

# Managed Portfolio Account Program<sup>®</sup>

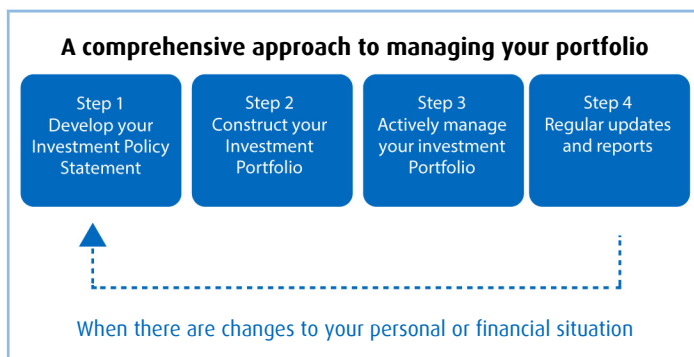
## Experience the benefits of a BMO Nesbitt Burns Portfolio Manager

The BMO Nesbitt Burns Managed Portfolio Account Program establishes a direct relationship between you and an accredited BMO Nesbitt Burns Portfolio Manager.<sup>1</sup> Your Portfolio Manager is responsible for managing your investment portfolio and making informed decisions on your behalf. With your portfolio in the hands of a dedicated professional investment manager you know and trust, you'll have more time to focus on the responsibilities and commitments that take priority in your life. You'll also have the peace of mind that comes from knowing your qualified Portfolio Manager is backed by the extensive expertise, oversight, and resources of BMO Financial Group.

### A customized portfolio solution to meet your needs

Your BMO Nesbitt Burns Portfolio Manager takes a comprehensive approach to managing your portfolio. After conducting a thorough assessment of your wealth management needs and goals, your Portfolio Manager works with you to prepare your personalized investment strategy, which includes the development of an Investment Policy Statement ("IPS"). Your IPS is used by your Portfolio Manager to construct, manage, and monitor your portfolio.

The following is an overview of the Managed Portfolio Account investment process.



### 1. Investment Policy Statement

Your Portfolio Manager works with you to build a comprehensive profile of you as an investor, which involves an in-depth discussion about you, your objectives, and a review of your family and financial situation. Using this information, your Portfolio Manager will prepare an Investment Policy Statement – a written document that clearly defines your investor profile, investment objectives, and how your portfolio will be managed, as well as any special considerations

in the execution of your investment strategy. Your IPS also captures details about your tolerance for risk, any liquidity requirements or investment constraints, and provides the long-term strategy, asset allocation, and investment management guidelines for your Managed Portfolio Account. Once you have consensus on your IPS, this document will be used to guide all investment decisions made on your behalf.

To ensure your portfolio continues to meet your objectives going forward, you should inform your Portfolio Manager whenever there is a change in your personal or financial situation so that, together, you can make any necessary changes to your IPS to reflect these life events.

### 2. Portfolio construction

The Managed Portfolio Account Program is a highly personalized and disciplined investment solution – your portfolio is built and managed based on the terms and conditions outlined in your IPS. Your Portfolio Manager has the flexibility to select investments unique to your personal situation, execute trading strategies that are tailored to your needs, and address issues that are important to you, such as increasing the overall tax efficiency of your portfolio or eliminating investments based on your personal values or situation. You also have direct ownership of these investments, providing you with complete transparency on all of your holdings through regular account reporting.

### 3. Portfolio management

With the ability to initiate buy and sell transactions independently, your Portfolio Manager actively manages your Managed Portfolio Account in order to take advantage of market opportunities, limit potential risk, and ensure it maintains its proper asset allocation as stated in your IPS. Using sophisticated software designed

specifically to execute trading strategies that put the client first, your Portfolio Manager can act quickly to place trades in your Managed Portfolio Account, due to changing market conditions or when your personal or financial situation undergoes a transition. With access to an extensive library of real-time proprietary and leading third party research, your Portfolio Manager is well equipped to make sound investment decisions on your behalf.

#### 4. Update and monitor

The frequency of investment updates and meetings with your Portfolio Manager are at your discretion. Regardless, your assets will always be managed with the highest degree of integrity and in a manner consistent with your IPS. Comprehensive monthly statements provide up-to-date information about your Managed Portfolio Account and includes details on your holdings, transactions, the value of your portfolio, time- and money-weighted performance returns, and all fees paid by you for the full suite of services received. You also have online access to your account through BMO Nesbitt Burns Gateway®, anytime, anywhere you have Internet access through your desktop, tablet or mobile device.

#### Highest standards of accountability

The increased responsibility and authority over client accounts requires your BMO Nesbitt Burns Portfolio Manager be held accountable to the highest standard of fiduciary responsibility in our industry. Your Portfolio Manager has attained specialized industry certification, accumulated years of experience advising clients, and has demonstrated the utmost care and integrity in managing investments. In addition to industry requirements, BMO Nesbitt Burns Portfolio Managers are required to:

- Complete a specialized in-house training program;
- Work with a Supervising Portfolio Manager to conduct regular reviews of all client portfolios; and
- Manage their clients' assets in accordance with the BMO Nesbitt Burns Managed Portfolio Account Policies and Procedures Manual.

With enhanced oversight and ongoing supervision requirements, you can be confident that your Managed Portfolio Account will be managed in accordance with your personal situation and the preferences outlined in your Investment Policy Statement.

<sup>1</sup> Both Associate Portfolio Managers and Portfolio Managers can offer the BMO Nesbitt Burns Managed Portfolio Account to clients. For simplicity, we have used the term "Portfolio Manager."

#### All-inclusive fee

The Managed Portfolio Account Program provides you with predictability and transparency with respect to the fees you pay for the advice and services you receive. One fee covers the cost of portfolio management, trade execution, administration, reporting, and wealth management services provided by your Portfolio Manager.

#### Take your investing to the next level

The Managed Portfolio Account Program offers unique benefits to individuals wanting to delegate the management of their investments directly to a BMO Nesbitt Burns Portfolio Manager. You'll establish an ongoing, trusted, one-to-one relationship with the individual directly responsible for making the investment decisions for your portfolio, based on a strong appreciation of your personal goals, needs and preferences.



Speak with a BMO Nesbitt Burns Portfolio Manager for more information about the Managed Portfolio Account Program.



#### Let's Connect



##### Don McGugan, CFP®, CIM, FCSI

Wealth Advisor and Associate Portfolio Manager

819 St Clair Street  
Chatham, ON  
N7L 0E9

Tel.: 519-354-7060

don.mcgugan@nbpcd.com  
www.donmcgugan.com