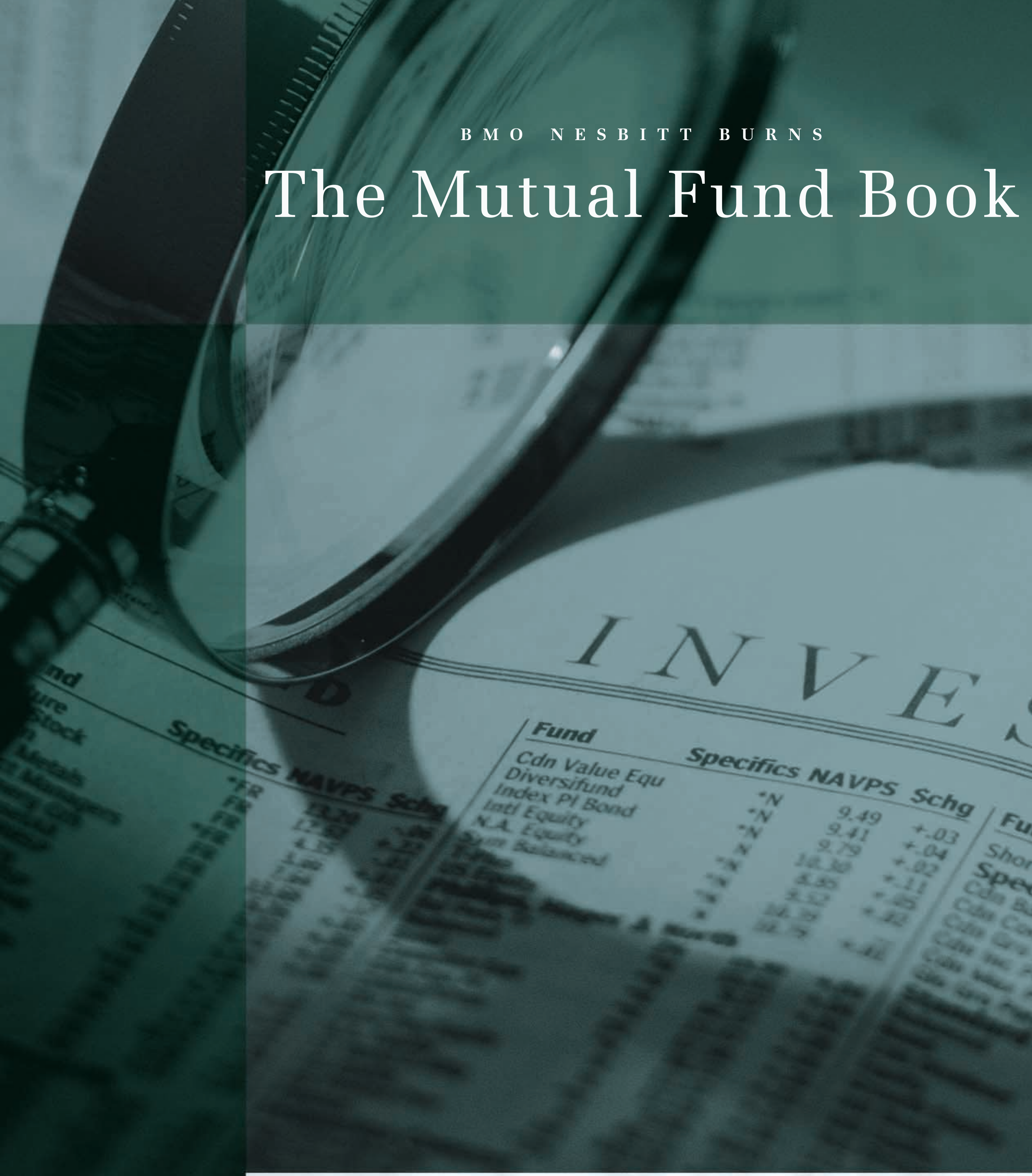
BMO NESBITT BURNS

The Mutual Fund Book



BMO Nesbitt Burns®™
Private Client Division

THE MUTUAL FUND BOOK

Mutual Funds are extremely popular. Many investors have discovered that mutual funds offer a variety of advantages, and today they are a core holding in the savings and investment programs of many Canadian households.

At BMO Nesbitt Burns, we are committed to helping our clients select the appropriate investments for their specific needs and long-term financial goals. We are very proud of our long tradition of excellence in research, and we are dedicated to providing the finest mutual fund research and advice available in Canada today.

The Mutual Fund Book has been developed by BMO Nesbitt Burns' mutual fund professionals to answer investor's questions about mutual funds, their features and benefits, and how mutual funds can fit into an investment program.

If you have any additional questions after reading *The Mutual Fund Book*, your BMO Nesbitt Burns Investment Advisor will be pleased to answer them. Your Investment Advisor has the expertise and resources necessary to ensure that the funds you select are right for you and are consistent with your financial objectives.

INTRODUCTION

1. What is a mutual fund?

A mutual fund is a pool of money belonging to many investors. The money is invested on the investors' behalf by a professional portfolio manager. All mutual funds have a stated investment objective that guides the portfolio manager in determining the most suitable investments for the fund.

As an investor in the fund, you "own" units that reflect the amount you have invested in the fund. The number of units are shown on your purchase contract and on the regular statements you receive from BMO Nesbitt Burns.

2. Can mutual funds help me meet my financial goals?

Yes. There are many mutual funds from which to choose. Some are designed for very conservative investors and some for aggressive investors. With thousands of mutual funds to choose from, there is sure to be one that will fit your needs.

3. Why have mutual funds become so popular?

Mutual funds have become very popular because they suit investors' needs in a number of ways. Mutual funds provide professional portfolio management for very little cost, are easy to purchase and provide instant diversification. Furthermore, Canadians have not always been pleased with the returns they could receive on guaranteed investment certificates (GICs) and term deposits, and many have turned to mutual funds as an alternative.

THE BENEFITS OF OWNING MUTUAL FUNDS

4. How can mutual funds help me to diversify?

With each purchase, you own a portion of all the securities in the portfolio. For example, if the fund invests in the stocks of Canadian companies, you may own companies like Bell Canada, Alcan Aluminum, Imperial Oil, etc., through your mutual fund.

There are a number of ways you can diversify your investments using mutual funds. For example, a single purchase of a Canadian balanced fund will hold domestic stocks, bonds and money market instruments, and would be considered a balanced, diversified investment.

Another approach is to create a portfolio of mutual funds. By choosing mutual funds that each focus on different types of securities, and have varying investment styles and objectives, a highly diversified portfolio can be created.

You can further diversify an existing portfolio by adding a mutual fund. For example, you may hold several stocks in your investment portfolio, but you may wish to diversify by adding a bond fund and an international fund.

5. Who manages the money in the mutual fund? What qualifications do they have?

One of the main benefits to investing in mutual funds is that you are, in effect, hiring a professional money manager to handle your savings. These individuals or teams of individuals have a considerable amount of experience at buying and selling securities, and actively manage the portfolio with the investment objective of the fund in mind.

6. Do I need to be actively involved on a day-to-day basis while I own a mutual fund?

Once you make the decision as to which fund to purchase, there are very few "on going" decisions that need to be made while you own the fund. The portfolio manager invests your money, making daily decisions on what the fund will own. Your BMO Nesbitt Burns Investment Advisor will keep you informed as to how your investment is progressing or if a situation arises that you should be aware of.

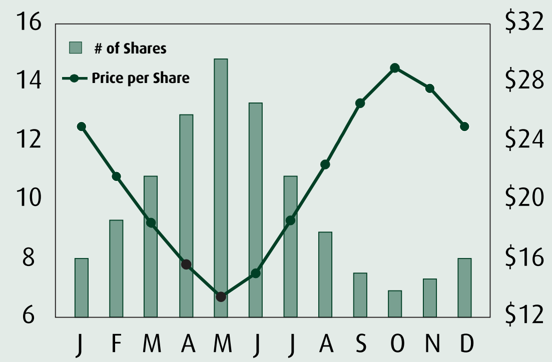
However, many investors prefer to take an active interest in monitoring the performance and the content of the mutual funds they own. The choice is yours.

7. What are the different ways I can purchase mutual funds?

You can purchase a mutual fund whenever you have the money to invest. Or, you can purchase funds through a pre-authorized purchase plan. In this case, a pre-determined amount of money is automatically withdrawn from your bank account on a regular basis and invested in the mutual fund you have selected.

This process is commonly referred to as "dollar cost averaging" and is ideal for those investors that are committed to an ongoing investment program for the long-term. The program continues regardless of whether prices are going up or down, requiring you to make disciplined, timely investments in differing market environments. Your investment dollars buy fewer units at higher prices and more units at lower prices. As a result, the average purchase price is lower than the average of the market prices over the same time frame.

DOLLAR COST AVERAGING



8. Do I need a lot of money to invest in mutual funds?

You can invest almost any amount in a mutual fund. Most mutual fund companies accept initial purchases for as little as $500, with subsequent purchases as low as $50. Furthermore, any amount of money can be invested, allowing you to have the maximum amount working for you with no residual cash balances in your account.

9. How easy is it to sell my mutual funds?

You can place an order to sell your mutual fund on any business day, and the proceeds from the sale are normally in your account three business days after the day you requested your fund be sold.

Another way to sell small portions of your mutual fund is through an automatic (or systematic) withdrawal plan. The opposite of a pre-authorized purchase plan, this program allows you to sell a specific dollar amount of your fund on a regular basis. This option is very useful to investors who want to create a steady income stream from their mutual fund.

10. Tell me how my money grows in mutual funds.

There are two ways a mutual fund investment grows. First, the underlying assets that the fund holds will, based on historical performance, appreciate over time. The second way your money grows is through the dividends and interest income earned by the assets in the fund. You can have these distributions automatically reinvested to purchase additional units of the fund, ensuring continued growth through compounding.

11. What other options/services do mutual fund companies provide?

Most mutual fund companies offer registered products, including RRSPs, RRIFs, and RESPs. Most also offer pre-authorized purchase plans and systematic withdrawal plans, which permit for the automatic purchase and redemption of funds.

TYPES OF FUNDS

12. Are there funds other than mutual funds that I can purchase?

While the term "mutual fund" is widely used, there are actually many types of funds that you can purchase: mutual funds, segregated funds, closed-end funds, venture capital funds, and unit trusts.

A mutual fund is an open-ended fund that is offered in "continuous distribution" from a mutual fund company. You can purchase or redeem them directly from a mutual fund company on any business day. Mutual funds are regulated by the various provincial securities commissions across Canada.

Segregated funds are insurance products traditionally offered through insurance companies and their agents, and more recently available through full-service firms.* They are similar in many ways to open-ended mutual funds. Segregated funds are regulated by the Uniform Life Insurance Companies Act and therefore operate under different rules and regulations.

Closed-end funds trade on the various stock exchanges around the world. There are only a specific number of units in circulation, which causes them to trade at a premium or discount to their actual value. Closed-end funds tend to be region, country or industry specific, and appeal to those investors that may want to trade in and out of a particular market.

Labour-sponsored venture capital funds are a higher risk type of fund, investing in small companies which are often illiquid and may be start-up situations. In exchange for taking on this risk, the provincial and federal governments provide tax concessions to unitholders. These funds are usually sponsored by labour groups, industry associations, or unions.

Unit investment trusts (UITs) are like mutual funds except they have a fixed portfolio of securities and a specific maturity date. An initial amount of money is gathered, then is closed to new investors. At the maturity date,

* All insurance products including segregated funds are offered through BMO Nesbitt Burns Financial Services Inc. and, in Quebec, through BMO NB Financial Services Inc., by licensed life insurance agents.

the proceeds are distributed to the unitholders. UITs often have specific investment themes that they follow, or invest in particular sectors of the market.

13. What types of securities do mutual funds invest in?

Mutual funds invest in a number of different types of securities. There are funds that invest directly in stocks, bonds, mortgages, government treasury bills and other types of money market instruments.

Most funds will specifically focus on one type of security. However there are others, such as balanced funds, that will include stocks, bonds and money market instruments and the manager actively moves among these securities to maximize return and minimize risk. Almost all funds will have a small component invested in money market instruments either to meet redemption requests, use as a defensive measure, or to keep aside waiting for other investment opportunities to present themselves.

Mutual funds can be further subdivided beyond the types of securities in which they invest. For example, the fund manager that invests in Canadian stocks may focus specifically on larger companies and not consider any smaller companies for the portfolio. Or, the fund might invest in one particular industry, such as the resources industry here in Canada or the telecommunications industry worldwide.

14. Where do mutual funds invest?

Many funds available for sale here in Canada invest in Canadian stocks, bonds, mortgages, etc. However, there are now a significant number of funds that have an international focus and invest in many countries. Others are more focused and will invest in countries in a particular region of the world, such as Latin America or the Far East. Others still are country specific and will only invest in securities from that country.

COSTS

15. What are the costs associated with buying and selling funds?

There are two types of costs – the costs to purchase or sell funds, and the ongoing costs of holding the funds.

You can purchase mutual funds “front-load”, where you pay an initial commission. The amount of the commission depends on the size of the order and the type of fund, and is deducted from the purchase amount.

The second option is to purchase your mutual fund on a “deferred-load” basis. This is a popular alternative for investors where no commission is paid initially, *but there may be a charge when you sell the fund*, which is commonly referred to as a redemption fee. The amount of the fee depends on how long the fund is held. After a number of years (usually between five and seven years) there is no redemption charge at all. The fund company pays your Investment Advisor directly, and any fees that you may incur upon redemption go to the fund company.

You can also purchase no-load mutual funds directly from banks, trust companies, some independent companies and some full-service investment firms typically in fee-based accounts. You will pay little or no cost to purchase or redeem these funds.

Every mutual fund has ongoing costs that occur behind the scenes. The management fees are an annual cost to the fund, and depending on the type of fund will range anywhere from 0.5 per cent to 2.5 per cent. This is the amount that is paid to the mutual fund management company for providing portfolio management expertise to the fund.

The expenses incurred in operating the fund are often charged to the fund. For example, audit and legal fees incurred are usually paid by the fund. Together, the management fees and expenses are commonly referred to as the management expense ratio (MER), which gives the investor a good idea of the ongoing cost of owning the fund.

An additional cost that is not included in the MER is the brokerage and commission fees that the fund incurs. These are the costs that the fund manager must pay when he/she makes a trade in the portfolio, and represent a minor charge to the fund.

Keep in mind that the performance figures that are reported for mutual funds are net of all fees, except for any sales charge you may have paid initially. That means that with the exception of an up-front commission that you may have paid, all of the above fees have been deducted from the fund before performance figures are calculated.

16. Which method of purchase is best?

There is no correct answer here because it depends on your circumstances and the funds you are interested in purchasing. It would further depend on your own investment expertise and whether or not you need the information and service of a full-service investment firm like BMO Nesbitt Burns.

The first question is to decide whether to purchase a no-load fund offered through a bank, trust company or independent mutual fund company, or to purchase a mutual fund through an independent distribution channel such as BMO Nesbitt Burns and pay a small fee in exchange for our service and expertise.

In deciding which route is best for you, consider the services that a full-service investment firm provides. BMO Nesbitt Burns Investment Advisors have the experience and support of our extensive mutual fund research department to help determine which fund(s) is best for each individual. They strive to understand their client's needs and investment objectives, and are able to match up an investor's needs with the objectives of the fund. Our Investment Advisors understand the underlying markets that a fund invests in and make sure that the risks inherent in that market are acceptable to their client's risk-tolerance level. On an ongoing basis, they monitor the progress of the fund to ensure that the fund selected continues to meet the needs of that client.

If you need the services that an Investment Advisor can provide, then the next question is whether it is best for you to negotiate an initial commission with your Investment Advisor or purchase a fund via deferred load. Again, there is no correct answer, but you can be guided by your own investment objectives.

As a rule, if you have a long-term investment horizon, if you are investing with a fund company that has a large number of funds, and if there is no difference between the management fee for either purchase option, then the deferred load option might be best for you.

If, however, there is a chance that you may not want to hold a particular fund for a longer period of time, say five years or so, then it may be best to negotiate an up-front commission with your Investment Advisor or establish a fee-based relationship in lieu of transaction charges.

PERFORMANCE

17. How important is past performance in judging what fund to buy?

Past performance is important, but you should remember that it is not a prediction of what the fund will return in the future.

When analyzed properly, past performance will indicate how well a portfolio manager did relative to other similar funds. If you compared this information to market conditions at various points in the past, you could develop a sense of how a portfolio manager might perform when those market conditions exist again.

Both short- and long-term performance are important to consider. By looking at long-term performance (10 years and beyond) you can get an approximation of the average annual compound return the fund might earn going forward.

Short-term performance is important because it can indicate unusual circumstances. For example, if you compared the six-month performance numbers on a group of Canadian equity funds and one was significantly different from the group, this should cause you to investigate further. It may reveal an opposite style of management, a sector focus that is currently outperforming or underperforming, or a change in portfolio managers.

Remember that the performance figures are calculated after all fees and expenses have been deducted from the fund.

18. Where do I find out how the fund is performing?

There are various places to find out the past performance for mutual funds. The most common is to look at the performance tables that are printed regularly in the financial section of most major newspapers. Both short- and long-term returns are indicated, as well as the net asset value, the size of the fund and an indication of the volatility of each fund.

Many fund companies will also provide you with the performance on their various funds when they send you their semi-annual and annual statements.

There are also software programs you can purchase, Internet sites you can visit and business publications that you can subscribe to which will provide you with detailed performance calculations on all mutual funds.

19. What is the net asset value? How is it calculated?

Most mutual funds are valued every business day. The value is based on the value of the component securities or other assets each day, the contributions and interest or dividend income received less the redemptions and fees. The total is the net asset value which is then divided by the number of units outstanding to arrive at the net asset value per unit.

PROTECTION FOR MUTUAL FUND INVESTORS

20. Are there any guarantees available to mutual fund investors that would protect against fraudulent practices or losses in the fund?

No. Unlike GICs and term deposits issued by banks and trust companies, there is no insurance available to guarantee the safety of the money you have invested in mutual funds. However, industry regulators have required several layers of protection be put in place to safeguard investors assets in mutual funds. Investors interested in guarantees should investigate segregated funds, which have as one of their benefits, capital guarantee fees.

21. What safeguards are available to protect unitholders?

1)The assets in the fund must be held in trust by a custodian, usually a bank or trust company, where they are protected under banking and trust laws. The company that manages the fund is not permitted to receive or hold the securities belonging in the fund.

2)The assets in the fund belong solely to you, the unitholder, and cannot be used for any other purpose. As with the management company, they are always kept separate from the assets that belong to the trustee or the custodian. If one of these groups was experiencing financial difficulties, they would be prohibited by law from using the assets for their own use.

3)All funds must undergo an independent financial audit every year. This review confirms the asset values of the funds. It also reviews the accounting practices of each fund management company to ensure they conform to industry standards.

4)Contingency funds have been set up in the provinces of Ontario, Quebec, British Columbia and Nova Scotia to be used in the event of dishonest practices.

MUTUAL FUNDS AND YOUR RRSP

22. Can I own mutual funds in my Self-Directed RRSP or RRIF?

Yes. In fact, the vast majority of Canadians that own mutual funds hold them inside their RRSP or RRIF.

23. Since there are funds that invest in foreign securities, do these qualify for the foreign content component inside my RRSP?

Yes. Mutual funds that invest in securities outside of Canada and are therefore deemed foreign content by the Canada Customs and Revenue Agency (CCRA) are qualified investments for the 25 per cent foreign content limit (30 per cent beginning in 2001) in your RRSP.

Furthermore, using mutual funds to satisfy the foreign content component provides instant diversification and makes the purchase easy, convenient and cost efficient. Most mutual funds that invest in foreign markets have internationally based portfolio managers that are very knowledgeable about their local market environments.

24. How can I potentially increase my foreign exposure beyond the 25 per cent limit set by the CCRA by investing in mutual funds?

There are two ways. First, mutual funds that invest in Canadian securities are also permitted to have up to 25 per cent of their portfolio invested in foreign securities (30 per cent beginning in 2001). If you own a foreign fund up to your 25 per cent limit in addition to a Canadian fund that has invested up to the 25 per cent limit, then you will have increased your foreign exposure to almost 44 per cent.

Another way to boost the foreign exposure in your RRSP is to invest in a fund that provides 100 per cent exposure to international markets, yet remains 100 per cent RRSP eligible. These funds use derivatives, such as futures contracts and exchange traded options, to make this possible.

TAXATION

25. How are mutual funds taxed?

When held outside your RRSP, your mutual fund investment has tax implications in two different situations – when you receive a distribution and when you redeem any units of the fund.

The taxable income from the mutual fund must be completely distributed to the unitholders every year. A T3 slip (or a T5 slip) will be issued to you every year indicating the dividends, interest and realized capital gains (also called distributions) that you must include on your income tax return.

When you redeem units of your mutual fund you will incur a capital gain or loss, which is the difference between the proceeds on redemption and the cost of your units. The cost of your units, called the "adjusted cost base" (ACB), consists of the initial deposits to your fund, any additional purchases you have made plus the amount of any reinvested distributions in your account. You add the reinvested distributions to the ACB because you have already been taxed on them and they in fact represent a purchase of more units. This ensures you do not pay tax twice.

26. Do I receive a tax slip every year? Who sends it?

If your fund is not held in an RRSP, then you will receive a T3 or a T5 tax slip every year reporting the dividends, interest income and realized capital gains you have earned from the fund. This will be sent to you directly from the fund company in sufficient time to be included in your tax return.

27. How do I receive the income, dividends and capital gains that the fund earns?

Dividends and interest income earned by the fund are payable either during the year or on December 31 of every year. Realized capital gains are payable by most funds on December 31. These are referred to as distributions.

Distributions are normally reinvested into additional units of the fund, unless you elect to receive them in cash.

28. Do I pay tax on the foreign income that my mutual fund earns?

Foreign interest income and foreign dividends are fully taxed. Foreign dividends are not eligible for a dividend tax credit. If tax was withheld by the foreign country before the fund received the income, then you would receive a foreign tax credit (noted on your T3 slip) to apply when calculating your federal tax.

29. Why does the unit price of a mutual fund fall after a distribution?

The lower unit value reflects that the dividend and interest income have been paid to the unitholders and are no longer reflected in the unit value. This is how the process works:

At year end, the fund company determines the amount of income received throughout the year. This income is divided by the units in the mutual fund to establish the distribution amount per unit. Each unitholder receives a portion of this income in proportion to the number of units he or she owns.

The new unit price for the fund is now the unit price prior to the distribution minus the amount of the distribution per unit. If you do not take the distribution in cash, you are then allocated an additional number of units that the distribution amount per unit would purchase at the new, lower unit price.

30. Are any of the costs associated with investing in mutual funds tax deductible?

Most fees are not tax deductible in the mutual fund industry. As with all security transactions, mutual fund commissions payable at purchase or redemption are deductible for establishing the cost base of the fund. Management fees are deducted from the income of the fund so that the distribution to you is net of fees.

SOURCES OF INFORMATION

31. Where can I find out more information on mutual funds?

There are a number of places to find out more about mutual funds. The distributors of mutual funds are able to provide a considerable amount of information. Bankers, trust company officials and full-service investment firms are excellent sources of information. Your BMO Nesbitt Burns Investment Advisor can also provide mutual fund information in the context of your individual needs and objectives.

The media also takes a keen interest in mutual funds. Every major newspaper in Canada provides extensive coverage on the mutual fund industry with performance reporting and articles on various topics relating to mutual funds. There are magazines and investment periodicals that provide extensive coverage and opinion. Many books have been written on the subject of investing in funds and are available at your local library or bookstore.

The literature and financial documents provided by the various independent mutual fund companies should be considered. Information ranging from general fund-related issues to specific data on the mutual funds the company offers are gladly sent to you upon request. In addition, the simplified prospectus that is available for each mutual fund should be referred to for specific information on a particular mutual fund.

THE SIMPLIFIED PROSPECTUS

32. What is a simplified prospectus? What information does it contain? Is it important that I read it? How do I get a copy?

Every mutual fund has a simplified prospectus, which is a legal document that outlines important information about the fund. Each simplified prospectus outlines the investment objectives, identifies the investment management company and discusses the fees and expenses that you will pay when purchasing and owning the fund.

These and other details included in the prospectus are important, and you should review the prospectus carefully before you purchase a fund. You can obtain a copy from your BMO Nesbitt Burns Investment Advisor, or directly from the fund company.

RISK

33. Is the money I invest in mutual funds at risk of declining in value? How can I tell if a fund is too risky for my comfort level?

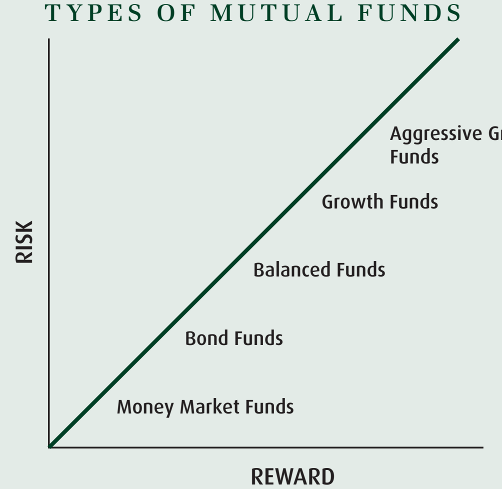
All investments carry some degree of risk, and mutual funds are no exception. Almost all mutual funds will fluctuate in value over time, and in most cases, the majority of clients that are invested in mutual funds for the long-term are rewarded with good returns on their investment. However, depending on when you purchase and sell your fund, there is the possibility that the final amount is less than the initial purchase amount.

Your best defense against risk is knowledge. The key is to understand the nature of the markets where the fund invests so that you can determine if the risks inherent in that market suit your investment objectives and comfort level.

Broadly speaking, the risk/reward chart identifies where the various types of funds would be placed. Note that within each category, funds can range from being conservative to aggressive; i.e., there are some balanced funds that are more conservative than most and other balanced funds that are more aggressive. In most cases, the higher the potential for risk, the higher the potential return.

Your BMO Nesbitt Burns Investment Advisor can review any mutual fund you are interested in to help you determine if it suits your risk profile and investment objectives.

RISK/REWARD OF VARIOUS TYPES OF MUTUAL FUNDS



WHERE TO BUY MUTUAL FUNDS

34. Where can I buy funds?

Mutual funds are available through a number of institutions. Banks, trust companies and insurance agents sell their own families of mutual funds, and some will also offer a selected list of independent mutual funds. Some mutual funds can be purchased directly from the fund company that offers them. Discount brokerage firms will process orders for many of the independent fund companies. Independent mutual fund sales organizations, full-service investment firms and some financial planners offer most independent mutual funds.

35. What differences are there when I buy mutual funds from the above institutions?

The basic differences are the selection of funds that can be sold, the cost to the investor and the services received in exchange for the cost.

The chart below outlines the differences:

	Banks & Trusts	Insurance Brokers	Direct Purchase	Financial Planners	Independent Mutual Fund Dealers	Discount Brokers	Full-Service Investment Firms
1) Does the institution offer a broad range of different mutual fund companies or am I limited to purchasing the mutual funds offered through that institution?	some offer a broad selection	limited	limited	broad	broad	broad	broad
2) Will I incur any costs when I acquire or redeem mutual funds?	unlikely	probably	unlikely	probably	probably	probably	probably
3) Will the representative provide advice and direction on selecting the mutual fund(s) that best suit my investment objectives?	some offer direction — limited advice	limited	limited	yes	yes	limited	yes
4) Will the representative provide continuous monitoring of my account taking my investment objectives into consideration?	some provide limited monitoring	no	no	yes	yes	no	yes

CHOOSING A FUND

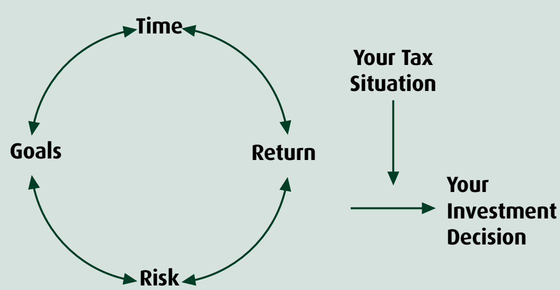
36. How do I go about selecting the right mutual fund for me?

Before you make any investment, there are several things you should consider.

In order to make an informed decision, it is important to review your investment goals. Consider the amount of money you have to invest, determine the required return on your investment and consider the risk you may need to take to achieve that return in the time you have available. Your personal tax situation may also have an impact on your decision.

All of these components are inter-related, and developing a sound investment plan requires that all of these components be addressed. Your BMO Nesbitt Burns Investment Advisor has the expertise to help you through this entire process.

YOUR INVESTMENT DECISION



Determining your goals and objectives will give you a sense of the risk you are prepared to take, and therefore reduce the types of mutual funds that suit you and the proportions of each type of fund you should have. The next step is to review the many mutual funds available to decide on those that should be included in your portfolio. Again, your Investment Advisor has access to the extensive mutual fund research conducted at BMO Nesbitt Burns, and can provide recommendations for you. However, here are some suggestions:

Read the Prospectus: This will give you important information about the fund's objectives, the types of securities in the portfolio, the fund manager and the costs you will incur in owning the fund. *You should always review the prospectus prior to purchasing a mutual fund.*

Compare past performance: While past performance should never be the only information to consider, it is useful in comparing the abilities of different portfolio managers at different points in the market cycle. It is important to look at short- and long-term performance, and compare these with the performance of similar funds. In addition, look at annual performance numbers, which will give you an idea of the volatility that the fund experiences year over year. Being aware of recent market conditions that would have affected the portfolio manager's ability to perform is also useful.

Know that funds with exceptional past performance can be among the most aggressive and most volatile funds. When selecting a fund, it is important to keep your investment objectives in mind and not allow spectacular past performance to colour your objectives and risk-comfort level.

Volatility: We define volatility as the extent to which a fund fluctuates in relation to its benchmark. Depending on the style of management and the market a fund invests in, some funds are considerably more volatile than others. Volatility isn't a bad thing, but you should be aware of the fluctuations that a fund is likely to experience, and be sure that these fluctuations will fit within your risk tolerance level.

Read all you can: There are several books about mutual funds, and major newspapers often contain articles about mutual funds. Furthermore, the literature that the fund companies, banks and investment firms provide is very informative.

Get professional advice: It makes sense to talk to a professional when selecting a mutual fund. A professional can provide you with additional information on any fund you are interested in, and help you to decide if the fund you are interested in will meet your goals and objectives.

38. How can BMO Nesbitt Burns help me if I want to talk to someone about investing in mutual funds?

At BMO Nesbitt Burns, one of the core components of our private client business is mutual funds. As one of Canada's premier full-service investment firms, we have an entire department devoted to mutual fund research and Investment Advisor support. The Mutual Fund Group regularly reviews hundreds of mutual funds to identify the best funds available in each category. The group produces a number of mutual fund publications and research reports and acts as a resource to our Investment Advisors, who regularly use BMO Nesbitt Burns' mutual fund research as a basis for recommendations to their clients.

Our Investment Advisors work with each of their clients to understand their financial goals. Whether you are saving for retirement or working to achieve any one of a number of different financial goals, mutual funds can be a part of a profitable and successful investment portfolio. Your BMO Nesbitt Burns Investment Advisor will recommend the mutual fund(s) that are right for your specific investment objectives and long-term financial goals.

Call BMO Nesbitt Burns today for more information on how mutual funds can work for you.

BMO NESBITT BURNS — A PROFILE

As one of Canada's leading investment firms, BMO Nesbitt Burns has an established reputation within financial services. Since its origins in 1912, the firm has been committed to helping clients meet their investment objectives and goals with the highest of standards.

Today, the Private Client Division of BMO Nesbitt Burns is focused on meeting the needs of individual investors through a customized approach to investing. More than 1,400 Investment Advisors provide clients with personal advice and services, drawing upon some of the best knowledge and expertise in the industry including BMO Nesbitt Burns' top-ranked research.*

As part of Bank of Montreal's Private Client Group, BMO Nesbitt Burns also provides clients with access to one of the broadest selections of investment solutions and products available today.

The Private Client Group brings together all of the bank's wealth management services, both in Canada and the United States.

Visit us on the World Wide Web at www.bmonesbittburns.com.

*Brendan Wood International Survey. Institutional Equity Sales, Research and Trading Performance in Canada, 2000.

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