

# THE FINANCIAL ADVISOR POSITION

To help you determine whether becoming a Financial Advisor\* with Edward Jones matches your personal career objectives, we urge you to carefully review the following information. This summary describes the position and the activities of a successful Financial Advisor during the first year of his or her career.

If you have any questions regarding this or other information pertaining to becoming an Edward Jones Financial Advisor, please call our Talent Acquisition department, 800-380-4517.

All About Edward Jones	
The Edward Jones Hiring Process	
New Financial Advisor Training	
Compensation	
What to Expect the First Year	
Expenses	
Frequently Asked Questions	1.9

Edward Jones is an equal opportunity employer.

\*In Quebec, our Financial Advisors are known as Investment Advisors.

# ALL ABOUT EDWARD JONES

#### Tell me about Edward Jones.

Edward Jones, a full-service financial services firm, is committed to helping individuals meet their long-term financial goals. Financial Advisors provide investments, advice and services through a network of single-Financial Advisor branch offices. These offices are located in the communities where our clients live and work, which enables our Financial Advisors to provide each client with convenient, personal service on a face-to-face basis. Currently, Edward Jones has offices across the United States and through its Canadian affiliate.

Upon completion of the training requirements and meeting the minimum performance expectations, each Financial Advisor receives a furnished and fully equipped office, a full-time support person and industry-leading technology. The firm intends to continue expanding and to provide more complete coverage in existing and potential markets. The firm is a partnership, entirely owned by more than 15,000 limited and general partners who are also full-time associates.

#### What is the role of a Financial Advisor at Edward Jones?

Edward Jones believes a Financial Advisor can best serve clients only after meeting with them personally and learning about their needs and objectives. That is why we operate primarily through one-broker branch offices. We call it a one-on-one approach, and our history of success proves that it works. Financial Advisors are trained to deliver this level of personal attention because we realize that no two clients are alike. The primary role of the Financial Advisor is to get to know clients and learn their investment needs and objectives. Only then, with the help of our home-office specialists and research analysts, can they deliver the appropriate investments to serve clients' needs and help them reach their objectives.

A successful career as an Edward Jones Financial Advisor is not easy to achieve. It involves maximum effort and hard work, especially during the first two years. However, our experience has proved that new Financial Advisors who perform the following five critical activities when they start out significantly increase their chances of success.

New Financial Advisors must:

- 1. Make 25 quality contacts per day (125 per week).
- 2. Ask open-ended questions to obtain financial information.
- 3. Present an appropriate solution and ASK for the order.
- 4. Assess each contact, add prospective client to JonesLink, and indicate next action.
- 5. Contact the prospective client at least every two weeks.

New Financial Advisors must perform these critical activities while keeping our most important requirement in mind: **Always do what is right for the client.** 

#### How do I build a business?

Edward Jones believes in doing business the old-fashioned way, face to face. When starting out, our Financial Advisors spend most of their time in the communities they serve, making face-to-face contacts in neighbourhoods and with businesses and introducing themselves and Edward Jones. They spend time getting to know clients, their investment needs and their objectives. Then they deliver the appropriate investments and services on an individual and personal basis. At Edward Jones, we believe that doing business this way is the best way to build long-term relationships with our clients and to best serve their investment needs.

## Do I own my business?

Edward Jones Financial Advisors are employees of the firm. They enjoy the freedom and independence of running their business without the uncertainty and major expenditures associated with being self-employed. Although Financial Advisors do not own their individual businesses, they do have the opportunity for ownership in the firm through a limited or general partnership. Financial Advisors who are invited to invest capital in the firm as limited or general partners demonstrate superior performance and client account diversification, high ethical standards, office profitability, leadership through assistance of other Financial Advisors and support of firm growth through recruiting, training and other special efforts.

# THE EDWARD JONES HIRING PROCESS

# If I want to become a Financial Advisor, what do I need to know about the hiring process?

The first thing to understand about the hiring process is that it can move quickly. You may be asked to complete certain steps in our process within a certain time frame, and we ask you to comply with these requests.

To initiate the hiring process, you must complete the online application and submit it to our head office in Mississauga. Our application requests a great deal of personal information, and it must be completed in full with all requested information provided. You must sign an authorization form consenting to a background check. The information you provide will be verified. Failure to complete the application as required will result in it not moving forward. Accuracy of the information provided is paramount.

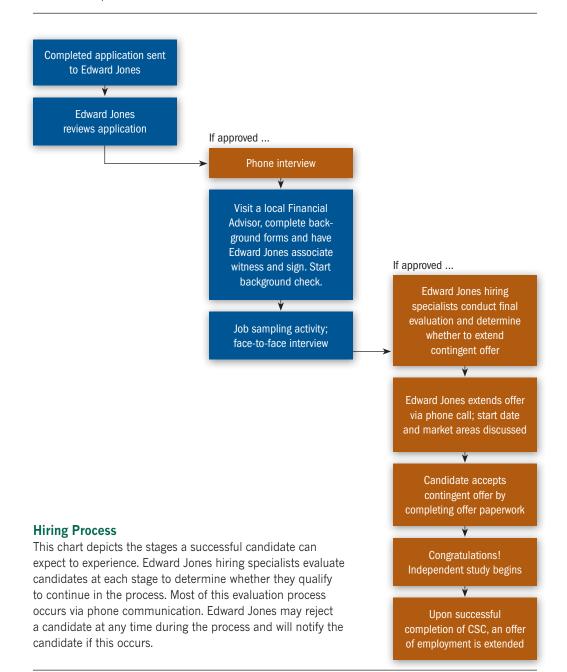
Upon receipt of your fully completed application, it will be reviewed to determine if you will proceed to the next stage. Our hiring process is extremely selective. On average, 7% of those who apply are hired as Financial Advisors. If the profile results and application review are successful, you will be invited to complete a telephone interview. This interview may last up to one hour. Following this telephone interview, a decision will be made as to whether you advance in the selection process. If you are selected to proceed, the next step will be to visit with a local Financial Advisor (if you have not yet visited one), and the background check will also be started. Following the visit with the local Financial Advisor, a debrief will be conducted by telephone to review your questions and interest.

Upon completion of the visit and debrief, you will complete a job sampling activity and a face-to-face interview. After this interview, we will review all information gathered on your behalf, including the results of a mandatory background check. Should a contingent offer of employment be extended to you, a hiring specialist will contact you to inform you of the available training class start dates and to discuss the market areas where you would like to build an Edward Jones business. The market analysis team will work to confirm your market selection. A contingent offer of employment is generally kept open for five days. We need your signed contract and completed paperwork returned to the Mississauga Financial Advisor Talent Acquisition department within this time period.

#### What does Edward Jones look for in a candidate?

Here are some of the qualities we search for in every applicant:

- A work history that indicates rising income and success
- A work history that indicates an increase in responsibility
- Job stability and continuity
- Past accomplishments



# **NEW FINANCIAL ADVISOR TRAINING**

# Will training courses fully prepare me for the Financial Advisor position?

Becoming a successful Financial Advisor requires comprehensive training and your concentrated efforts to succeed. Edward Jones is committed to providing every Financial Advisor with a high level of continual training throughout his or her career. In addition, mentor programs, new Financial Advisor support meetings and other assistance within your region are available to help you succeed as an Edward Jones Financial Advisor. You will be matched with established Financial Advisors when you go on payroll. These Financial Advisors will be available to work with you and assist you throughout the entire training program and beyond. Prior to being hired by Edward Jones, you are required to successfully complete the Canadian Securities Course (CSC) per the conditions of your contingent employment agreement.

# Once hired, what can I expect in studying for my securities license?

As a prerequisite to starting on payroll at Edward Jones, you must complete the CSC. If you have not already completed the CSC, you may still proceed through our hiring process. Once the hiring process is completed, Edward Jones will extend an offer of employment that will be contingent upon the CSC course completion. You will independently study for the course; however, Edward Jones tutors will offer academic support and guidance. Additionally, you will be provided specific enrollment instructions allowing for a discounted course rate.

After completing the CSC, you will be eligible to begin the Study for Success full-time six-week home study component of the paid training program. Once on payroll, you will complete the Conduct and Practices Handbook (CPH) and the insurance exams. Edward Jones will schedule and pay for the cost of these courses in addition to providing the home study materials. Upon completion of the training program, including all the required exams, you will have obtained your securities and insurance licenses.

At first review, the volume of information may seem overwhelming. Preparation for these exams is challenging and must be taken very seriously. They are more difficult than the real estate licensing exam, but they are not the equivalent of sitting for CA (Chartered Accountant) or bar examinations. Failure to complete the assignments, adhere to the study schedule and pass all required examinations on your first attempt and within the allotted time period may result in termination of your employment contract with Edward Jones. Please refer to the New Financial Advisor Training and Support Stairway to Success on pages 7 – 8.

# Home Study - Study for Success (6 weeks)

Preparation for the CPH and insurance exams should require a minimum of 40 hours a week during this six-week period. During this time, you also will begin the salaried portion of your training. You must have terminated your employment with your current employer prior to your first day of payroll at Edward Jones. Our policy requires that 100% of your earned income be derived from your employment as a Financial Advisor with Edward Jones. Any exceptions to this policy must be approved in advance by the Financial Advisor Talent Acquisition and Compliance departments.

With an organized and committed study plan, you will find the information manageable. Historically, 19 out of 20 Edward Jones trainees pass the CPH and insurance exams. Failure to pass any licensing examination is generally caused by insufficient study time and/or failure to use the support provided. You must pass the licensing exams to take part in a career as an Edward Jones Financial Advisor. You will have a Study for Success trainer who will support you through this period.

For the first two weeks of Study for Success, you will dedicate yourself full time to studying and passing the CPH course. The final four-week portion of the study program involves completing the insurance exams and passing the licensing exam. During this time, you also will learn about the firm's history, philosophy and approach to doing business. During this period, we will confirm your travel arrangements to our training centres in Mississauga for the start of the Know Your Client (KYC) training class. Again, successful academic performance and passing all exams are prerequisites to proceeding to the KYC training class.

# What types of training classes will I attend?

After you pass the regulatory exams, a new phase of training begins. You will enter the firm's nine-week training program designed to prepare you for a successful start as a new Financial Advisor. You also will receive ongoing training designed to continuously hone your business development skills and investment knowledge.

# Initial Training (weeks 7 - 15)

At the beginning of initial training, we will assign an academic training leader (ATL) to you. This individual will be dedicated to assisting you throughout our nine-week training program. This program consists of four separate training steps: KYC, Field Foundations, Prospecting Weeks and Evaluation/Graduation. The purpose of each is to:

- 1. Reinforce the concepts and information you learned in Study for Success
- 2. Teach you to apply this knowledge to the creation of clients
- 3. Develop a thorough understanding of the critical activities required for success
- 4. Develop presentation skills
- 5. Provide hands-on experience in an existing branch office
- 6. Develop a detailed business plan to guide your initial efforts

As a trainee, you will spend weeks 7 and 15 away from home at our training centres in Mississauga.

Between weeks 8 and 12, you will spend three days per week making face-to-face contacts in your market area and two days per week in your field trainer's office. It is not always possible to spend time close to where you live or where you will be building your business. Please refer to Expenses during Training (page 18) for detailed information on allowable expenses during this period. For some trainees, this means a possible two days per week away from home between weeks 8 and 12.

New Financial Advisor Training

5 **Financial Advisor's** ■ Focus on 5 Critical Activities Market **Evaluation**/ ■ Refine and Expand Graduation ■ Execute 5 Critical Activities Knowledge on Solutionsbased Advice ■ Build Business **Training Class Prospecting Weeks** ■ Refine Client Creation Skills ■ Visit from RL during First 3 ■ Receive Can-sell Date ■ Implement Time-Manage-Trainee's Market / Week ment and Contact Field Trainer's Office ■ Perform 5 Critical Activities **Field Foundations** ■ Execute the 3 P's: Management Strategies ■ Complete Face-to-face - Prospective Clients ■ Practice Presentation Skills 2 Trainee's Market / ■ Make 25 Presentations RL Exam - Production Field Trainer's Office per Day - Participation ■ Develop Telephone Skills **Know Your Client** ■ Schedule First Week RL Visit ■ Review 5 Critical Activities ■ Receive Additional Training ■ Develop Business Plan ■ Present Solutions to 1 ■ Record Prospective Client by Field Trainer **Training Class Prospective Clients** ■ Learn How to Build ■ Make 25 First Contacts Information in JonesLink **Study for Success** the Branch Team by per Day ■ Attend Monthly Support ■ Create Clients ■ Review 5 Critical Activities ■ Schedule Minimum 200 Understanding the Role Meetings ■ Send Thank-you Notes Calls for Week of Eval/Grad of the BOA and Developing Study at Home ■ Meet Development Leader ■ Understand Client Skills as a Leader ■ Implement Fast Start Plan Needs, Solutions and ■ Learn 5 Critical Activities **Edward Jones History** ■ Complete Road Map ■ Meet RL - Dinner to Excellence ■ Learn from Veteran Financial Advisor ■ Pass Regulatory Securities ■ Practice 4 Basic Investment and Insurance Exams Presentations ■ Study Client Creation Process ■ Call Your Field Trainer ■ Practice the Foundations of **Investing Presentation** ■ Develop and Practice ■ Learn about Your Market **Investment Presentations** ■ Observe Financial Advisors ■ Participate in Pre-KYC with Clients conference call with ATL ■ Build Relationship with Field Trainer

Always do what is right for the client.

Profitability Development Program

**Training Class** 

6

First 120 Days

## Know Your Client (Five Days)

During this class, which is conducted in one of our training centres, you will participate in a highly interactive and intensive program utilizing small-group training led by ATLs. This class will help you develop a better understanding of the securities business, the firm, clients and their needs, and key investments. There is also an introduction to important applications of the Edward Jones computer-based information system. In addition, we will introduce you to key business-building and presentation skills that you will refine later in the training program. Lastly, you will complete an individualized plan in preparation for the next step of your training, Field Foundations. Successful completion of KYC prepares you for this. Travel and lodging expenses during KYC are paid by the firm.

## Field Foundations (Five Weeks)

During this time, you will spend three days per week in the market you have selected to develop your business and two days per week in your field trainer's office. By spending time in your market area, you will develop a more thorough understanding of that market and the people in it, and begin formulating your market research plan, which will guide you through the critical first 120 days following licensing. A key activity required for completion of this step of Edward Jones' training program is to make 125 first contacts per week. During Field Foundations, you should begin identifying local key referral sources who may be able to help you once you begin building your business. During Field Foundations, you will compile a list of key prospective clients (business owners and residents) whom you have personally met by making face-to-face contacts. To be at standard, according to the new Financial Advisor Fast Start Plan, you will need to contact a minimum of 425 key prospective clients during Field Foundations. While in your field trainer's office, you will observe the Financial Advisor and branch office administrator (BOA) as they run their business and create and serve clients. You will practice business-building calls and basic investment presentations, sit in on client appointments and be encouraged to make additional contacts.

You will learn how Financial Advisors interact with clients and prospective clients, how they identify appropriate solutions to meet client needs, and how they successfully present these solutions. In addition, you will focus on time management and prioritization skills and office administration.

# **Prospecting Weeks (Two Weeks)**

You will spend this portion of training in the market you've selected to build your Edward Jones business. You will complete a minimum of 100 face-to-face contacts with business owners and individuals per week, ask potential clients "open-ended" questions to obtain financial information, assess each contact and indicate the next action. To qualify for Evaluation/Graduation, you must schedule 200 prospective client follow-up calls to take place during the week of Evaluation/Graduation. During this time, you will complete a face-to-face exam with your regional leader (RL). At that time, he or she will determine whether you need additional training before moving on in the training process.

**NOTE:** You must enter 200+ contacts into your prospect system in order to return to Evaluation/Graduation. Failure to complete these tasks or show up for Evaluation/Graduation by start time on Monday constitutes grounds for dismissal.

## Evaluation/Graduation (Five Days)

This class, which completes your initial training, is held at one of our training centres. You will receive your registration by Monday at this class. You will refine first and repeat face-to-face and phone contact skills and practice investment presentations. You also will officially begin building your business by calling prospective clients with solutions and for appointments. Additionally, you will develop a better understanding of the attitudes that lead to success as an Edward Jones Financial Advisor, and learn how to apply the skills needed to create clients in your own market. You also will focus on compliance issues to help ensure good, ethical business practices from the start.

Upon graduation, your initial training is concluded and you will return to your community as an Edward Jones Financial Advisor.

## **Profitability Development Program (Three Days)**

Upon meeting certain eligibility requirements, you will return to a training centre for a three-day intensive training session. In this class, you will work to develop the knowledge and skills necessary to continue developing your Edward Jones business. We will look at your level of success in your first 17 weeks. If you are at or above standard, you will automatically be invited back for PDP. If you have not met standard after 17 weeks, we will consider the next step based upon a model called "The 3 P's":

**Prospective clients –** Have you been consistently meeting new people and adding them to your list of prospective clients?

**Production –** How many new accounts have you opened, and how much in gross commissions have you generated?

**Participation** – Have you been attending phone workshops, mentor meetings, virtual and classroom sessions and other new Financial Advisor activities that are designed to help you increase your success?

**NOTE:** Failure to meet the above performance standards may result in termination of employment.

# **Ongoing Training**

During your first 12 months as a Financial Advisor, you will work closely with our New Financial Advisor Support department. Throughout your career, you will attend additional classes and workshops to improve your technical, business development and management skills. Classes are conducted in one of our training centres or via webinar or virtual class. Edward Jones is committed to continual training throughout your career.

# **COMPENSATION**

# As a Financial Advisor, how will I be compensated? Does my compensation include more than commissions?

In your early months as a Financial Advisor, you are unlikely to earn large net commissions.

Significant financial rewards typically come after months of making enough quality contacts and investment presentations to develop a client base.

At Edward Jones, we realize that building your business takes time. To help new Financial Advisors transition into an income based on commissions, we offer a program designed to give you support during your initial training and throughout your first three years of business. The next section will give you an overview of how this program works.

# **Study and Training Pay**

During the 15 weeks you spend studying for your industry licenses and completing your training, you will be paid semi-monthly. This should be treated as full-time employment. It is expected that you will commit to a minimum of 40 hours of study time each week during the Study for Success program and the remainder of the training program. The rate of pay will be based on the combination of your previous level of experience and geographic location. A hiring specialist will discuss your pay in more detail as you progress through the hiring process.

#### First 12 Months in Business

Once you've completed your initial training and received your registration, you will move to our compensation package designed for new Financial Advisors. During this time, a salary payment will continue on a semi-monthly basis on the last day of each pay period, and your commission will be paid on the 10th day of each month. In summary, your income will include:

- Base salary
- Commissions
- Milestone bonuses

Here's a look at what your income might look like during your first 12 months in business.

The base salary provided in this example is the national average and will vary based on geographic area and previous level of income. The bonus and commission amounts are based on 100% of standard performance.

Base Salary Estimate	\$31,200
Commissions Estimate	\$23,800
Milestone Bonuses Estimate	\$9,000
Total	\$64,000

#### **Commissions**

Your salary will begin a gradual decline as you build your client base and start earning commissions. Although most of your income will be based on commissions earned (average payout is 38.6%), bonuses will also be a significant source of income and are designed to help you experience marked success. The following section outlines when milestone bonuses are earned.

# MILESTONE BONUSES

As you are building a business your first three years with Edward Jones, we recognize it takes time to achieve significant commission earnings. Edward Jones offers an additional bonus program to help recognize your accomplishments while you build a client base.

Milestone bonuses are an exciting way to be rewarded for your performance. These bonuses are designed to recognize and reward the key milestones early in your career. If you perform at 100% of standard or better, you will earn milestones at various points in your first 36 months as a Financial Advisor. If earned, the value of all bonuses could total approximately \$37,500.

#### Months 13 - 36

In your second and third years of business, although commissions will be your main source of income, you will be eligible to earn significant milestone bonuses. You will be compensated as follows:

Months 13 - 24	
Commissions Estimate	\$52,000
Milestone Bonuses Estimate	\$13,500
Total	\$65,500

Months 25 – 36	
Commissions Estimate	\$78,000
Milestone Bonuses Estimate	\$15,000
Total	\$93,000

#### After 3 Years

Though commissions are your main source of income as you progress in your career as a Financial Advisor, your comprehensive compensation package will consist of the following five key elements:

- **1. Commission** All Financial Advisors, regardless of tenure, receive the same payout. The average payout for Financial Advisors is 38.6% of commissions earned.
- 2. Diversification Trips Superior performance is rewarded in many ways, one of which is through incentive trips. There are two opportunities to earn trips each year. You also may combine the two into one "Super Trip." Destinations include top-notch resorts in places such as Hawaii, Switzerland, the Caribbean, Africa and Paris, to name just a few. All trips include spouses, and many welcome families, too.
  - All Financial Advisors who meet the criteria earn a trip. There is no limit on the number of Financial Advisors who can participate. We're proud to say that typically more than half of Edward Jones Financial Advisors qualify for each trip. Trip value typically ranges from \$3,800 to \$4,200 for two people or \$8,000 for a "Super Trip." Please note that all trips are taxable.
- **3. Profit Sharing –** Approximately 24% of post-bonus profit is paid in the form of profit sharing into a group Deferred Profit Sharing Plan (DPSP).

<sup>\*</sup>Based on production at 100% of standard.

**4. Branch Bonus** – All Financial Advisors participate in the Trimester Branch Bonus plan, a compensation plan unique within our industry. Edward Jones Financial Advisors, the firm's only profit centres, may receive a significant portion of their compensation by sharing in the success of both their branch and the firm.

Bonuses are paid three times each year based on four-month bonus periods ending in April, August and December. Bonuses are paid within 75 days of the end of each period. The amount of bonus earned is a percentage of branch office location margin, the firm's net profit margin and the Financial Advisor's location margin. Bonus is calculated on a progressive basis.

To receive a bonus, a Financial Advisor must be in good standing with the firm on the bonus payment date and have attained minimum profitability during the bonus period based on his or her can-sell date at the beginning of each bonus period.

**5. Limited Partnership** – Edward Jones is owned entirely by more than 15,000 limited and general partners who are also full-time associates. From time to time, selected Financial Advisors and other associates are invited to invest capital in the firm as limited partners. Considerations for invitation to become a limited partner have included profitability, leadership through assisting other Financial Advisors, recruiting, training and compliance. The criteria for participation in a limited partnership offering are determined at the time of the offering.

## How is my salary calculated?

In addition to the compensation details on page 12, another important variable when estimating your compensation is the bonus structure. As a new Financial Advisor (0 to 36 months), you can potentially increase your income by thousands of dollars over your base salary and commissions depending on the milestone bonuses you reach. This bonus will not be available at any other time during your career as an Edward Jones Financial Advisor and is designed to help supplement your income and to help you experience marked successes as you work toward building a strong and profitable business.

As you progress in your career, you'll see a shift to an income based largely on commissions, profit sharing and profitability bonuses. This chart provides an example of that shift.

# **Earnings Benchmarks**

Performance among new Financial Advisors varies, but at Edward Jones, we know from experience that certain levels of performance must be maintained to be a successful Financial Advisor. The

COMPENSATION OPPORTUNITIES					
	0-12 mos.	13-36 mos.	37+ mos.		
Base Salary	Х				
Milestone Bonus	Х	Х			
Commissions	Х	X	Х		
Diversification Trips	Х	Х	Х		
Profit Sharing	Х	Х	Х		
Profitability Bonus		Х	Х		
Limited Partnership			Х		

first 120 days (four months) of building your business are critical, and achievements are closely evaluated according to our 3 P's expectations: Prospective clients, Production and Participation. In conjunction with this, you will work closely with your Development Leader (DL) or Business Development Coach (BDC) at the home office, who will monitor your progress toward meeting these 3 P's expectations. He or she, along with a field training Financial Advisor assigned in your region, will provide you with intensive, one-on-one training and support to help you build your new business. Prior to and throughout this period, you will be well-informed about the specific goals you must attain based on your particular situation. To remain on track during this period, you must meet the 3 P's expectations outlined for you, which will include participation and accountability requirements, minimum net commission standards and prospecting goals.

Failure to achieve these critical 3 P's expectations during the first 120 days is grounds for dismissal.

#### Does Edward Jones offer benefits?

An Edward Jones Financial Advisor's total return includes more than just a paycheque. The firm provides access to the provincial health care plan on a province-by-province basis for all full-time associates. In addition, the firm offers extended health care coverage for you and your dependants for many services not covered by the provincial health care plans. A summary of these benefits is provided in your offer package.

Most benefits become effective on the first day of the month following two months of employment. For example, if your payroll date were Jan. 7, benefits would be effective April 1. Your payroll date is the date you start working, not the date you sign an employment agreement. If you join the firm, a detailed benefits package will be mailed to your home during your first week of employment with Edward Jones.

# WHAT TO EXPECT THE FIRST YEAR

# What does Edward Jones expect of me during my first year as a Financial Advisor?

The monetary rewards, personal freedom and lifestyle enjoyed by successful Edward Jones Financial Advisors are neither automatic nor quickly obtained. The work required, especially in the first two years, is physically and mentally challenging. Your progress will be directly related to the quantity and quality of work you perform. Although there is a great amount of potential for independence, the training and the work required are very structured.

#### Weeks 1 - 17

Years of experience have shown that the first 90 – 120 days as a Financial Advisor are critical to success. During that time, you must build a client base by meeting people face to face, qualifying them as prospective clients, identifying their investment needs and opening accounts. This process is fundamental to the unique strength of the Edward Jones system: the personal relationships between the Financial Advisor and our clients. Initially, you will not be well-acquainted with most of the people living or working near your future office location, and they may not be familiar with Edward Jones. It is solely up to you to initiate and maintain good relationships.

## **Expectations**

Your Development Leader (DL) will monitor your progress closely during this time. You will meet hundreds of prospective clients face to face while making contacts within your community. You will then contact them again, both in person and by telephone, several times. To be on track, you must earn cumulative gross commissions of \$5,625 or more during your first four months in business. This is the absolute minimum acceptable amount. You will participate in Saturday meetings once each month and evening work sessions two to four times each month. These sessions are organized by the New Financial Advisor Training department and are designed to help you meet commission expectations and build your business faster.

# **Meeting Those Expectations**

The first 120 days require very hard work. You will concentrate on personally introducing yourself and making follow-up contacts with potential clients. You will likely be operating your business from an existing Edward Jones branch office and will be focusing on making contacts with people who work or live in the geographic area adjacent to the approximate location of your future office. You will continue to work from an existing Edward Jones branch office until you have met the required criteria to earn your own branch office. To qualify for an office, a new financial advisor must gather a minimum of \$5 million in net new assets and open accounts with 100 new households.

Much of this time is spent making initial and follow-up contacts. You will meet face to face with business owners and other professionals who work in the area, as well as some of the retired people who live nearby. The training you receive will teach you how to effectively make these critical contacts. The business plan created during training will aid you in identifying many of the people you should be contacting.

On each initial contact, you will introduce yourself and the firm and ask questions to learn how you might be of service to prospective clients. After you discover investment needs or interests, you will be prepared to offer an appropriate investment. To support you, a tablet laptop computer will link you to the home office. Connecting with the Edward Jones systems will give you access to detailed information about financial markets and specific investments.

Each day after completing your contacts, you will enter their names, addresses and other pertinent information into your laptop computer. You will write a short, personal thank-you note to each person you met that day to remind him or her of your meeting. You will also plan your next day and prepare for follow-up contacts with people who had specific questions or immediate investment needs, or who showed some level of interest.

During this period, your activities will be a combination of first contacts with potential clients and follow-up contacts with those you have already met. Gradually, you will eliminate some people from your schedule when they clearly do not have the interest or financial qualifications needed to become a client.

# **Edward Jones' Support**

Throughout this important time, you will interact closely with your DL or Business Development Coach (BDC) in Mississauga, whose responsibility it is to monitor your progress and work with you to enhance your business activities. It is your responsibility to work with your support team, follow your business plan and implement the training you have received. Your support team is responsible for helping you be successful. Your DL or BDC and your mentor will be your primary contacts and sources of support until you reach location gain. You will also be communicating with fellow Financial Advisors in your region. Attending regional meetings and getting to know other Financial Advisors will be a tremendous asset to you and your efforts throughout your career. It is vital that you get to know them and communicate with them regularly.

# Weeks 18 – 52 Expectations

During this period, you are expected to earn \$20,822 in net commissions.

# **Meeting Those Expectations**

During this time, you will continue contacting new prospective clients through face-to-face prospecting. The telephone will become a more valuable tool when dealing with clients and prospective clients you have previously met.

You will begin speaking at clubs and civic organizations, conducting public seminars and sponsoring broadcasts and/or videotaped programs in your office. These are all effective tools for meeting prospective clients and increasing your credibility with new clients. Workdays will continue to be long. Evening and weekend appointments will be needed to develop your business. You will begin to experience an increase in the number of accounts you open and in the commissions you earn. While you will be earning substantially more in commissions during this period, you will continue to make initial and repeat contacts. It will always be important to identify qualified prospective clients and to ask for referrals. As an Edward Jones Financial Advisor, you will have a high level of independence and responsibility for running your business. Edward Jones offers Financial Advisors the opportunity to earn a good income without requiring a franchise fee or a large capital investment to "buy into the business." Our philosophy is to offer a higher payout and let the Financial Advisor invest as he or she chooses in developing the business.

# **EXPENSES**

# Office Expenses

Upon establishing your office and hiring a BOA, Edward Jones pays the rent, utilities and BOA's salary, within certain guidelines appropriate for the market in which your office is located. In addition, the firm provides office furniture, four framed prints, a copier/fax machine and a communications system, two computer terminals and a laser printer. Purchase of other accessories or decorations for the office will be at your expense.

# **Business and Advertising Expenses**

Your financial investment in your office will include sharing some controllable business expenses. Edward Jones covers 100% of your local telephone and national advertising. Local advertising, long-distance telephone, postage and costs for marketing literature are paid for by you. We will provide you with a one-time \$1,000 credit to use for marketing literature, advertising or postage as part of your compensation. The credit is available until it is depleted.

Investments in advertising are at the discretion of each Financial Advisor. Local newspaper, radio and/or television advertising must be paid in full by the Financial Advisor. However, Edward Jones requires that the Financial Advisor utilize only newspaper ads and radio ad scripts that are approved by the firm. Edward Jones provides these at no cost. Numerous brochures and marketing materials are also available, most at a small charge. The firm will also pay 50% (up to \$400) for allowable expenses pertaining to approved public seminars. All other branch expenses, including rent, utilities, local telephone and office setup costs, are paid for by the firm. Expenses paid through Edward Jones are deducted from monthly net commissions.

# Should I be concerned about incurring significant expenses once I become a Financial Advisor?

During the first year, your income will be earned from a monthly salary and incentive compensation for milestone bonuses, in addition to earned commissions. However, you must realize that as a new Financial Advisor, you will be starting an enterprise from a zero base by calling on many people you have never met. If you do the work, your business will grow steadily, but many Financial Advisors have had to rely on savings and family income to supplement their income during their first two years. Therefore, it is critical that you plan ahead and accumulate sufficient savings to meet your needs.

Although we provide a furnished and equipped office for all of our Financial Advisors who qualify, there are several expenses you may encounter that are not reimbursed. The amount a Financial Advisor chooses to invest in developing and promoting his or her business ranges from several hundred to several thousand dollars per year. You are in control of these expenses, and how much you spend will depend upon your personal lifestyle, savings and individual business plan.

# **Expenses during Training**

Edward Jones covers a portion of your expenses during training, including transportation to and from our training centre and food and lodging (if required) when you attend new Financial Advisor training classes. You are responsible for all other personal expenses.

During the branch office phase of initial Financial Advisor training, you are responsible for all expenses outside those listed below. Determining where you will receive the best training is the most important criterion for choosing this branch training location. You should expect to incur travel, food and lodging expenses during this period. On average, trainees spend \$1,500 to \$2,500 during this period.

#### Financial Advisor trainees driving to branch training (no hotel):

A trainee will be reimbursed for mileage if the distance to the field trainer's office is greater than 150 km each day. If the mileage is less than 150 km each day, the trainee will not be reimbursed.

### Financial Advisor trainees staying in a hotel during branch training:

Edward Jones will cover up to \$100 per night of hotel accommodation fees. All reservations must be made through our Travel department with prior approval.

#### Financial Advisor trainees traveling by air to branch training:

Edward Jones may approve airline travel when necessary. Airline travel is secured through our Travel department with prior approval and is paid for by Edward Jones.

Meals and other expenses, including but not limited to telephone, laundry, room service, etc., are paid for by the trainee and are not reimbursable.

# FREQUENTLY ASKED QUESTIONS

# What other factors should I consider prior to becoming a Financial Advisor?

The work of a Financial Advisor is difficult. The first two years as an Edward Jones Financial Advisor require you to invest tremendous effort in building your business. You work alone much of the time. You can expect to experience emotional ups and downs, as well as a fluctuating income. Despite all of the information you'll receive, your family may be surprised at the great number of working hours required to get your business started.

In addition, it is important to remember that this is a highly regulated industry. While you run a business, you are required to do so within the rules set by provincial securities and insurance laws, the Investment Industry Regulatory Organization of Canada and all other regulatory bodies governing the firm, as well as the policies of Edward Jones. For regulatory purposes, you will be supervised by a Field Supervision Director in our Mississauga head office. Due to industry regulations and supervisory requirements, Edward Jones associates are generally not permitted to maintain brokerage accounts at other firms. You should plan to close any outside accounts or transfer them to Edward Jones once you have been hired and become an Edward Jones associate.

#### Is the work difficult?

As you might expect, any career that offers the potential for financial success demands very hard work. This position is like starting a new business. In any successful new business, hard work and long hours are mandatory, but the rewards are well worth it. Edward Jones Financial Advisors consistently rank among the highest-paid professionals in the retail securities industry. Plus, they enjoy the freedom associated with running a business. Potential for firm ownership and travel incentives are other attractive perks, not to mention the respect and leadership opportunities you'll enjoy as an Edward Jones Financial Advisor. This is not a part-time position. It requires a full-time commitment with maximum effort, doing whatever is necessary to build your business. In addition, as with any business development role, you'll have to overcome many "nos" before ever hearing a "yes." The ability to deal with rejection will play an important role in your daily activities. Success requires self-confidence, dedication and persistence.

## Where should I establish my Edward Jones business?

Locating branch offices in places convenient for face-to-face contact with clients is one of Edward Jones' key business strategies. The number and location of branches within each community are determined by a variety of factors, including population, age of residents and investable assets. The process of market selection begins when you submit your application. You must indicate on the application where you wish to establish your business. Markets are not franchises or territories (which do not exist at Edward Jones) but are those areas in which you believe you can build a successful busi ness. While you can do business anywhere you are properly licensed, this market will be the focus of your business-building efforts. Consider areas where you would feel comfortable making face-to-face contacts and asking people to invest. In addition, think about where you want to be in 10 or 20 years. Market selection is critical. Commitment to the chosen market and confidence in it are key elements for most Financial Advisors' success. Put as much effort into this process as possible. You should be certain the chosen market is a place you want to live for a number of years and that it provides the lifestyle and amenities you and your family desire. Edward Jones has identified thousands of areas where we one day want to open offices. We will work to match where we want to be with where you want to be.

After you are hired, complete the initial training and meet the minimum expectations, we begin the branch procurement process. In the interim, new financial advisors will work from an existing Edward Jones branch office. To qualify for an office, new financial advisors will have to gather a minimum of \$5 million in new assets and open accounts with 100 new households. However, prior to signing a lease on the branch office, we will review your progress and performance to ensure you are on track. Below-standard performance may result in a delay in opening your Edward Jones office. On average, Edward Jones Financial Advisors are in their offices within eight to 11 months of being authorized for a branch.

Our Branch Facilities department will play a key role in this process. The standard Edward Jones office is approximately 700 to 800 square feet in size. The firm will provide furniture, office equipment and network communication equipment. The network equipment installed in your office is a valuable tool for you because it allows for data transmissions and video broadcasts.

#### What if I need to relocate?

We do not encourage relocation but do permit it in cases based on sound business reasons. An example of an acceptable reason would be to take advantage of an opportunity to move to another branch with greater assets. In such cases, the Financial Advisor must recruit his or her own replacement. In general, however, Edward Jones' expectation is that the new Financial Advisor will remain in the community for at least 10 years. Any relocation after hire should take place prior to starting on payroll. We recommend that you do not move while you are studying.

# Can I have a part-time job outside Edward Jones until my business starts growing?

No. Edward Jones does not generally allow Financial Advisors to have second jobs, with the exception of part-time teaching positions. This includes the time period during which you will be in training. A career as an Edward Jones Financial Advisor requires hard work and maximum effort. Any outside employment, regardless of how minimal, must be disclosed to and approved by our Field Supervision department during the hiring process.

# I'm not sure I can wind up my current business before starting with Edward Jones. Is that a problem?

It depends. Industry regulations require you disclose all outside employment, business and investment activities to Edward Jones upon hire. To continue any such activity, you must obtain approval from Edward Jones. There are some things the firm will not approve. Typically, these include activities that involve selling other products or services or have some other aspect that could potentially raise the appearance of impropriety or conflict of interest. Every situation is different and will be reviewed individually by our Field Supervision department.

# Do I have to sign a contract?

There is a contract that, among other things, requires the return of all Edward Jones equipment in good condition; stipulates no client information may be copied, removed or used to solicit our clients if a Financial Advisor leaves the firm; and requires the repayment of training costs on a prorated basis if the Financial Advisor accepts employment with a broker or dealer and engages in the sale of securities and/or insurance. After three years, the new Financial Advisor is no longer financially obligated to Edward Jones for his or her training costs, but other clauses remain in effect. It is standard in the industry and protects Edward Jones if you decide to go to another firm in the industry.

#### **One Final Note**

The opportunity at Edward Jones is limited only by your desire, ability to generate results and willingness to do the necessary work. You will receive excellent training and support throughout your career. You will be well-compensated in return for your continuous efforts to run a successful, professional and ethical business. Although the risks of beginning a new business are self-evident, a new Financial Advisor with Edward Jones starts with many advantages. We hope you will consider joining the many men and women achieving success with our firm. If you have questions, do not hesitate to call our Talent Acquisition department at 800-380-4517 or visit www.careers.edwardjones.com.

Edward Jones is a limited partnership in Canada and is a wholly owned subsidiary of Edward D. Jones & Co., LP, a Missouri limited partnership. Edward D. Jones & Co., LP does business in Canada as Edward Jones and is a wholly owned subsidiary of The Jones Financial Companies, LLLP, a limited liability limited partnership.