

# A strategic acquisition for Desjardins

3 independent distribution firms from Guardian Capital Group

The 3 entities acquired by Desjardins



Life and health insurance distribution firm

#1 in Canada<sup>2</sup>



Mutual fund distribution firm

#10 in Canada<sup>3</sup>



Full-service independent distribution firm



TSX:GCG

**Asset management**

For institutional and private wealth management clients

**Wealth management<sup>1</sup>**

Distribution of individual insurance and savings products

## About Guardian Capital Group Limited

Guardian Capital Group Limited (Guardian) is a diversified, global financial services company operating in two main business segments: Investment Management and Wealth Management.

As at September 30, 2022, Guardian had C\$47.6 billion of assets under management and C\$26.8 billion of assets under administration, while managing a proprietary investment portfolio with a fair market value of C\$648 million. Through its subsidiaries,

Guardian provides extensive investment management solutions to institutional and private wealth clients, while offering comprehensive wealth management services to financial advisors in its national mutual fund dealer, securities dealer and insurance distribution network. Founded in 1962, Guardian's reputation for steady growth, long-term relationships and its core values of trustworthiness, integrity and stability have been key to its success over six decades.

\*Refer to the last page for the definition of MGA, MFDA and IIROC

Notes: 1| Private management activities are excluded from the transaction. 2| December 2021 ranking, Insurance Advisory Service Report, October 2022, Investor Economics 3| December 2021 ranking, Financial Advisor Channel Report, Winter 2022, Investor Economics.

# IDC - MGA\*

**#1** MGA\* in Canada with a market share of 21% of the MGA network and 12% of the overall network in individual insurance<sup>1</sup>



## Head office in Mississauga (ON)



15 offices (QC, ON, BC, AB,  
NB, NL, NS)

**4.000+**  
Advisors

**200**  
Employees

**\$170 M / \$1.7 B**  
Written premium  
volume<sup>6</sup> / Policies  
in force<sup>1</sup>

**\$8 B**  
Assets under  
administration<sup>2</sup>



## Montreal, Quebec City, Laval, Boucherville and Sherbrooke



**1.300+**  
Advisors

**70**  
Employees

**\$30 M**  
Written premium  
volume<sup>6</sup>

- #1 MGA in Canada for life insurance premium sales; #2 for segregated fund<sup>3</sup> sales
- #1 in Canada in a satisfaction survey of all independent advisors<sup>4</sup>
- Products distributed: Individual life and health insurance, segregated funds, individual annuities, travel insurance, group insurance and group retirement savings

**\*Refer to the last page for the definition of MGA, MFDA and IIROC**

**Notes:** 1| 2021 Annual Report; 2| As at June 30, 2022; 3| Insurance Advisory Service Report, October 2022; 4| Investment Executive, Insurance Advisor's Report Card. Has been ranked #1 for several years. In 2021, #1 for Net Promoter Score; 5| Preferred AGA agreements; 6| 2022 Forecast



### IDC Worldsource Insurance Network Inc.

IDC Worldsource Insurance Network Inc. (IDC Win) is one of Canada's leading life insurance managing general agencies, servicing advisors across the country, through partnerships with over 15 major insurance carriers. IDC WIN prides itself on its service, knowledge and commitment to the Canadian insurance industry, bringing a sharp focus and exceptional standards of operation to all areas of its processes.



**Paul Brown**  
EXECUTIVE CHAIRMAN  
IDC



**Phil Marsillo**  
PRESIDENT AND CEO  
IDC

# WFM and WSI

**#10** in Canada in the IIROC/MFDA independent advisor network



**MFDA\***

\$13.1 B



**IIROC\***

\$2.5 B

**\$15.6 B**

Assets under administration<sup>1</sup>

**Head office  
in Markham (ON)**

5 offices (ON, BC, AB)

**750**  
Advisors

**135**  
Employees

- #10 in Canada for assets under administration in the IIROC/MFDA independent financial advisor network
- Products distributed: Mutual funds, ETFs, securities



**Worldsource Financial Management Inc.**

is a Canadian mutual fund dealer, offering financial planning and advisory services through a network of independent financial advisors.



**Worldsource Securities Inc.**

is a full-service investment dealer and a Member of the Investment Industry Regulatory Organization of Canada (IIROC) and CIPF (Canadian Investor Protection Fund).



**Doce Tomic**  
CHAIR AND PRESIDENT  
Worldsource Financial Management Inc.  
Worldsource Securities Inc.

**\*Refer to the last page for the definition of MGA, MFDA and IIROC**

**Notes: 1** Results as at June 30, 2022

# When we combine our activities

**Desjardins becomes a Canadian leader in the independent distribution of insurance and savings products**

- We strengthen IDC's #1 position in Canada
- We close in on the Top 5 in the IIROC/MFDA financial advisor network
- We have access to a network of approximately 7,000 advisors
- We have offices from coast to coast



<b>MGA*</b> Individual insurance	<b>\$40 M / \$0.5 B</b> New premiums / In force premiums	+	<b>\$170 M / \$1.7 B</b> New premiums / In force premiums	=	<b>\$210 M / \$2.2 B</b> New premiums / In force premiums
<b>MGA*</b> Individual investments	<b>\$2.5 B</b> Segregated funds AUM	+	<b>\$8 B</b> Segregated funds AUM	=	<b>\$10.5 B</b> Segregated funds AUM
<b>MFDA*</b> Individual investments	<b>\$17 B</b> Mutual funds AUM	+	<b>\$13.1 B</b> Mutual funds AUM	=	<b>\$30.1 B</b> Mutual funds AUM
<b>IIROC*</b> Individual investments			<b>\$2.5 B</b> Securities AUM	=	<b>\$2.5 B</b> Securities AUM

**\$43 B**  
in assets under management (AUM)

\*Refer to the last page for the definition of MGA, MFDA and IIROC

Notes: 1| Includes advisors from the Desjardins Agent Network (DAN). | Insurance premiums as at December 2021 and AUA as at June 30, 2022.

# Independent distribution:

## Some basic definitions

### **MGA**

Managing general agent

An MGA is an entity that's authorized to sell financial products and services. The MGA enters into distribution agreements with multiple insurance companies to streamline insurance transactions between representatives and insurance companies.

The MGA recruits and selects representatives. On behalf of the insurer, the MGA grants representatives the right to distribute the insurer's products. The MGA provides representatives with administrative support for processing and tracking business submitted to insurers, as well as sales support. It also offers information and training activities to develop the skills and knowledge of representatives who do business through the MGA.

In exchange, insurers pay the MGA a commission based on sales volume for all representatives. The MGA then redistributes a certain percentage to representatives based on their individual sales volume.

### **MFDA**

Mutual Fund Dealers Association

The Mutual Fund Dealers Association of Canada (MFDA) is the national self-regulatory organization for the distribution side of the Canadian mutual fund industry, including Worldsource Financial Management. The MFDA is responsible for regulating the operations, standards of practice and business conduct of its members and their representatives with a view to enhancing investor protection and strengthening public confidence.

### **IIROC**

Investment Industry Regulatory Organization of Canada

The Investment Industry Regulatory Organization of Canada (IIROC) is the pan-Canadian self-regulatory organization that oversees all investment dealers and trading activity on Canada's debt and equity marketplaces.

IIROC is committed to protecting investors, protecting market integrity, and building Canadians' trust in financial regulation and the people managing their investments.