as an advisor?**
  - Prepare a summary of your skill sets and professional career path and be ready to present it to your client.
- **Are you comfortable discussing segregated fund fees and explaining the benefits of these funds?**
  - Refer to the *Understanding segregated fund fees* (F13-966A) document to help you address the subject.
- **Have you reviewed the suggested fee rate schedule?**
  - Refer to the *Advisor Guide* to learn more.
- **Do you have a copy of the *F-Class funds advisory fee agreement* (F51-348A) form for your client to sign?**
  - Go to the Document Centre to obtain a copy.




**The F-Class is suited to advisors who are comfortable negotiating. Consider coaching if you want to further develop this skill.**

## Are you familiar with managing sales taxes?

- Are you registered for the taxes that apply in the province where your workplace is located?
- If your workplace is in Quebec, do you have a QST (Quebec sales tax) number?
- Do you know the dates on which instalments must be paid to each level of government?

 Create reminders in your agenda to avoid late payment penalties.

- Did you know that the sales taxes due to each level of government will be paid to you at the same time as your advisory fees?
- Do you know which documents to consult to know the tax amounts to be paid to each level of government and how to keep track of these amounts?

 Why not deposit the value of the taxes in a high interest savings account while you wait to pay them to each level of government?

**IMPORTANT!**  
If your workplace is located outside Quebec, you cannot sell F-Class to residents of Quebec.



**JOE**  
Financial Security Advisor  
**3 years of experience**

### Case study

Joe intends to offer the F-Class to several of his clients to give them more clarity in terms of the fees associated with his advice. Joe assumes that registering for and declaring sales taxes does not apply to him. Nine months later, he realizes that all of his colleagues are registered for sales taxes and that they have just submitted the amounts due to each level of government. Unfortunately, he used the sales tax amounts that he received to make a down payment on his house. He did not know that these amounts were paid along with his fees.

Joe will therefore have to pay these amounts out-of-pocket in order to pay each level of government the sales taxes that are owed to them, in addition to related interest and fines.

### Points to remember

- Before promoting the F-Class, iA requires advisors to be registered for the payment of sales taxes at all times.
- Plan ahead and consider the high interest savings account option, in which you can temporarily deposit all tax amounts due.
- Consult the *Advisor Guide* for more information concerning the sales tax registration and payment process.



**AMELIA**  
Financial Security Advisor  
**6 years of experience**

### Case study

Amelia has set up a meeting with a prospect who has significant assets that she would like to consolidate at iA. She plans to offer the F-Class to help convince her client to transfer their assets.

When the time comes to negotiate her fee rate, she becomes uncomfortable as it is clear that her client is quite a strong negotiator.

Since she is keen to have this person as part of her client base, she accepts a rate of 0.55%, whereas this rate does not correspond to the suggested fee rate schedule or the agreed upon level of service.

### Points to remember

- The F-Class is suited to advisors who are comfortable negotiating.
- Clearly define the value of your advice and make a case for it with your clients to avoid offering a rate that is not up to the level of service you have to offer. The negotiation is a success when both parties are satisfied with the result.
- Use the suggested fee rate schedule available in the *Advisor Guide* to guide you during negotiations.
- Consider having someone on your team coach you in negotiating techniques, if this is something you need to work on.

# F-CLASS

**Are you ready to make the F-Class  
a part of your sales process?**

## When is it good to play the F-Class card?



**To encourage  
asset grouping**



**To strengthen  
client loyalty**

## What are the advantages?



### **More clarity**

Provides total transparency on  
what the client pays for your  
services



### **More flexibility**

Aligns client expectations with  
the value of your advisory role

**INVESTED IN YOU.**