



PURPOSE AND SCOPE

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This code of conduct and ethics outlines the norms to which firms and advisors must adhere to when dealing with their clients. It serves as a complement to existing codes of conduct and ethics outlined and distributed by federal and/or provincial professional associations and regulating bodies.

SFG | GFS adheres to the ethical norms in place when conducting activities and conforms to all laws and regulations. SFG | GFS is committed to always act with integrity in its interactions with advisors.

IN THIS CODE:

“SARKISSIAN Financial Group” represents the general agent firm hereafter referred to as SFG | GFS.

“The Insurance Company(ies)” represents all personal insurance companies with whom SFG | GFS has signed a general agent contract.

“Agreement” represents any contract or document, or modification of these, through which an advisor is authorized to exercise promotional, sale and service activities with regard to products and services offered by the companies.

“Advisor” represents a person holding current certification with the regulating body of his province that authorizes him to act as a financial advisor and having signed an agreement with SFG | GFS.

“Client” represents the proposed insureds, applicants, beneficiaries and clients, existing or potential, anyone who uses the services of an advisor in his professional capacity, and if necessary, the public.

Many points covered in this code of ethics are subject to CLHIA guidelines regarding the obligation to report any irregularities in advisor practices. In conformance with these guidelines, all companies that are carrying out an investigation are required to inform the regulating bodies of any advisor’s practices that they consider irregular. An error may arise as an isolated incident, but if this incident is repeated, it may be an indication of how the advisor normally performs.

This code must serve as a complement to agreements concluded between SFG | GFS and the companies that lay out the conditions under which an advisor or a firm performs its activities. It governs the conduct and activities related to all the products and services offered via SFG | GFS.

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THE ADVISOR'S RESPONSABILITIES



The advisor must put the interests of his clients before his own and deal with them honestly, fairly and professionally. His recommendations must consider the appropriate amount of coverage and the product that best suits the needs of the client. The advisor can only offer services and advice or information in the areas for which he holds a permit and has the required knowledge. The advisor must not give legal or professional advice outside of his area of competence or professional standing.

n 2A - OBLIGATIONS

1. Legal obligations

Good business practice is defined by commercial practices that comply with laws and regulations in place in the insurance of persons industry. Advisors must know these laws and regulations, as well as their legal obligations.

2. Ethical obligations

The insurance of persons industry depends essentially on trust. We believe that advisors earn this trust if they follow strict rules of conduct when interacting with clients, companies and SFG | GFS.

n 2B - USURPATION OF TITLES AND FUNCTIONS

The expression “usurpation of titles and functions” reflects the way an advisor presents himself to the public. To this end, business cards, paperwork, promotional and marketing material used by the advisor can be examined so that we are certain that they do not intentionally mislead the consumer regarding the competence, titles or skills of the advisor when providing advice or services. The use of the SFG | GFS name or trademark or the names of affiliated insurance firms and companies must be authorized in writing by the SFG | GFS.

The advisor must use only the marketing material approved by the insurance companies. The documents produced by the advisor – promotional mailing materials, sales materials, websites, printed or radio advertising, seminar presentation materials, PowerPoint presentations, etc. – that use the name or logo of an insurance company must comply with established regulations approved by each of the insurance companies that he represents.

The advisor must:

- Introduce himself as a licensee only if he actually holds a valid license
- Introduce himself only under his own name or the business name that appears on his license
- Introduce himself as a financial planner only if he actually holds such a title

THE ADVISOR'S RESPONSABILITIES

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n 2C - WEBSITES

The advisor must respect all copyrights. Articles, theories, strategies and other texts produced by a third party must not be posted on the advisor's website unless an authorization has been obtained to this effect. Media articles for which the advisor has not obtained the author's permission are also subject to this requirement.

The advisor may insert links to related websites, but he must ensure that these links lead to the home page of the website in question. This way, the advisor does not deprive this other site of desired visibility, which is the main objective of websites. The advisor may not post the logo or other information about a company and its products without obtaining prior authorization to this effect.

n 2D - LICENSE AND ERRORS AND OMISSIONS INSURANCE

The advisor must hold a valid license and errors and omissions insurance in the territories where he carries out his activities. If a license or insurance coverage expires, the advisor must immediately advise the companies and SFG | GFS, and he must refrain from selling in the territories concerned until the license and/or errors and omissions insurance is renewed and satisfactory proof is provided to SFG | GFS. Furthermore, the advisor is required to immediately disclose any interaction with an insurance company, a regulatory body or law enforcement authorities which is outside of the ordinary course of business (e.g. inquiry or investigation).

n 2E – COMMUNICATION OF INFORMATION

All advisors, during the first meeting with a client must convey certain information about their practice as a financial advisor. Among others, this includes titles he is authorized to use, and disciplines in which he is authorized to practice. In addition he may disclose the companies he represents, his remuneration, the existence or not of any conflict of interest etc. (See below for a sample letter.)

THE ADVISOR'S RESPONSABILITIES

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Voluntary communication of information concerning the practice of - acting as financial security advisor.

Dear Sir or Madam:

In the role of financial security advisor, my work consists of advising you and guiding you towards financial independence. Through our meetings, I will gather personal and financial information about you in order to clearly establish your needs and goals. I will recommend objective and attainable solutions following my analysis of your current financial situation and your future needs. My evaluation and recommendations will be impartial and in your best interest.

I hold a valid certificate (No. 123456) as an independent representative, issued by the Autorité des Marchés Financiers, which authorizes me to carry out the following disciplines in Quebec: Insurance of persons – Group insurance of persons– Financial planning – Group savings plan.

I have contracted a distribution agreement with the firm SFG | GFS Inc. situated in DDO, Qc., which gives me the opportunity to offer you financial products from the following companies:

If you decide to subscribe to all your financial products through me, I will receive a sales commission after setting up your contract. I may also receive remuneration as long as the contract remains in effect and when you perform certain operations. Further, I may be eligible for additional remuneration and for benefits such as bonuses, incentives in the form of travel or other non-monetary compensation, dependent on the quality of my production, my business volume and other factors.

I therefore declare that there is no conflict of interest in the sale of the products proposed to you and that my recommendations are founded in my analysis and my evaluation of your financial needs based on the information you have provided.

I would be happy to discuss any aspect of my remuneration for the services I provide and of my commitments and obligations as an advisor.

Read and signed at _____

, on _____

20____

Client _____

Advisor _____



WHEN AND HOW DO YOU HAVE TO ASCERTAIN CLIENT IDENTITY?

As a life insurance company, a broker or an independent agent, you have client identification obligations. You have to take the following measures to ascertain the identity of individuals or to confirm the existence entities (entities meaning: corporations, trusts, partnerships, funds, and unincorporated associations or organizations), subject to the general exceptions.

Once you have conducted two transactions with a client that require you to ascertain the identity of the client, you have entered into a business relationship with that client.

If you deal in reinsurance, the client identification requirements for large cash transactions and client information records do not apply to you regarding those dealings.

CLIENT IDENTITY FOR SUSPICIOUS TRANSACTIONS

When you have to send a suspicious transaction report to FINTRAC, you have to take reasonable measures, before the transaction is reported, to ascertain the identity of the individual who conducted or attempted to conduct the transaction. This does not apply in the following circumstances:

- if you had already ascertained the identity of the individual as required and you have no doubts about that previous identification information; or
- if you believe that doing so would inform the individual that you are submitting a suspicious transaction report.

In this context, reasonable measures to ascertain the identity of an individual include asking the individual for an identification document. However, reasonable measures exclude any method that you believe would inform the individual that you are submitting a suspicious transaction report.

It is important to remember that all suspicious transactions and attempted transactions, including transactions that are normally exempt from client identification requirements, require you to take reasonable measures to ascertain your client's identity.



HOW TO ASCERTAIN THE IDENTITY OF AN INDIVIDUAL

To ascertain the identity of an individual, refer to the individual's birth certificate, driver's licence, passport, record of landing, permanent resident card, or other similar document.

You can refer to an individual's provincial health card, but only if it is not prohibited by provincial or territorial legislation. For example, you cannot refer to an individual's provincial health card from Ontario, Manitoba, Nova Scotia or Prince Edward Island since health cards cannot be used for this purpose in these provinces. As another example, in Quebec, you cannot request to see a client's health card, but you may accept it if the client wants to use it for identification purposes. If you have questions about the use of health cards for identification, please contact the appropriate provincial issuer for more

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information.

For a document to be acceptable for identification purposes, it must have a unique identifier number. Also, the document must have been issued by a provincial, territorial or federal government. For example, a birth or baptismal certificate issued by a church would not be acceptable for this purpose. Also, an identification card issued by an employer for an employee (that is, an employee identification card) is not acceptable.

The document also has to be a valid one and cannot have expired. For example, an expired driver's licence would not be acceptable.

A social insurance number (SIN) card can be used to ascertain the identity of a client, but the SIN (that is, the number itself) is not to be provided to FINTRAC on any type of report. The Office of the Privacy Commissioner (<http://www.priv.gc.ca>) has produced a fact sheet concerning best practices for the use of SINs. Please consult it for more information on this topic.



n 4A - BUSINESS RELATIONSHIP

A business relationship is a relationship that you establish with a client to conduct financial transactions or provide services related to those transactions.

You enter into a business relationship when you conduct two or more transactions in which you have to:

- ascertain the identity of the individual; or
- confirm the existence of a corporation or other entity

If you use the exception to ascertaining the identity of a client where you recognize the individual in the case of a second transaction that requires you ascertain the identity of a client, you have entered into a business relationship with that client nonetheless. This is because it is the requirement to ascertain identity that triggers the business relationship.

You should determine that a business relationship has been established as soon as reasonably practicable following the second transaction requiring that the client's identity be ascertained. As a best practice, this should be done within 30 calendar days.

For life insurance companies, brokers and agents, the business relationship only includes transactions and related activities for which you have to ascertain the identity of your client. See section 4 for more information on these transactions and activities.

A business relationship is established when two transactions that require you to ascertain the identity of your client occur within a maximum of five years from one another. If a period of five years passes from the last transaction that required you to ascertain the identity of your client, the business relationship with that client ceases.

Once the business relationship is established, you must also:

conduct ongoing monitoring of your business relationship with your client; and keep a record of the measures you

take to monitor your business relationship and the information you obtain as a result.



n 4B - ONGOING MONITORING

Ongoing monitoring means that you have to monitor your business relationship with a client on a periodic basis. Use your risk assessment of the client with whom you have a business relationship to determine how frequently you will monitor that business relationship. The risk assessment requires you to consider each one of your clients when assessing their risk for money-laundering and terrorist activities financing. However, an individual written assessment is not required for each client, so long as you can demonstrate that you put your client in the correct risk category, according to your policies and procedures, and risk assessment. You have to perform ongoing monitoring of each business relationship to:

- detect suspicious transactions that have to be reported;
- keep client identification, beneficial ownership information, and the purpose and intended nature of the business relationship up to date;
- reassess the level of risk associated with the client's transactions and activities; and
- determine whether the transactions or activities are consistent with the information previously obtained about the client, including the risk assessment of the client.

The above-listed requirements do not need to follow the same timeframe, so long as you monitor your high-risk clients more frequently and with more scrutiny than you do your low-risk clients.

In order to keep client and beneficial ownership information up to date, you may update the information you have on record every time the client conducts a transaction that requires you to ascertain their identity.

As an example, you may choose to reassess the level of risk associated with a client's transactions and activities, and to determine whether the transactions or activities are consistent with the information you have on your client, for your low-risk clientele, every two years, while performing the same monitoring of your high-risk clients on a more frequent basis. However, depending on the circumstances of your operations, a different ongoing monitoring period for low-risk clients may be appropriate.

In the context of monitoring on a periodic basis, your monitoring will vary depending on your risk assessment of your client. As part of your ongoing monitoring obligations, you must monitor all of your business relationships, and you must monitor business relationships you consider high-risk more frequently, as well as update client identification information and adopt any other appropriate enhanced measures.

Here is a non-exhaustive list of enhanced measures you could take to mitigate the risk in cases of high-risk business relationships:

- Obtaining additional information on the client (e.g. occupation, volume of assets, information available through public databases, Internet, etc.).
- Obtaining information on the source of funds or source of wealth of the client.
- Obtaining information on the reasons for intended or conducted transactions.



- Obtaining the approval of senior management to enter into or maintain the business relationship.
- Identifying patterns of transactions that need further examination.
- Requiring the first payment to be carried out through an account in the client's name with a bank subject to similar client due diligence standards.
- Increased monitoring of transactions of higher-risk products, services and channels.
- Establishing more stringent thresholds for ascertaining identification.
- Gathering additional documents, data or information; or taking additional steps to verify the documents obtained.
- Establishing transaction limits.
- Increasing awareness of high-risk activities and transactions.
- Increasing internal controls of high-risk business relationships.
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ONGOING MONITORING OF BUSINESS RELATIONSHIP **4**

Obtaining the approval of senior management at the transaction level for products and services that are new for that client.

If as a result of your ongoing monitoring you consider that the risk of a money laundering or a terrorist financing offence in a business relationship is high, your risk assessment in your compliance regime must treat that client as a high risk. In this case, you must conduct more frequent monitoring of your business relationship with that client, update that client's identification information more frequently, and adopt any other appropriate enhanced measures (see examples above).

n 4C - BUSINESS RELATIONSHIP RECORD

When you enter into a business relationship with a client, you have to keep a record of the purpose and intended nature of the business relationship. You also have to review this information on a periodic basis and keep it up to date. This is done to ensure that you continue to understand your client's activities over time so that any changes can be used to assess or detect high-risk

DEALING WITH THE CLIENT

transactions and activities. This may lead you to increase the frequency of ongoing monitoring, update their client identification information more frequently, and adopt any other appropriate enhanced measures.

The purpose and intended nature of the business relationship is information that should allow you to anticipate the transactions and activities of your client.

For clients with whom you have a business relationship on the basis that they have completed two transactions that required you to ascertain their identity, or in the case of entities, to confirm their existence; you must document the purpose and intended nature of the business relationship that best describes your dealings with that client.

Here is a short, non-exhaustive list of examples of purpose and intended nature of a business relationship in your sector:

○ Financial planning and advice ○

Capital preservation ○ Estate

planning and preservation

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n 5A - NEEDS

The advisor is required to base his recommendations solely on the needs of his client, and only after having collected and analyzed the facts supporting his recommendations and having taken into account his client's financial situation and risk tolerance.

n 5B - RELEVANCE OF RECOMMENDED PRODUCT TO THE CLIENT

The advisor must spare no effort in demonstrating that he has acted with diligence and professionalism in analyzing the needs, objectives and financial situation of his client, and in evaluating the relevance of his recommended products and/or solutions.

The relevance of his recommendations must be documented using questionnaires or any other appropriate means.



n 5C - PRESENTATION OF PRODUCTS

The advisor is required to present the products to his client in a clear, honest, complete and precise manner. The advisor must sell products from the insurance companies he represents based on the merits of these products, without denigrating the products or services of their competitors.

The advisor must expose in a precise manner the inherent conditions in the insurance companies' products, explaining their guaranteed and non-guaranteed values, and demonstrating all their potential as well as their limits.

No communication should:

- Consist of false, misleading, unproven or exaggerated claims
- Contain misleading or inaccurate declarations
- Contain false or misleading testimonials
- Denigrate other products or services
- Use technical jargon or terminology unique to insurance without taking into consideration the level of comprehension of the public
- Offer any guarantees if the associated conditions and limits are not clearly exposed

The advisor must ensure that his clients obtain all the complementary documents or information required upon subscription, including explanatory brochures, illustrations, information documents, as well as client copies of applications and/or other related material.

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n 5D - ILLUSTRATIONS

The advisor must observe CLHIA guidelines when producing personal insurance illustrations, and use only approved software to explain to his clients the products of the companies he represents.

DEALING WITH THE CLIENT

We recommend that the advisor submit to the company any illustrations, duly signed by the advisor and the proposed insured, along with any related applications. All illustrations related to universal and whole life insurance must be signed. The illustration must correspond to a product that has been subscribed and which is described in the application.

n 5E - SIGNING DOCUMENTS

An advisor should not sign any document in the name of the client, even if the latter has authorized him to do so. It is imperative that all documents be signed solely by the owner of the contract, and if need be, by the beneficiary, and that these signatures be authentic. Any attempt by any other party to sign a document in the name of the owner or beneficiary of the contract, even if consent has been given to this effect, constitutes a forgery and an offence.

Furthermore, an advisor may not attest to the validity of a signature when signing as a witness if he has not personally been present during the signing, or if he knows that this signature is counterfeit. He should also not ask the client to sign on a blank form.

n 5F - HANDING OVER DOCUMENTS

The advisor must neither hold nor keep documents belonging to or intended for the client. Documents must be handed over to the client within a reasonable time and an acknowledgement of receipt may occasionally be required.





n 5G - PAYMENTS

The advisor must not pay in the name of his client any premium or other fees by using a personal cheque or a cheque drawn from his firm. Any payment of this type will be refused.

The advisor must not accept on behalf of his client any cheque or money order payable to “cash” or made payable to the advisor. All cheques or money orders must be made payable to the order of the company.

The advisor must not accept cash in payment of premiums. SFG | GFS will not accept any payment in cash made by the advisor or his clients.

n 5H - SEGREGATED FUNDS

Segregated funds are generally considered as products for long-term investment. Undue multiplication of operations aimed at the units of these funds with the goal of achieving short-term gains may not only compromise the returns on these funds, but may also negatively influence the portfolio of other investors.

Advisors must abstain from performing an excessive number of operations on behalf of a client, and must not engage in day trading.

Furthermore, advisors who perform authorized operations for their clients through limited power of attorney may in fact act only after having talked with their client and obtained his agreement. Only limited power of attorney approved by the company may be used.

n 5I - DEBT FINANCING

Debt financing consists of borrowing funds with the express goal of acquiring an investment in order to get capital gains, with the expectation that the return on the said investment is greater than the interest rate of the loan.



Before recommending debt financing, the advisor must evaluate the pertinence of this solution for the client and ensure that the latter:

- Understands and accepts the increased risk and the service needs related to a financed investment
- Has received all the necessary information and sales documents and, if necessary, an illustration
- Has long-term investment objectives or the intention to speculate
- Is able to handle losses, is capable of reimbursing the balance of his loan if he needs to liquidate his investment, and understands the obligations incumbent upon him under the loan
- Possesses a good knowledge of investment, as shown in his existing portfolio and in the type of debt financing he is seeking
- Can tolerate accumulated risk associated with debt financing
- Is able to pay the interest on his loan and to reimburse the capital without drawing from his financed investment or liquidating other investments or long-term assets

Resorting to debt financing increases the possibility of additional earnings, but also of additional losses. Consequently, strategies based on debt financing are often a source of client complaints.

The client must understand perfectly the obligations and risks associated with debt financing. By focusing on the profit perspective, we create a situation where the concept holds so much appeal to the investor that he may not realize all the risks and obligations that this type of investment contains, or he may not measure their scope. It is therefore incumbent upon the advisor to ensure that the debt-financing program is appropriate for his client, considering his tolerance for risk and his personal situation.

n 6A - REPLACEMENTS

All provinces of Canada have adopted, in conformity with their respective insurance laws, regulations concerning contract replacements. Advisors are expected to know these regulations and to apply them, particularly those dealing with communication of information and with statements and declarations sent to other companies.

These regulations apply equally to internal and external replacements. Replacements are not necessarily indicative of unacceptable conduct; however, they should not be carried out unless they better serve the interest of the client.

n 6B- INCITING POLICY REPLACEMENT / UNDUE MULTIPLICATION OF OPERATIONS

Advisors must not engage in illegal practices such as inciting policy replacement, which consists of encouraging a contract holder to abandon his contract with the sole objective of having him sign another contract and without considering the prejudice the latter may sustain, or undue multiplication of operations, which consists of bringing useless or excessive changes to the existing client's contracts.

n 6C - CONNECTED SALES / INCENTIVES TO INSURE

It is prohibited to have the purchase of a product A conditional on the purchase of a product B. The advisor must abstain from any attempt to impose this condition on a client.

The advisor must not make any payment, gift, or even to propose to make a payment or to give, directly or indirectly, a sum of money or goods of any value to a client to incite him to buy insurance.

n 6D – DISCOUNTS / MONEY LAUNDERING

Money laundering is the act of putting into circulation funds coming from a criminal activity with the goal of concealing its illicit origin. Legislation has been adopted to denounce and fight money laundering. According to these federal regulations, advisors are obliged to declare to authorities any questionable operations that they may suspect of being linked to money laundering. These suspicious operations must be reported to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).



A discount consists of a commitment to request payment of a premium that is lower than that stipulated in the contract. A discount also consists of paying or reducing, in whole or in part, the premium or of according compensation or a good of value by way of a reduced premium.

Advisors may not give their clients a discount on a premium, nor take part in an operation that might be interpreted as a discount, notwithstanding any stipulation to the contrary contained in provincial regulations or in any of the advisor's agreements. If an advisor decides to sign an agreement in the territories where a discount is permitted, this agreement must be concluded in writing at the moment of sale and concern only the advisor and the client.

n 6E -REMUNERATION OR PAYMENTS TO A THIRD PARTY

Unless regulations permit it, the advisor may not make any payment by way of remuneration, nor share remuneration ensuing from a sale with a person who is not the holder of a personal insurance contract or equivalent certificate. This rule applies also to gifts of value or to payments in cash.

In accordance with insurance law, the advisor who gives a gift or makes a payment because a client was referred to him exposes himself to accusation of sharing remuneration with a person not holding a personal insurance contract. An accusation of providing a discount may also be brought if it can be demonstrated that the person who received the gift or payment was in a position to influence the purchase of an insurance contract.

n 6F- ACTING AS A COVER

Acting as a cover consists of submitting an application in the place of another advisor, who is with or without a license, and whose name does not appear as the producer agent on the application. Acting as a cover is not permitted.

n 6G - VIATICUM AGREEMENT / DISCOUNT ON LIFE INSURANCE CONTRACT

These financial instruments, which allow the direct or indirect appropriation of death benefits on life insurance contracts covering elderly or terminally ill persons by paying the insured, in his lifetime, an amount lesser than the value of the benefits in these contracts, are strictly prohibited.



CLIENT FILES 7

The advisor must keep a record of all operations he undertakes on behalf of his clients. The advisor must keep sufficient information in his clients' files to enable him to demonstrate the pertinence of any sale or advice offered; he must also keep all important documents used before, during and after a sale or service.

n PROTECTION OF PERSONAL INFORMATION AND CONFIDENTIALITY

The advisor is bound to ensuring the total confidentiality of all information related to a client. The advisor must comply to the following regulations:

- Obtain personal information solely by legal means
 - Inform the client about information that must be communicated in his name
 - Collect confidential information about the client or his business solely through the client or with his permission
 - Not communicate information about the client to a third party without the written permission of the latter
- Communicate information on order of an authority acting in conformity with the law
 - Protect all personal information about a client by putting in place security measures at the level of confidentiality required

CONFLICT OF INTEREST 8

Conflict of interest consists of an activity or relationship that places the interests of the advisor in contradiction to those of the client.

As such, the advisor must not:

- Have in hand a full power of attorney over the financial operations of his client
- Act as trustee by exercising control over the assets in a trust in which his client is participating
- Act as executor of a will or liquidator of the client's estate
- Borrow from or lend money to a client
- Be designated as beneficiary of a contract that the advisor has sold or for which he ensures a service, except for members of his immediate family. Activities other than those related to insurance practice in which the advisor participates must not compromise or discredit our industry.

HANDLING A COMPLAINT 9

n 9A - PRODUCING A REPORT

If it is alleged that an advisor has acted in an inappropriate manner, SFG | GFS may conduct an investigation in good faith to determine the exact circumstances surrounding the events.

SFG | GFS must communicate the conclusions of the enquiry to the company whose products were proposed by the advisor and, if necessary, to the company sponsoring the advisor's permit. These conclusions also include explanations about the investigation process as well as disciplinary measures taken.

If the complaint was transmitted to a third party or an advisor for follow-up, SFG | GFS will follow up with the advisor or third party in question to ensure that the complaint was settled in a satisfactory manner and will update the complaints register.

n 9B - REGISTERING COMPLAINTS

It is important to keep a simple but complete record of complaints. The act of bringing together all the main elements of a complaint in a single document will allow all concerned parties to be informed at all times regarding the status of the file and allow the advisor to respond very quickly to any client who wishes to know which measures have been taken in relation to the complaint.

Registering complaints also constitutes an indispensable tool for producing reports and can be very useful in the case of an investigation or inspection by a regulating body. The complaints register must contain, at a minimum, the following information:

- Name of the client
- Number of the contract or document
- Name of the advisor
- Date of the complaint (written or verbal)
- Recipient of the complaint

- Name of person in charge of settling the complaint
- Summary of the complaint (should indicate whether the complaint has been communicated to a regulating body)
- Measures taken with the aim of settling the complaint
- Declaration of settlement of the complaint
- Date of settlement of the complaint

OBLIGATIONS TOWARDS SFG AND CONTRACTED SFG-ADVISORS 10

n 10a. Adopting SFG | GFS as sole supplier of Financial Products and Services

In order to enable SFG | GFS in its ongoing supervisory role imposed by regulation, the advisor agrees to use SFG as its sole supplier of financial products and services. (Sole MGA | AGA). Any outside activities need to be disclosed to SFG. Upon written consent from SFG, the Advisor may conduct these activities. This obligation stands for any one of the licences that the broker may hold; Attached and an Employee, Attached without being an Employee, Independent.

n 10b. Obligation towards other SFG Advisors

Should an Advisor stumble across a prospect/client who is already the client of an existing SFG Advisor, the protocol that needs to be followed is the following;

- i) Assure the Prospect/client that they are in good hands and to continue working with their existing advisor.
- ii) For courtesy, immediately advise about the encounter to;
 - a. SFG Admin and
 - b. Your fellow SFG Advisor, so that the client is contacted
- iii) If the prospect/client wants to deal with you rather than their existing SFG Advisor, then
 - a. Inform the client of the existing sharing arrangement in place at SFG, with 75% Replacing Advisor / 25% Existing Advisor
 - b. Reflect the arrangement on the new application by adding the existing Advisor's name on the application with his split
 - c. Inform the client that the split arrangement along with details of the current transaction will be relayed to his existing advisor.



CONSEQUENCES OF DEVIATING FROM THIS CODE 11

In order to protect its reputation, that of its advisors and the interest of the public, the SFG | GFS will take appropriate measures against any advisor who violates this code. SFG | GFS may notably produce a report of misconduct or infraction for the regulatory bodies and/or the companies, terminate an agreement with the advisor, lodge a complaint with the police and/or file a lawsuit against the advisor(s) at fault if circumstances warrant it.

No term, stipulation or condition found in this code shall be, expressly or implicitly, interpreted as creating an obligation or commitment for SFG | GFS, Inc.

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