



Creating Your Value Proposition When Working with a Financial Advisor

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Everyone selects a financial advisor based on some criteria they believe are important. And they hope that this financial advisor will develop into a partnership that will last forever and see them reaching their financial goals thanks to the leadership of the financial advisor.

But so often people terminate relationships with financial advisors after only a few years – what has broken down so quickly? Why is the marriage over already? This document discusses what I call in my practice the “value proposition between an advisor and client”. In the next several pages we will define what criteria matter in selecting and keeping a financial advisor – how to apply these criteria and how to interpret results. My goal, in the end, is to create a transparent process and set of guidelines to let the Canadian family have greater success in finding that lifelong partner advisor and ultimately reach their goals.

What is a Value Proposition?

If you walk down the aisle in the grocery store and see the organic apples selling for twice as much as the regular apples (potentially with pesticide residue on them), you make a judgment call about whether the extra cost of organic apples is worth the supposedly lower risk of getting cancer someday from the regular apples. You decide on what is best for you based on a cost and a set of principles that are meaningful to you as a person.

Financial services should be no different – a value proposition means that for the fees you pay, the services you receive, the service you get and the relative performance of your investments are all good value for those fees. Value that is so good that you are going to stay with that advisor and his or her plan for the long term.

Here is my formula for a value proposition between an advisor and their client:
$$\frac{\text{(Financial planning services + Service + Investment Returns)}}{\text{Cost of the Relationship}}$$

Let's break down each component of the value proposition to understand it:

Services – services are what you have engaged the advisor for. Perhaps it is just investment management of your portfolio or to sell you life insurance once. But perhaps it is also to map out your retirement cash flows, or track your children's savings progress for post secondary education, or provide guidance on mortgages and debt, savings vs. spending, how much to spend on a new home, car leases, advice on career finances like pensions and benefits, help making a Will, an overall estate plan and more – these are the range of services a financial advisor may provide. They are a form of menu in a financial services cafeteria and as you age and change, your need for these services will evolve.



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Service – this is the “little things” that make an advisory relationship stronger – returning phone calls or emails quickly, knowing how you take your coffee, paid for parking, flexible meeting hours and meetings held closer to your home or place of business and quickly dealing with all issues and needs. Service matters in a highly competitive industry like financial services in Canada – no one wants to stand in line at the bank for thirty minutes only to talk to a junior person that doesn’t even know your name. And you may never see the same person twice – good service is worth paying for if it leads to better advice and / or time savings and therefore improving your value proposition.

Relative investment performance – As a financial advisor, we all know we are judged on investment performance more than anything else. We are comfortable with this, as long as it is done fairly. Being unhappy with a good advisor because of low performance results last year when everyone has had the same results is not fair. A number of factors impact investment performance and should be considered as part of your evaluation when you are judging your advisor on portfolio results:

- **Cost** – you always need to know and control the cost of investing (commissions, fees, MERs, loads, etc) as fees are one of the few true drags on performance. Costs of investing should reflect the financial planning services you are buying, the expertise of the advisor and team and the time commitment on your file for the year (in front of and behind the scenes).
- **Taxes** – the amount of income tax triggered by trading or distributions and other income generated by the portfolio reduce your after tax returns yearly.
- **Trading frequency** – does not affect performance based on ample sources of long term research on the topic from around the world. Anyone who judges an advisor by how often they trade is outright wrong – you may want to believe that trading a lot helps returns because the TV and newspapers who report daily results appear to make this true. But whether you are an active trader or a buy and hold investor, over a long enough period of time, both have been affective at generating strong results – in fact, the active trader triggers more taxes and fees and this can lead to poorer long term returns compared to a lower frequency trading investor.
- **Investment style** – whether you buy Canadian stocks or foreign stocks, big companies or little companies, are a growth investor or a value investor, follow technical analysis or bottom up investing or follow any of the many investing styles, one thing is certain: no single style works best. Every investing style works well for a day, or a month or a year or two, but inevitably different styles of investing rise and fall overtime.

How do you calculate investment performance? It is easiest if you ask your advisor to provide it for you. Here is what you need:

1. Ask the financial advisor to provide you with a rate of return on your portfolio for the most recent calendar year (e.g. 2011). The rate of return should be a consolidated rated of return for all of your investment accounts focused on the same goal. The calculation should be done using the modified Dietz method of calculation and the results should be verified by the dealer and provided on their official letterhead. Most if not all advisors in Canada have an easy ability to send you this report if you ask for it. You should be concerned if the advisor refuses to provide the data.
2. Through a variety of sources (or through your advisor), obtain statistics on how several benchmarks also performed in 2011. For example, the TSX 300 is a benchmark that replicates the performance of the 300 largest stocks in Canada and is commonly used by money managers to compare against. So is the S&P500 for the US market and MSCI EAFE for overseas. Compare your portfolio performance and determine if you underperformed significantly (note there will always be a fee difference that you should factor in) – repeated underperformance over several years (three to five) should lead to replacement of the product or your advisor or both.



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3. Repeat the comparison from #2 above but this time compare to a relevant peer group of competitive money management products. Using a data source from Globeinvestor gives you easy access to investment returns of your advisor's competitors – again, if your products or your advisor lag the peer group repeatedly – say over three and five years, consider replacement of the product.

Cost of the relationship – The final part of our value proposition formula is the price you are paying for the apples – meaning are you paying for all the planning services, the meetings, the behind the scenes work all year, the relative performance and the service. There are several ways to pay for your relationship overall:

1. Flat fee – you can pay a set amount, \$1000/ year, \$10,000/ year or some fee that you agree to pay. This fee is invoiced and part of it may be tax deductible.
2. Hourly rate fee – perhaps you prefer to pay an hourly rate fee for services - \$100 to \$250/hour is common. Note that neither of the above methods are effective if you want year long services – for example, if you want an advisor to watch over your investment portfolio all year long, watching for issues, opportunities and threats to your stocks, funds, etfs and other products, paying an hourly rate will prove to be very expensive if you pay this fee everyday.
3. Commission based investment accounts – widely held to be the most common approach to paying for investment products in Canada. This approach is transactional, meaning you pay a commission when you buy and sell. For stocks, this means a one time stock commission of often 1% to 3% of the trade value. Bonds and GICs are already sold net of commissions. Mutual funds come with four different load commission options. The product costs you incur go to pay for the defined list of advisory services you have agreed to as part of your value proposition.
4. Asset based fee investment accounts – very popular for high net worth investment accounts, you pay a single annual advisory fee that is a percentage of the total portfolio value. Advisory fees range from 0.50% to 2.75% per year and depend on the type of asset, account size and the array of services you agree to. Asset based fees are more visible, decline as accounts grow and can be more tax deductible than other fee types.
5. A blended approach – you can mix and match different fee types to further refine what suits you best. Perhaps a commission based approach is preferred for low yielding bonds while an asset based fee approach gets you closer supervision of a stock portfolio and is a more tax deductible fee.

So to summarize, every Canadian seeking investment advice from others needs to define what they want and what fees they want to pay – you need to sort out your value proposition using the variables I have defined above:

Financial planning services – which services?

Service & Communication – how often will we communicate?

Relative investment performance – how am I doing compared to others and the market?

All divided by total fees you pay in a year.

This is a well defined value proposition that should be applied to your financial advisory relationship every year.



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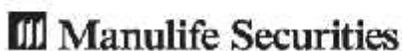


The Value Proposition for The Wealth Management Practice of Kurt Rosentreter

In our practice we have done a lot of thinking about this value proposition. In fact, we have never seen any advisor, anywhere, even begin to think about client satisfaction to the level to which we put it into action every day. In the rest of this document we will now provide details on the various criteria that any Canadian can use successfully to select and evaluate a financial advisor. And, at the same time, we have answered the questions as to how our practice is structured. Take note – this set of questions is thorough and hard hitting. Some advisors may resist answering them – don't be satisfied unless all your questions have been answered satisfactorily, and you feel that there is a solid foundation for trust and transparency in the client/advisor relationship.

Questions to Evaluate Financial Advisors in Canada

	Kurt Rosentreter's Practice	Other Financial Advisors
Qualifications & Licensing		
What is your educational background that qualifies you to do this work?	University of Manitoba four year degree, Honours Finance; seven professional designations; Chartered Accountant	
What are your years of relevant experience working with clients like me?	Twenty five	
How many of your professional designations require annual continuing education?	Six	
Do you have a relevant university degree?	Bachelor's Degree in Business; four years	
Do you provide me with an engagement letter at the start of our relationship?	Yes, ten pages.	
What was the result of your last audit by the national self regulatory body (MFDA or IROC)?	No material findings.	
Can I see your certificate showing up to date errors and omissions liability insurance?	Yes, reconfirmed yearly.	
What annual training and development do you do to continue to stay on top of your profession?	More than 30 hours a year across six designations on all topics of finance.	
What level of licensing do you have for investments? (Portfolio manager, registered rep, mutual fund agent, insurance agent?) and how does this affect my investment choice?	Registered Representative You have access to a broad array of investment products worldwide.	



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Do you provide discretionary investment portfolio management or not?	Manulife Securities Incorporated offers more than ten discretionary mandates through the Masters Program.	
Is your branch manager independent of your operation and can I meet him or her to understand how they monitor your advice?	Yes, our branch manager is independent and is available to speak with you if needed.	
Have you ever written a book on personal finance in Canada?	Seven books on money; two Canadian best sellers; more than 500 published articles.	
Have you ever been hired to teach courses on personal finance?	Approx. ten times a year. More offers than I will accept. Mostly from professional associations across Canada.	
Has the media ever relied on you as a personal finance expert?	More than 1000 appearances in national papers, radio & TV.	
Have you been subject to a disciplinary review ever?	No	
How many continuing education hours did you take in the last year to further your expertise? (Minimum is 30 hours).	Including course teaching and general PD credits, more than 100 hours of new learning.	
Investment Dealer		
Is your investment dealer approved by the OSC and by IIROC?	Yes	
What insurance is provided on my accounts?	Canadian Investor Protection Fund www.cipf.ca	
How many financial advisors does your dealer employ?	More than 1300 nationally.	
Does the dealer offer stocks and bonds and ETFs in addition to mutual funds?	Yes, we offer some of the broadest choice in Canada.	
Does the dealer offer asset based fee accounts as one fee approach a client can use?	Yes, we offer up to five fee choices.	
Who is the custodian of my money when it is held in accounts at your dealer?	The Canada Trust Company	
Are accounts held in nominee format or in off book format?	Either. Mostly nominee as it is far more efficient for clients.	
Financial Planning		
How do you track my goals?	Goals are written down and progress reviewed yearly; results are shared with clients periodically.	



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For retirement planning, will you review my cash flows (consider CPP, OAS, pensions, RRIFs, rental income and all other income sources to design an after tax cash flow mix that meets my spending needs?	We prepare Excel based forecasts, to promote understanding that integrates all data to create a target after tax retirement income.	
For retirement planning, what tax qualifications do you have to be able to evaluate my after tax cash flow and provide appropriate tax advice?	I am a Chartered Accountant who completed an additional two year tax specialization.	
Are you able to offer dividend paying stocks as a source of tax smart cash flow in retirement?	Yes we hold many stocks in client portfolios within asset based fee accounts.	
In retirement, will you advise on real estate downsizing, eldercare services, gifting money to kids, estate goals and timing of RRSP withdrawals?	Yes, we have defined retirement to be three distinct phases and provide close advice to clients on all aspects of retirement life.	
Do you have specialized expertise to offer advice on money issues related to birthdate, career change, divorce, marriage and more?	Yes we are constantly involved with all of this specialized planning and have been called upon by lawyers to serve as an expert in cases.	
Will you review my taxes and notice of assessment each year to examine for tax planning opportunities and make sure my overall family tax planning is minimized?	Yes, we ask for your tax documents yearly to allow for more specific tax planning we do across your entire finances.	
What income tax training and years of experience do you have?	Tax CA – ten years with Ernst & Young; one of Canada's leading tax consulting authorities.	
Will you advise on estate planning, Will construction, probate fees, the use of trusts today and will you assist with estate management after I am gone? Will you personally do this?	Yes, Kurt has powerful credentials and experience in estate matters – we assist clients in estate design and management.	
Will you assist to manage my estate including dealing with the lawyers and accountants on behalf of my spouse and family after I am gone?	Our extensive estate experience allows us to help the family deal with a wide variety of estate needs. Kurt regularly assists children or a spouse with estate affairs.	
What fees do you charge to help with my estate when I die?	Hourly rate.	
Will you help my surviving spouse to manage his or her affairs after I am gone?	Yes we work closely to coach surviving spouses to get back on their feet after you are gone and the kids are back to work. As a neutral expert we offer peace of mind to you today that your loved ones will be taken care of.	



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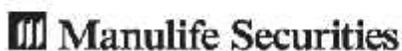
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Before I retire, will you regularly calculate my financial net worth and measure progress towards retirement, establish targets for me to save yearly and equate my plan to how we invest?	We prepare Excel based forecasts, one page only to promote understanding that integrates all data to create projected retirement assets.	
Will you guide me on how much to invest in real estate during my lifetime?	We actively get involved in evaluating your real estate goals.	
Will you provide advice on strategies related to mortgages and other forms of debt so that we determine the best way to be debt free the fastest?	Yes we will work with you to evaluate your debt and costs of debt; we will structure debt deals and set debt free dates.	
Do you provide mortgage financing, lines of credit financing and banking?	Yes we can offer lines of credit and traditional mortgages through Manulife Bank or through referrals to Invis Mortgage brokers.	
Will you assist with strategies for children's savings, including advice on RESPs, in trust accounts and formal trusts?	Whether saving for school, marriages, home deposits or more, we help parents closely track progress towards goals while building and managing portfolios for savings.	
Will you provide advice on buying real estate, often the biggest purchase of one's life, selling real estate, downsizing in retirement, cottages, rental properties and foreign real estate?	We are actively involved in providing thorough advice on all levels of real estate planning and issues.	
Will you teach our children about money management when they are teenagers and help them to adjust when they inherit our estate?	For interested parents we offer a program towards educating their children about money matters between ages 15 and 30.	
Will you be the objective, impartial voice among children fighting over our estate?	We completed this role five times in 2011 and will do it for you in the future as needed.	
Will you provide advice on my career finances today, including guidance on pension choices, health insurance, company stock and stock options and what to do with bonuses?	Career money is the engine of your finances and we have deep expertise in the most sophisticated forms of compensation.	
Will you provide guidance on finances if I lose my job?	More than 20 years of experience in severance counseling.	
Will you help me to evaluate the best strategic use of my money between spending, saving for retirement, savings for kids, paying down a mortgage, paying a line of credit, buying disability insurance and more when I cannot afford to do it all?	With deep technical skills and education, we are best positioned to build your master financial plan, manage it from the 20,000 foot viewpoint, help prioritize spending and partner with you to reach goals.	



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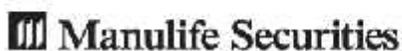
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Will you help me to decide between car leases, car loans and cash purchases of vehicles?	Our analytical thinking and math background as a CA means we are well suited to this analysis.	
Will you help me to assess my needs for life insurance, disability insurance and critical care insurance?	Yes we are experienced insurance agents and will complete a thorough needs analysis.	
Do you sell insurance products and if so, can you offer at least five insurance company's prices?	Yes we are agents and can offer broad product choice for effective price shopping.	
What kind of report will I get summarizing this financial planning advice you give me? Do you provide a personally written report or a standard software tool?	We provide a "to the point" concise topical summary on goals, strategies and recommendations suited for you.	
If I own a business, do you provide integrated personal and business financial advice to cross coordinate my goals and optimize my resources?	Yes we coordinate strategy between personal and business, coordinating advisors as needed and reporting to the owner.	
What credentials do you have to provide business advice?	Ten years of experience as a CA and business advisor in the entrepreneurial services practice of one of Canada's Big Four CA firms.	
Do you provide the financial planning advice described above or do you delegate to others?	We do it all except for legal work, accounting and tax return preparation. We are the strategists and the glue between other advisors as we build you one overall plan.	
Service		
Who will my advisory relationship be with? Will that change?	Kurt Rosentreter & our team. If annual revenue falls below our internal break even for costs then Kurt may assign your relationship to a fellow advisor.	
Who are the people that will work on my file? What are their credentials?	Our team consists of Kurt, four Financial Advisor Associates, two insurance specialists, a branch manager, a business manager and an office administrator. Download resumes on our team PDF at www.kurtismyco.com	
How often can I expect to see you in person each year?	Year one: two to six times as we complete initial planning. Typical year: one to four in person meetings depending on your preference and needs.	



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How often can I expect to get a phone call from you?	Two to six times a year for various planning discussions.	
How often will I get statements on my investment accounts?	Quarterly statements that switch to monthly if there is activity in the portfolio in those months.	
Do your investment reports show my portfolio return and do you compare to indexes and peers?	We mail a special report semi-annually showing rate of return and comparison to benchmarks.	
How often do your employees leave your practice and why?	Three times in ten years – return to school and move to another city. One termination for poor fit.	
How often will you review my finances during a year?	Depends on the topic: Taxes – once a year Estate – once every five years Insurance – once a month Investments – monthly or quarter or as needed. Retirement – once a year Children's savings – once a year Mortgages – once a year Emergencies – as needed	
Do I get voicemail when I call you or will real people pick up the phone?	We have eight phone lines and six full time staff – we try hard to answer the phone every time.	
Will you return calls and emails within 24 hours?	We strive for same day.	
Can I see at least 15 client comments about your services?	Visit Kurt's profile at www.linkedin.com .	
How many clients have you lost in the last three years? Why did they leave?	Less than 1% of the practice – moved away; divorced; became do it yourselfer; or we fired them.	
How many clients do you have? If you have 500+ how do you service them in when we all have only 200 days to work in a year?	400 households. With a staff of six we are far from capacity in this small practice.	
If I Google your name, will I find anything you want to tell me about first?	We have not had complaints or found negative comments about us on the Internet.	
Will you meet me in my home or do I have to come to your office? Is parking free?	Parking is free for clients of a certain size when they visit our office. Our fees are higher if we visit you in your home or office.	
What do you offer for educating your clients on financial topics?	Kurt has published seven financial books and hundreds of articles; Kurt's popular e-newsletter can be downloaded at www.kurtismyco.com .	



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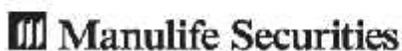
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Investment Advisory Process		
What is your investment philosophy?	Investment plan must match your financial plan and your goals. Invest in high quality securities with managed risk; take profit routinely; evolve the portfolio as you age; keep costs and taxes low; diversify types of securities to mitigate risk; hold bonds as part of the mix and don't buy products you don't understand.	
What is your investment advisory process?	Six step investment counseling process that we have developed. Download our process chart at www.kurtismyco.com . Risk managed, low cost, tax smart, common sense portfolio of stocks, bonds, ETFs and other securities that is supervised regularly.	
How do you invest given my age, income, risk tolerance and tax bracket?	We set a strategic asset allocation (% in bonds, % in risky assets) that is proportion to your stage of life, sophistication, age, net worth, appetite for risk and more. We are more conservative than many of our competitors. We do not encourage big risk nor do we buy penny stocks.	
How often do you trade the equity portfolio of my portfolio?	We trade to take profit; we trade to rebalance risk; we trade to add new money to good securities; we trade to replace laggards. We do not trade based on market timing of newspaper headlines or speculation on prices or rates. We trade a few times a year – we are not buy and hold investors.	
Do you educate me on what is in my account? (vs. just selling & telling)	We educate you about products. You have to verbally approve all trades.	
What strategies do you implement to control taxes?	We have developed six principles of tax smart investing and would be pleased to provide a copy of one of Kurt's four books on tax smart investing, Canadian best sellers. 300 pages of content on how to pay less investment tax.	



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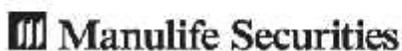
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Do you actively trade to try to time the market daily/weekly/monthly?	We consider market conditions in all of our decisions but we do not trade based on short term conditions due to their unpredictability.	
Do you take profit on securities?	Periodically we will take profit on some securities and hold the profit in cash or bonds to rebalance later. This profit taking is not based on market timing but more dynamic rebalancing according to the Investment Policy we develop with you.	
When do you sell losers?	Often we will sell losers when there has been a qualitative breakdown in the securities or if quantitatively the security lags the peer group and indexes over three and five year time horizons.	
How many securities will be in my portfolio?	If we buy stocks, eighteen to thirty stocks. If we buy ETFs of stocks, then one to six. If we buy mutual funds of stocks, then two to six. For fixed income, we try to keep bonds and GICs below \$100,000 each.	
How often do you look at my portfolio behind the scenes?	Routinely on a monthly or quarterly basis we conduct detailed analysis on the securities in your accounts and discuss them as a team. We will review daily if there are concerns to watch out for.	
Do you use low cost index products in portfolios?	Many of our portfolios use low cost indexes as the core holdings.	
Do you use individual dividend paying stocks?	Most of our portfolios of \$200,000 or more hold individual stocks and bonds.	
What do you use for investment research?	Kurt and his own staff of four registered representatives conduct our own value based research on your behalf; Manulife's national Capital Markets Group, national Trade Desk, national product review committee and national investment research team are available for analysis; Thomson One comprehensive research system is an aggregator of research and data; TD Securities and Credit Suisse Research provides thorough and timely research daily on thousands of stocks, ETFs, funds and bonds.	



MANULIFE SECURITIES INCORPORATED
MANULIFE SECURITIES INSURANCE INC.

*Kurt Rosentreter, CA, CFP, CLU, TEP, FMA, CIMA, FCSI, CIM
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	Kurt Rosentreter's Practice	Other Financial Advisors
How many people on your team conduct investment research and monitor my portfolio?	Kurt, four registered representatives on Kurt's team in his office and on his payroll, and one administrator in Kurt's office all have research responsibilities for securities that you hold in your account or could hold.	
How often do you use your own company's products, potentially showing a bias to your own products that can erode trust?	Little or never. We may use cash savings products or GICs because they offer the highest interest rate for now – but will change it if better rates are offered elsewhere.	
Do you use products that lock me in? Do you use products that are not transferrable elsewhere?	No – we only offer portable products should you ever need to transfer your portfolio out.	
If you use mutual funds, do you fully explain the four fee choices on how to buy the funds?	Yes we offer mutual funds primarily to young investors or small portfolio investors on a front load, no load, F series, low load or a rear load basis.	
Do you use products that I don't understand?	Our goal is to educate you about what you own and prefer to never use products you don't understand.	
Do you put IPOs and other special capital markets products in my accounts?	For some affluent client we may offer oil and gas tax shelters, or preferred share IPOs. Very little specialty product overall and only to knowledgeable clients.	
What qualitative factors about my investment products do you monitor?	News about the product or company; management strength, philosophy, morals, ethics, style and more. We have a document we can provide you with summarizing all of our criteria.	
What quantitative factors about my investment products do you monitor?	Historical returns on a 1,3,5,10 year basis compared to peers and to indexes; annual cost; standard deviation for risk; tracking error and portfolio turnover to track taxes.	
How often do you examine for new investment products to consider for my portfolio?	Every week Kurt's team meets to discuss new products and what to make available to clients once the national product review committee approves it.	
Do you favour one investment product or company more than others and why?	We use very few mutual funds and do not have favorites. We use a lot of ETF indexes and individual stocks and bonds. We compare all products against indexes and peers and replace laggards routinely.	
Do you offer F class mutual funds and if not, why not?	Yes for asset based fee accounts over \$200,000. F class funds are lower cost.	



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	Kurt Rosentreter's Practice	Other Financial Advisors
Are you a buy and hold investor or an active trader?	We buy high quality stocks, ETFs or funds and will hold them as long as they continue to be high quality – we will routinely take profits when gains reach sizeable amounts.	
What do you typically do for the fixed income part of a portfolio?	GICs, gov't bonds or corporate bonds with staggered short term maturities; bond funds and bond ETFs. Most of our clients hold some amount of fixed income – we are more conservative than many competitors and clients often have less volatility from our portfolios.	
Do you offer hedge funds? Do you offer linked notes? Do you offer GICs?	Yes. Yes, several different kinds. Yes, from 14 banks and trust companies – broad rate shopping	
How has your investment performance been relative to the markets in the last five years?	For our older clients, returns have been less negative than the markets; for our younger clients who are often more aggressive, they have faced volatile returns consistent with the markets. Our goal is to be down less than the market is down and up an average amount than the market is up, after fees. We routinely will show you these results.	
Fees		
How do I pay for financial planning services?	Hourly rate of \$200 & HST or flat fee for services are included with our asset-based fee brokerages accounts.	
How do I pay for investment trades?	Commission based accounts: greater of \$85 or 1% of trade or advisor discretion. Asset based fee accounts: no trade cost.	
How do I pay for investment portfolio monitoring all year long behind the scenes?	Trailer fees on mutual funds or advisor series ETFs or asset based fees where you pay a percentage of your portfolio as an annual fee.	
How much of my fees will be directly tax deductible to me?	Asset based fees that relate to non-registered accounts are fully tax deductible each year.	
Will you provide fee and commission education and options and let me decide how I want to pay?	Yes, we offer five ways to pay for services: hourly rate, flat fee, commissions, asset based fees and a blended approach.	
Do you sell products that have no commissions?	Yes no load mutual funds, F series mutual funds and stocks, bonds and ETFs held inside an asset based fee account.	



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	Kurt Rosentreter's Practice	Other Financial Advisors
What miscellaneous account fees will I pay in a year?	None if you have an asset based fee account. RRSP trustee fees (\$150 & HST) for commission based accounts. See also our fee brochure.	
Will you regularly review the fees I pay so I can judge value?	We strive to disclose and discuss fees every year. For asset based fee accounts we provide a yearend summary of all fees paid.	
What is your stock or ETF commission rate on a \$10,000 purchase?	Greater of \$85 or 1% of trade value, so \$100 on this trade.	
What is your investment counsel yearly fee rate on a \$500,000 portfolio?	Fees decline as accounts grow and fees are lower on bonds; rates can also vary by services offered and service level: 1.25% on stocks, 1% on bonds, 0.75% on F series funds and 0.25% on cash.	
For asset based fees, do you charge less on bonds than you do on equities?	Yes substantially.	
Can I change fee methods at any time?	Yes you are never locked in.	
Do you adjust your fees if your service level changes?	Yes for example we often switch to commission based accounts for clients that hold a lot of bonds to keep their costs down. If someone loses their job we can reduce our fees.	
Other Factors		
What are the top three reasons you are a better advisor than everyone else?	University degree, seven designations providing advanced technical planning skills on finance that are among the strongest in Canada. Open, honest, fee disclosure with several fee options to choose from. Creation and management of a single overall financial plan that links all the areas of your finances.	
Do you have a website for more information?	www.kurtismyco.com .	



We hope you find this questionnaire useful.

If you are a potential new client to the practice, we hope this gives you a strong understanding of what you can expect from our team.

If you are an existing client wondering about all our options, we hope this document serves as a good roadmap to defining the value proposition you want.

For a departing client thinking about moving to a new advisor, we hope this questionnaire serves as a powerful checklist to help you thoroughly evaluate our competition. Perhaps it will also serve to show you that our practice is more structured, sophisticated, experienced, credentialed, transparent, flexible and fairer than most you will find in Canada.

In today's competitive financial landscape in Canada, it is imperative that clients know what they want from their financial services provider. And more than 100,000 financial advisors in Canada need to give the client a clear picture of what they have to offer – there is no standardization of financial services in Canada – every single one of us offers something different. Many advisors are merely salespeople unfortunately and offer you little true help with high fees. You need to be on guard. This questionnaire above can level the playing field and help you to find value.

Sincerely,

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