

Keeping good client notes is an essential part of ensuring you are on-side as you take care of your clients.

The anatomy of a *good* client note

1. **DATE and TIME**
Ensure the date and time of the conversation is included in your notes
2. **MEETING TYPE**
Include whether you had the conversation over the phone or in-person
3. **WHO WAS THERE**
It may seem obvious, but when meeting with more than one person, include who was present for the meeting
4. **WHAT WAS DISCUSSED**
Make sure you detail all items that were discussed during the meeting

When are notes required?

- **Account Opening**
When clients complete the account opening process, there may be inconsistent information or items that have been flagged for further review. In these instances, you must document discussions with your clients. These notes help us approve your accounts quickly and avoid unnecessary compliance queries.
- **Updating KYC information**
Material KYC changes that occur (ie: marriage, change of employment, retirement), may affect the suitability your client's investments. In these cases, you will need to update the information in the system, ensure that your clients are invested appropriately, and input notes to support any changes. Your notes should include confirmation that clients have approved the change.
- **Legacy Assets**
Securities that transfer in-kind to Wealthsimple require you to conduct a suitability review against the client's risk score, and determine recommendations for the legacy assets. This review must be discussed with the client, and the decision to either sell or keep the legacy assets must be documented using the legacy asset tool. Notes for each security should include answers to the following questions: is the product suitable compared to the clients risks and objectives?; will the client be charged a redemption fee?; are there any tax implications if the funds are sold? These notes must be entered immediately upon confirmation of the order with the client. The date the instructions were given must be documented.

When are notes required? (continued)

- **DSC**

Generally, you should not sell assets that incur a charge. If a DSC mutual fund must be redeemed, you must document why the sale of the fund was necessary, and the client must be advised of the redemption fees prior to selling. Detailed notes must include the amount of the fee as well as confirmation that the client has agreed.

- **Changing a model**

It may be appropriate for you to recommend a change in model portfolios to your client (ie: moving from a balanced to a conservative model). These changes must be discussed and agreed to by your client, and the notes must include details of the conversation that support the suitability of the recommendation, as the change will be reviewed and approved by compliance.

- **Money Movement**

Instruction must always be received by the client and documented as a note for any requests for deposits, withdrawals, transfers or internal transfers (unless directly initiated by the client).

- **Complaints**

If you feel as though your client may complain about an issue, make sure you input very detailed notes about the incident. Some red flags may include erratic behaviour or previously known history of complaints. Bring these types of concerns to the attention of your Wealthsimple team.

Additional tips

- **Be current**

Do not wait to input client notes! Enter them during, or immediately after your client meeting. Going back and entering notes after the fact is time consuming, and may be prone to errors

- **Be professional**

Notes are published to the client's Investor Policy Statement, which is downloadable on their profile. Keep your notes professional, and be sure not to include any personal or negative statements

- **Be consistent**

Have a process and *follow it!* Being consistent will help support the validity of your note taking, and will ensure that you form good habits with this important part of your role as the Advisor

- **Be detailed**

More is always better! Ensure that you include all items that were covered during your client meetings. Detailed notes will help avoid compliance requesting additional information for certain changes

Examples of *good* notes

April 29, 2019 - Met in-person with Mr. Smith today. His account transfers were completed on April 25, and we discussed the legacy asset ABC123 in his RRSP. We will be holding the mutual funds to avoid DSC fees - trading instructions have been provided to sell at maturity (which is June, 2020).

May 1, 2019 - Mrs. Snow called in today and asked me to set-up a \$500 recurring withdrawal on the first of every month from her RRIF account. She provided a VOID cheque via email, and I have initiated the recurring withdrawal to her bank account which will occur monthly starting June 1st.

April 22, 2019 - Had a phone meeting with Mr. and Mrs. Jones. Their account transfers were completed on April 16, and will be deposited in the SIC Global balanced portfolio. Their account mandates have been changed from the suggested "growth portfolio" to a "balanced portfolio" based on our conversation, which included a review of their goals and overall appetite for investment risk. Mr. and Mrs. Jones have a slightly lower investment tolerance for their overall savings. They are comfortable knowing that the Shaunessy portfolio risk is balanced, which is similar to the portfolio they previously had at Quadrus. They understand the portfolio is invested in a 60/40 asset mix (60% equity and 40% fixed income).

Remember, keeping good client notes is an essential part of your role as an Advisor. Detailed, quality notes will help avoid future compliance inquiries, protect you against potential client complaints, and will ensure you're doing what's best for each client.

If you have additional questions, please reach out to your Wealthsimple team.