BMO Nesbitt Burns Architect Portfolio Solutions

An Accessible and Diversified Solution for Your Investing

Through the BMO Nesbitt Burns Architect Program® clients can access the Architect Portfolio Solutions. Designed and actively managed by the BMO Private Wealth Investment Management Research team, the Architect Portfolio Solutions ("Portfolio Solutions") provide investors with a diversified investment solution that uses complementary investment vehicles, including separately managed accounts ("SMAs"), mutual funds, Exchange-traded Funds ("ETFs"), and alternative investments to achieve their objectives.

Well diversified, the Architect Portfolio Solutions seek to deliver strong, risk-adjusted returns through participation in rising markets, while providing downside protection over the long term. The Portfolio Solution models are available to fit all investor profiles, including Income, Balanced, Growth or All Equity, with investment minimums that start at $25,000.

Benefits of the Architect Portfolio Solutions

Through a single investment, investors receive an institutional-style, diversified, multi-product structure, with the goal of achieving consistent, excess returns. Through investment in the Architect Portfolio Solutions, you'll also benefit from:

- Rigorous manager selection and oversight, asset allocation shifts, and portfolio positioning decisions managed by the BMO Private Wealth Investment Management Research team. This group of experienced investment professionals has extensive expertise in manager selection, and portfolio analysis and construction.
- Access to the Architect Program's platform of world-class investment managers from around the globe.
- Ability to include alternative investments that can provide lower correlations to traditional equity and fixed income investments.
- Asset allocation and tactical positioning decisions based on the insights of experts from across BMO Nesbitt Burns, BMO Private Wealth, BMO Capital Markets and BMO Economics.
- Selection and oversight of the Architect Program managers supported by third-party research from Mercer Investments. Our partnership with Mercer Investments offers an independent review of our separately managed account mandates in the Architect Program and provides access to their sophisticated and in-depth global manager research database which is used in the search for, and selection of, investment managers globally.

Investor profiles

The following is an overview of the investor profiles accommodated by the Architect Portfolio Solutions, based on, but not limited to, factors such as an investor's risk/return objectives as well as time horizon.

Architect Income Solutions – The Income Portfolio Solutions appeal to investors for whom the generation of income (interest and dividends) and the preservation of capital are important objectives. However, they want to have some exposure to assets that possess the potential of providing better returns. These investors are risk averse but can tolerate moderate losses through difficult phases in a market cycle.

Architect Balanced Solutions – The Balanced Portfolio Solutions appeal to investors who seek a combination of income-producing assets and investments with capital appreciation potential, as a means of generating sufficient growth of capital. However, they want to preserve the purchasing power of their assets. To attain this goal, these investors are willing to accept more variable returns in the short term, in order to achieve better potential returns in the long term. They have a moderate tolerance for risk and can tolerate losses through difficult phases in a market cycle.

Architect Growth Solutions – The Growth Portfolio Solutions appeal to investors whose objective is to preserve the purchasing power of their assets and generate some income. As such, they seek a combination of income-producing assets and investments with capital appreciation potential. With a long-term investment time horizon, these investors are willing to make investments characterized by greater than average risks and can tolerate periods of negative total return in difficult phases of a market cycle. If appropriate, they are willing to include fixed income investments in their portfolio.

Architect All Equity Solutions – The All Equity Portfolio Solutions appeal to investors who seek to maximize investment returns and are willing to accept a higher degree of risk exposure. These investors wish to obtain a return from capital and income growth that is greater than average. Their investment horizon tends to be long term and their income needs are low. They are willing to invest in higher risk securities and can tolerate consecutive periods of negative total return in difficult phases of a market cycle.

Your BMO Nesbitt Burns Investment Advisor will work with you to determine your investor profile and then recommend a suitable Architect Portfolio Solution for your objectives.

Portfolio management framework

The Architect Portfolio Solutions have been carefully constructed for the purpose of maximizing returns on a risk-adjusted basis and providing investors with a diversified investment solution using complementary investment vehicles. They diversify across a variety of spectra, including asset class, geography, investment style and market capitalization, using carefully selected managers with a proven ability to add value over the long term.

Using a multi-strategy approach, the Portfolio Solutions seek to reduce volatility by considering various investment styles. This includes combining different strategies to provide exposure to investment factors such as value, growth, momentum and quality. In blending together various styles, the Portfolio Solutions are designed to benefit regardless of which factor is currently being rewarded by the market. The multi-asset class approach is based on the belief that investors should have exposure to all asset classes, with an individual's risk tolerance being the driver of their exposure to each asset class. All asset classes will, at times, experience periods of heightened volatility. Using a multi-asset approach helps reduce overall volatility.

The multi-vehicle approach allows investors to gain exposure to various strategies that may not otherwise be available, given the size of their investment. The ability to use Exchange-traded Funds to gain exposure to factor, industry, and global indices also provides an excellent tool for adding greater diversification to the Portfolio Solutions at reduced costs.

The Architect Portfolio Solutions provide automatic rebalancing and strategy shifts. Any changes made to the managers or strategies within a given Portfolio Solution model will automatically be reflected in your BMO Nesbitt Burns Architect Program account. Our automatic and disciplined rebalancing process also ensures that your portfolio remains aligned with your investment objectives and investor profile.

Our expertise

Responsibility for the construction, oversight, and management of the Architect Portfolio Solutions is divided amongst a diverse array of experts from across BMO Private Wealth, and beyond.

BMO Private Wealth Investment Manager Research team
The Investment Manager Research team is comprised of experienced investment professionals focussed on investment manager selection and oversight, investment analytics and portfolio construction. The team is responsible for the integrity and oversight of BMO Private Wealth's managed investment solutions, including the BMO Nesbitt Burns Architect Program and the Architect Portfolio Solutions, as well as the firm's mutual fund, ETF, and alternative investments recommended lists.

The team's in-depth due diligence process consists of two types of analysis: quantitative and qualitative. The quantitative analysis focuses on, but is not limited to, an in-depth review of the investment strategy's performance relative to its peer group and relevant benchmarks across multiple time frames. The objective of this analysis is to assess factors such as the investment manager's proficiency, style consistency and capital preservation. The qualitative analysis involves conducting in-depth interviews with each manager to gain a fulsome understanding of their investment process. This enables the team to assess the manager's ability to add value on an ongoing basis using a disciplined approach to investing, and to ensure that this process is repeatable, consistent, and has demonstrated the ability to add value over multiple market cycles. The team also reviews other key persons on the manager's supporting investment team, as well as the firm as a whole, to ensure that the key decision makers are stable in their positions and act in a responsible manner.

The following provides an overview of the key areas of focus for the Investment Manager Research team during their in-depth due diligence process of the managers in the Architect Program:

Risk Management
Manager must display a risk management approach to security selection and portfolio construction

Ownership Structure
Through ownership and/or compensation structure, employees must be aligned with clients

Team Approach
Shared decision making across investment teams to reduce the potential for key-person risk

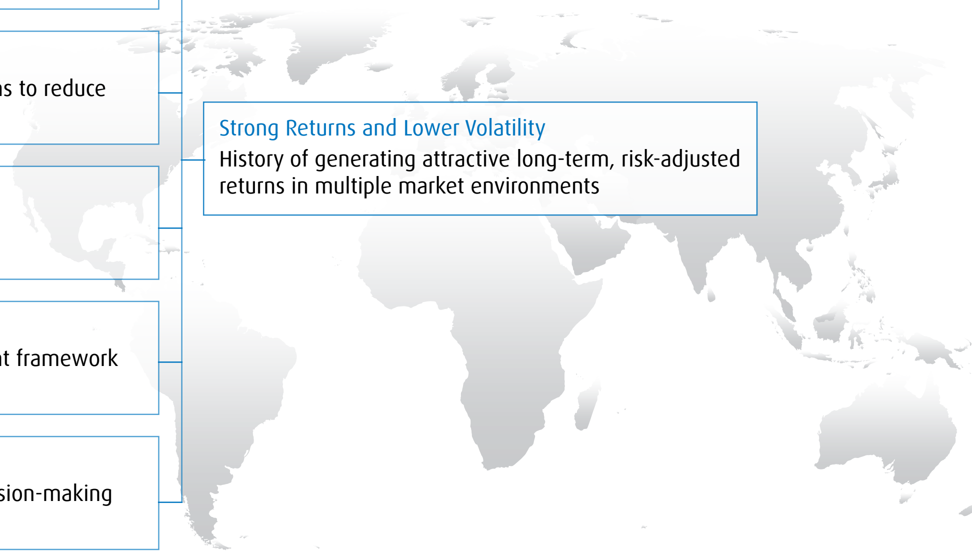
Long-term history
Long-term track record of success

Disciplined Approach
Sound investment philosophy, logical investment framework and repeatable investment process

Investing Responsibly
Manager weighs responsible investing into decision-making process

As a client, you benefit from BMO Financial Group's global scale and objective research to identify and gain cost-efficient access to asset managers located around the world with outstanding capabilities.

Strong Returns and Lower Volatility
History of generating attractive long-term, risk-adjusted returns in multiple market environments



Partnership with Mercer Investments

Mercer Investments is a leading provider of investment consulting services globally, and is an important partner to the Architect Program. With a large team of professionals focused on manager research, they act as an extension of the Investment Manager Research team by offering access to a much wider research universe than would be possible to cover in house.

Mercer assists the Investment Manager Research team with identifying new mandates for the Architect Program by sourcing best-in-class managers from around the globe. Mercer also monitors existing Architect Program managers on a quarterly basis, providing sophisticated analytics on the performance of these managers and their mandates. The objective of Mercer's quarterly monitoring is to ensure managers are performing in line with expectations based on current market conditions and the manager's investment style, as well as monitoring whether the manager continues to exhibit the type of characteristics expected.

Mercer offers customized guidance at every stage of the investment decision, risk management and investment monitoring process. They have been dedicated to meeting the needs of their clients, including working with fiduciaries of pension funds, endowments, and other investors around the world.

BMO Nesbitt Burns Overlay Portfolio Management team

The BMO Private Wealth Overlay Portfolio Management team is responsible for overseeing the trading and portfolio administration functions for the Architect Program, including the Architect Portfolio Solutions. Centralizing the trading and administrative functions within the Overlay Portfolio Management team ensures standardization across BMO Private Wealth's managed investment solutions, resulting in faster and more accurate trade executions and a consistent client experience.

Clients invested in the Architect Portfolio Solutions enjoy automatic rebalancing and strategy shifts, when appropriate. Any changes made to the managers or strategies within the Portfolio Solutions will automatically be reflected in client accounts. The team's automatic and disciplined rebalancing process also ensures that every portfolio remains aligned with each client's investment objectives and investor profile. For example, when a strategy or manager outperforms and becomes overweight in the portfolio, the decision to reallocate funds to another strategy/manager that presents better risk/return metrics may be executed. The Overlay Portfolio Management team also reviews and implements automatic tax-loss harvesting on both an annual and ad-hoc basis.

Contact your BMO Nesbitt Burns Investment Advisor

Please contact your BMO Nesbitt Burns Investment Advisor for more information about the Architect Program and investing in the Architect Portfolio Solutions.

BMO | Private Wealth

ID7961 (01/24)