# **Segregated Fund recommendation fully implemented – with Fee discussion – income planning scenario**

Hello <<CLIENT FIRST NAME>>,

<< PRODUCT INFO>>

Include the product you recommended and the insurer

* Segregated Fund contract

<<CLIENT’S CIRCUMSTANCES AND REASON FOR YOUR PRODUCT RECOMMENDATION>>

Include a paragraph about the client’s current situation, and their need for this particular product.

<<DESCRIBE HOW THE PRODUCT WILL MEET CLIENT’S NEEDS>>

Include a paragraph to describe why your recommendation meets the client’s needs.

<<ADDITIONAL INFORMATION>>

Include a paragraph to discuss any additional relevant information related to options chosen. Reminder, the examples in this sample need to be updated for each client’s specific circumstance.

<<FEE OPTION AND SUITABILITY>>

Indicate the fee option the client selected, and why this option is suitable for their situation

<<A note on Mutual Funds>>

Please include the following in the opening paragraph “This letter does not address any mutual fund solutions we may have discussed.”

Thank you for meeting with me to discuss your financial future. I’m writing this letter to explain why certain products were recommended to you. This letter does not address any mutual fund solutions we may have discussed.

As we discussed, I have submitted the application for a segregated fund contract. The product is called <<PRODUCT NAME>> and is offered by <<NAME OF INSURER>>.

When we met, you indicated that you wanted <<CLIENT’S CIRCUMSTANCES AND REASON FOR YOUR PRODUCT RECOMMENDATION e.g. to receive lifetime guaranteed income.

This product will meet your needs by <<DESCRIBE HOW THE PRODUCT WILL MEET CLIENT’S NEEDS. E.g. *by* *providing lifetime guaranteed income.*

We also discussed the following relevant points in relation to your segregated fund contract <<ADDITIONAL INFORMATION>>:

*The segregated fund contract you purchased also has death benefit and maturity guarantees. These guarantees apply if you keep your money invested in the contract until it matures or you die. As discussed, withdrawals will reduce the value of these guarantees.*

*The market value of your investment in a segregated fund may increase or decrease based upon changes to the unit value of the fund.*

*Based on our discussion, you decided to invest your money in a portfolio that includes the following funds: (insert fund names here). These funds are appropriate because <DESCRIBE WHY FUNDS ARE APPROPRIATE FOR CLIENT’S SITUATION> e.g. they are low to medium risk and may provide capital appreciation and income.
You can invest additional amounts in this contract, subject to age restrictions and availability. You may also be able to switch your investment to other funds in the contract.*
We also discussed the different sales charge options available in the contract <<FEE OPTION AND SUITABILITY>>. *E.g. You selected the front end load (FEL) option because you might want to withdraw some of your money without redemption fees*.

Make sure that you read the information folder, contract and fund facts that I left with/sent to you as they contain all the details about this product as well as investment options.

If any of this information about you or your needs is not correct, please let me know right away.

If you have any questions about the contract or your investments, do not hesitate to ask me now or at any time in the future at <<CONTACT PHONE NUMBER AND EMAIL>>. You should also keep this letter with your personal papers as a reminder of why you have the contract.

Thank you,

<<ADVISOR NAME>>