



CAPE SKY

INSURANCE & WEALTH MANAGEMENT

ADVISOR DISCLOSURE

for clients

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Oshawa, ON
L1G 0E1

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mike@capesky.ca

YOUR FINANCIAL SERVICES TEAM



Michael Capesky

Principal
Financial Security Advisor
Mike@Capesky.ca



PRIMARY RESPONSABILITES

- Financial Planning
- Estate Planning
- Life insurance planning
- Retirement Planning
- Life Insurance Placement
- Segregated Fund Specialist
- Mutual Fund Specialist
- Client Service



Linda Capesky

Marketing & Technology Manager
Compliance Officer
Linda@Capesky.ca



Leslie Higgins

Senior Advisor Support Assistant
Leslie@Capesky.ca



Veronica Barnes

Marketing Associate
Veronica@Capesky.ca

Tiff-Dog

Typical Office hours Tuesday/Thursday

THE PLAYERS BEHIND THE SCENES:

HUGH HERMAN
CPA, CA. LPA
HENNICK HERMAN LLP
Corporate Tax & Financial Statements

WILL PRYZDIAL
MBA, CFP, PFP
Regional Sales Manager, Wealth
CANADA LIFE INSURANCE COMPANY

STEPHANIE STEWART
BBA, CEA, CLU Advanced Case
Consultant, Life Insurance
CANADA LIFE INSURANCE COMPANY

FRASER LANG
CFP, CPA, CA
GLB INC.
Actuaries and Consultants

KRISTIAN HARRIS
Mortgage Specialist
MONSTER MORTGAGE

CHRIS ZELASKO
Group Insurance Inc.
PEAK BENEFITS
SOLUTIONS

NIKKO ANASTASSAKIS
CPA, CA
MNP INC.
Accounting & Tax Service

TREVOR PARRY
M.A./LL.B./LL.M (Tax), TEP
TRP STRATEGY GROUP

STEPHEN WALTERS
Barrister, Solicitor, Trademark Agent LL.B.,
LL.M. (Banking), LL.M. (Tax)



Michael Capesky

Financial Security Advisor & Principal

Accredited by the Investment Funds Institute of Canada (IFIC), I have been an independent, self-employed, financial security advisor (FSA) with Capesky Insurance & Wealth Management Inc for **over 35 years**.

During that time, I am proud to have worked alongside generations of families coaching them to set, maintain and achieve THEIR financial goals.

I also hold licenses to sell Life, Accident and Health Insurance within Ontario as accredited by Financial Services Ontario (FSCO.)

I am a member of the Canadian Investment Regulatory Organization (CIRO) as an authorized dealer with Quadrus Investments Services Ltd.

- MEMBER OF THE MILLION DOLLAR ROUND TABLE
- QUALIFIED MEMEBER OF CALU - Conference for Advanced Life Underwriting
- MEMBER OF ADVOCIS - Financial Advisors Association of Canada



PLANNING THAT WORKS FOR YOU.

BUILD | GROW | PRESERVE

COMPANIES WE REPRESENT

We place insurance business and investment directly with the following companies:

- *Canada Life Assurance Company*
- *Canada Protection Plan*
- *Travelance*

We place insurance business and investments with the following companies through Financial Horizon Group*, a Managing General Agency (MGA):

- *Assumption Life*
- *BMO Insurance*
- *Empire Life*
- *Equitable Life of Canada*
- *Desjardins Financial Security*
- *Industrial Alliance Insurance*
- *ivari*
- *Manulife*
- *Meridian Credit Union*
- *Sun Life Financial*

**see complete & up-to-date listing of affiliated companies @www.financialhorizons.com*



In addition, I offer mutual funds from the following dealers:

- *Dynamic Funds*
- *Quadrus Investments*
- *Fidelity Investments*
- *Mackenzie Investments*



Insurance products, including segregated fund policies, are offered through Capesky Insurance & Wealth Management Inc., and Investment Representative Mike Capesky offers mutual funds and referral arrangements through Quadrus Investment Services Ltd.



I offer certain banking products from the following institutions:

- *Equitable Bank*
- *Manulife Bank*

NATURE OF THE RELATIONSHIP WITH COMPANIES WE REPRESENT

No insurer holds an ownership interest in Capesky Insurance & Wealth Management Inc., nor does Capesky Insurance and Wealth Management Inc. hold a significant interest in any insurance company.

POTENTIAL CONFLICT(S) OF INTEREST

We can confirm that we have no conflicts of interest; AND that IF we become aware of a potential conflict we will advise you as soon as possible.

COMPENSATION

WE ARE COMPENSATED BY CAPESKY INSURANCE & WEALTH MANAGEMENT INC.

If you choose to purchase a product through us, Capesky Insurance & Wealth Management Inc. will be paid by the company that offers that product. Capesky Insurance & Wealth Management Inc. is compensated by a sales commission for most products at the time of sale, and may receive a renewal (or service) commission if you retain that policy with the insurance company. For certain products, Capesky Insurance & Wealth Management Inc. may receive a referral fee.

Capesky Insurance and Wealth Management Inc. may also be eligible for additional compensation, such as bonuses and non-monetary benefits, such as travel incentives. This compensation depends on various factors such as the volume or retention of business placed with a particular company during a given time period.

MANAGEMENT EXPENSE RATIO – (MER)

The Management Expense Ratio (MER) represents the combined total of the Management Fee, Operating Expenses and Taxes charged to a fund during a given year expressed as a percentage of a fund's average net assets for that year.



The fee paid to the investment manager: Pays for professional investment management, supervision of the fund, administration of fund operation and service support.

The trailing commission paid to an advisor: Fund companies pay ongoing fees (known as trailing commissions or trailers) to the firm for which your advisor works. A portion of the trailing commission is sometimes paid by the advisor's firm to its representatives.

OPERATING EXPENSES

Each fund also pays an administration fee that is used to pay for regulatory filing fees and other day-to-day expenses such as:

- Record-Keeping Fees
- Accounting and fund valuation costs
- Custody fees
- Audit and legal fees
- Costs of preparing and distributing annual and semi-annual reports and prospectuses.

TAXES

Each fund is required to pay Harmonized Sales Tax (HST) on management fees charged to the fund. In general, the HST rate depends on the residence of the fund's unitholders at a certain point in time.

MUTUAL FUND INVESTING

THERE'S A FEE FOR THAT?

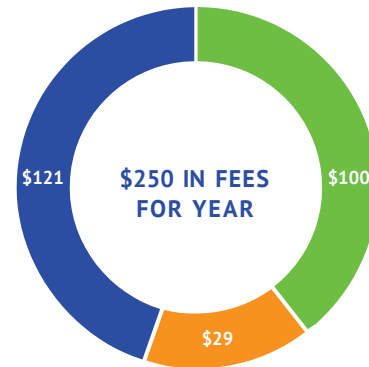
A management expense ratio (MER) is the total* fee you will pay to invest in a standard series mutual fund. It's important to note that you do not pay the MER directly; rather it's paid by the fund itself, which reduces the value of your investment accordingly.

HOW YOUR MONEY GETS SPLIT OUT IN AN MER (I)

You invest \$10,000 in a standard series of a typical Canadian balanced fund with an MER of 2.5 per cent. Through the fund you pay a total of \$250 in fees for the year, which may be broken out as follows.

- \$121 for the professional management of the fund and fund operating expenses
- \$29 for taxes
- \$100 fund dealer commission for administrating

compliance and oversight provided by the fund dealer, of which a portion goes to investment representatives for the services provided to clients, including financial advice and overhead expenses incurred by the firms providing those services.



*Additional sales charge may apply, as agreed upon between the client and the investment representative. Illustration assumes a front-end load structure, with a 0 per cent sales charge and a blended tax rate calculated based on the mix of investors invested in that particular fund across all provinces. Additional fees and charges may apply depending on the series and options chosen.

REALIZING THE VALUE OF THE RIGHT ADVICE

It shouldn't be surprising that 81 per cent of fund investors have confidence in mutual funds as an investment solution.* I can offer you choice, flexibility and the comfort of knowing you're invested in a product that is aligned with your individual goals and aspirations.

Offering the right mix of strategically selected assets is at the centre of every strong portfolio.

Because your investment is managed by experts who follow this principle and manage costs and risk through me, you have access to strong products and solutions that you would otherwise not have access to on your own.

****Contact me to review your investment needs or start your planning process***

*IFIC/Pollara, Canadian investors perceptions of mutual funds and the mutual fund industry 2013

INVESTING IN SEGREGATED FUNDS POLICIES

WHY IS THERE A FEE?

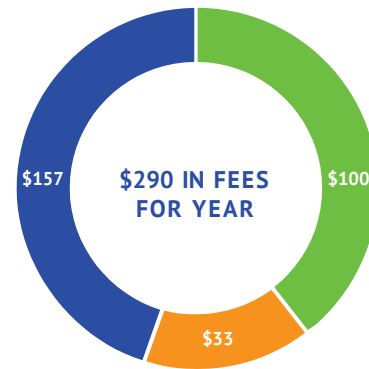
A management expense ratio (MER) is the total cost to invest in a standard series segregated fund policy. It's important to note that you do not pay the MER directly; rather it's paid by the fund itself, which reduces the value of your investment accordingly.

HOW YOUR MONEY GETS SPLIT OUT IN AN MER (II)

You invest \$10,000 in a standard series 75/100 version of a typical Canadian balanced fund with an MER of 2.9 per cent. Through the fund you will pay a total of \$290 in fees for the year, which may be broken out as follows.

- \$157 for the management of the fund, fund operating expenses and the capital guarantee provided on your investment
- \$33 for taxes

\$100 fund dealer commission for administration compliance and oversight provided by the fund dealer, of which a portion goes to financial security advisors for the services provided to clients, including financial advice and overhead expenses incurred by the firms providing those services.



*Additional sales charges may apply, as agreed upon between the client and the financial security officer. Illustration assumes a front-end load structure, with a 0 per cent sales charge and a blended tax rate of 13 per cent. A fund's tax rate may vary as it is a blended tax rate calculated based on the mix of investors invested in that particular fund across all provinces. Additional fees and charges may apply depending on the series and options chosen.

REALIZING THE VALUE OF THE RIGHT ADVICE

We all have long-term goals. I can help by looking at your personal situation and the factors that may have significant impact on your retirement lifestyle and income, years down the road. I work to help ensure your investments are chosen within your risk tolerance to help make the journey comfortable.

A recent report from CIRANO has shown that financial advisors contribute significantly to the accumulation of financial wealth and that the value of advice increases over time. With seven to 14 years of professional advice, the difference in household financial assets attributable to financial assistance is 1.99 times greater than to those households with no assistance and that difference increases to 2.73 times more after 15 years of advice.*

The CIRANO research further shows that having advice positively impacts retirement readiness and is an important contributor to satisfaction and confidence in long-term planning.

Contact me to review your investment needs and to get started on your planning process.

*CIRANO. An economic analysis of the value of advice in Canada, Claude Montmarquette, 2012

PRIVACY COMMITMENT AND YOUR CLIENT FILE

Protecting the privacy of your personal information is important to me and the companies whose products and services we offer, and are committed to collecting, using and disclosing your personal information responsibly (“I”, “me” and “my”, when referring to an advisor, include an incorporated advisor). The personal information being collected, such as contact information, financial information as well as records of meetings and phone calls, general correspondence and any instructions you provide to me, will be maintained by me or at my direction in paper and/or electronic format in a client file. This information will be used to assess your financial situation, offer products and services that may be of interest and benefit to you, and provide ongoing client service.

Your personal information in your client file will be disclosed only to:

- My employees and persons authorized by me
- Companies whose products and services I offer and their employees and agents, for the purpose of, or relating to, their providing or seeking to provide financial products or services to you (and for, or related to, any other purposes you have authorized)
- Third party service providers selected and authorized by me. If located outside of Canada your personal information may be subject to the laws, including public authority access laws, of other countries
- Persons or entities to which you have granted access or that are allowed access by law

In accordance with applicable law and by your written request, you have the right to: review the personal information in your client file, request corrections to this information, and to revoke your consent subject to contractual limitations.

If requested by you, additional personal documents such as copies of insurance policies, wills and powers of attorney may be kept in your client file.

If you need more information about our privacy policies and/or those of the companies we represent, please let us know.

ACKNOWLEDGEMENT AND CONSENT

I acknowledge that I have reviewed this document. I understand any conflicts of interest or potential conflicts of interest outlined in this document. I also consent to a client file being created and maintained for me.

I consent to my personal information being maintained in a joint client file with my spouse, and being disclosed to my spouse. *Requires signature of spouse, if selected.

CLIENT SIGNATURE: _____

DATE: _____
MM/DD/YY

CLIENT'S SPOUSE SIGNATURE: _____

DATE: _____
MM/DD/YY