

**A**t BMO Nesbitt Burns, we're committed to helping our clients achieve their financial goals. We recognize and respect the trust you place in both your Investment Advisor and our firm, and believe it's important for you to understand the provisions that are in place to safeguard you and your investments. We want you to feel confident that your assets are well protected and any concerns about your portfolio will be addressed efficiently and with professionalism.

BMO Nesbitt Burns operates in strict adherence to the regulations, policies and bylaws dictated by the governing bodies of our industry. This article provides an overview of our regulators, our process for handling client concerns and the protection available to you as a client of BMO Nesbitt Burns.

## Providing Industry Oversight

### Investment Industry Regulatory Organization of Canada

BMO Nesbitt Burns is a regulated Canadian investment dealer and your Investment Advisor is registered to provide investment advice, buy and sell securities and perform other services under the rules and oversight of the Investment Industry Regulatory Organization of Canada (IIROC).

IIROC is a national regulatory organization that oversees all securities dealers and trading activity in the debt and equity marketplaces in Canada. IIROC is responsible for the oversight of all dealer firms' financial operations, staff supervision, product due diligence, trading activity and the proficiency and ethical business and financial conduct of registered employees. IIROC also requires dealer firms to maintain an internal compliance function – with a Chief Compliance Officer – and to be audited by an approved public audit firm, as well as conducting its own audits of member firms.

IIROC requires Investment Advisors to complete both the Canadian Securities Course and the Conduct and Practices Handbook Course. For Investment Advisors entering the industry, a 90-day in-house training program with their employer must also be completed. In addition, within 30 months of becoming an Investment Advisor, the Wealth Management Essentials Course must be completed. To ensure Investment Advisors remain current on financial products and industry rules, regulations and trends, IIROC also mandates continuing education requirements. Every three years, an Investment Advisor must complete 12 hours of compliance and 30 hours of professional development continuing education to maintain his/her Investment Advisor status.

### Canadian Securities Administrators

Canada also has provincial (and territorial) securities regulatory bodies that have rules designed to protect investors. Your Investment Advisor must be registered and abide by the rules of the securities regulator in each province where he/she conducts business. For more information about the provincial securities regulators, please refer to your provincial securities commission website, or for a listing of the provincial security commissions visit the [Canadian Securities Administrators \(CSA\)](http://www.securities-administrators.ca) website at [www.securities-administrators.ca](http://www.securities-administrators.ca).

## Addressing Your Concerns is a Priority

At BMO Nesbitt Burns, our clients come first in everything we do. If you have a concern, we encourage you to talk to us. We are committed to delivering an extraordinary client experience, and that includes our promise to address any complaints quickly, efficiently and professionally. Retaining your confidence and trust is of utmost importance to us.

As an initial step, discuss your concern with your BMO Nesbitt Burns Investment Advisor. If he/she cannot resolve it to your satisfaction, please involve the Branch Manager in the office where your Investment Advisor works. The Branch Manager's name and telephone number is listed on the upper right-hand corner of your BMO Nesbitt Burns account statement. Alternatively, you can direct your concern to [BMO Nesbitt Burns' Retail Compliance department](#).

### **BMO Financial Group's Ombudsman**

If your concern is unresolved after your initial contact with BMO Nesbitt Burns, you may escalate the matter to BMO Financial Group's Ombudsman. The Ombudsman's mandate is to maintain independence while reviewing your complaint. The Ombudsman will conduct a review based on fairness, integrity and respect and make a non-binding recommendation in a timely manner. The Ombudsman does not investigate:

- Credit granting policies or risk management decisions of the Bank.
- Levels of interest rates, service charges or fees that apply to all customers.
- Matters that are already before a court.

If your concern is regarding the privacy of your personal information and remains unresolved after your initial contact with BMO Nesbitt Burns, you may escalate the matter to BMO Financial Group's Privacy Office.

Visit [www.bmo.com](http://www.bmo.com) for more information.

If you are not satisfied with BMO's decision regarding your concern, the following options are available:

### **Ombudsman for Banking Services & Investments**

Contact the Ombudsman for Banking Services & Investments (within six months of receiving BMO's response) for a further review of your complaint. Information on the Ombudsman for Banking Services & Investments is available at [www.obsi.ca](http://www.obsi.ca).

### **Arbitration**

IIROC has designated two independent arbitration organizations to resolve disputes between its member

firms and clients. An arbitrator will oversee the proceedings and review each party's case before arriving at a binding decision. For more information about the arbitration firms, please visit the ADR Chambers website at [www.adrchambers.com](http://www.adrchambers.com). Quebec residents should visit the Canadian Commercial Arbitration Centre website at [www.ccac-adr.org](http://www.ccac-adr.org).

### **AMF Mediation Service (Quebec)**

The Autorité des marchés financiers (AMF), Quebec's financial sector regulator, offers free mediation services to Quebec residents. Participation is voluntary and both you and the investment firm must consent to mediation. For more information on AMF's mediation services, visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

## **Maintaining the Security of Your Investments**

Ensuring your assets are safe and secure is an important priority for BMO Nesbitt Burns. Assets held at BMO Nesbitt Burns are protected in a number of ways, including financial protection in the unlikely event BMO Nesbitt Burns were to become financially insolvent.

### **Asset Segregation**

All securities that are paid for in full (including any excess margin securities), and held by BMO Nesbitt Burns on your behalf, are kept separate (or segregated) and easily identified from BMO Nesbitt Burns' assets. Segregating your assets from those of BMO Nesbitt Burns reduces the risk of losing your investments in the event of the firm's insolvency.

### **Canadian Investor Protection Fund**

As a client of BMO Nesbitt Burns, your assets are protected by the Canadian Investor Protection Fund (CIPF), within specified limits. CIPF is sponsored by IIROC and is the only compensation fund approved by the Canadian Securities Administrators for IIROC dealer firms.

Contact your BMO Nesbitt Burns Investment Advisor for a copy of the [CIPF brochure](#), which provides full details of coverage, or visit the CIPF website at [www.cipf.ca](http://www.cipf.ca) to learn more.

### Canada Deposit Insurance Corporation

Canada Deposit Insurance Corporation (CDIC) coverage protects certain deposit products that you may hold at BMO Nesbitt Burns, such as Canadian dollar GICs and term deposits with an original term to maturity of five years or less. CDIC insures eligible deposits and will reimburse you for any insured deposits in the event of the failure of a CDIC member institution. A maximum of \$100,000 of your savings (including principal and interest) are eligible for CDIC coverage at a single member institution.

For more information and a list of member institutions, visit the CDIC website [www.cdic.ca](http://www.cdic.ca).

At BMO Nesbitt Burns we understand that you've entrusted your financial future with us. You can be confident that the necessary provisions are in place to ensure the safety and security of your investments. If you have questions or would like a copy of any of the brochures discussed in this article, please contact your BMO Nesbitt Burns Investment Advisor.

BMO Nesbitt Burns Inc. ("BMO NBI") provides this commentary to clients for informational purposes only. The information contained herein is based on sources that we believe to be reliable, but is not guaranteed by us, may be incomplete or may change without notice. The comments included in this document are general in nature, and professional advice regarding an individual's particular position should be obtained.

®"BMO (M-bar Roundel symbol)" and "Making Money Make Sense" are a registered trade-marks of Bank of Montreal, used under licence. ® "Nesbitt Burns" is a registered trade-mark of BMO Nesbitt Burns Inc. BMO Nesbitt Burns Inc. is a wholly-owned subsidiary of Bank of Montreal. If you are already a client of BMO Nesbitt Burns, please contact your Investment Advisor for more information.

Member-Canadian Investor Protection Fund and IIROC