

Relationship Disclosure

BMO InvestorLine Self-Directed believes a great way to help you meet your financial goals is to provide you with an overview of BMO InvestorLine Self-Directed, including: the oversight provided by our industry's regulators; how we operate; statements and confirmations provided; fees and charges; and our complaint handling process. We encourage you to keep this document in your files for future reference.

Please review this disclosure together with your BMO InvestorLine Client Agreements. If you have any questions about this disclosure, please contact us. To learn more about BMO InvestorLine Self-Directed, visit our [website](#).

Stay Involved

Your active participation is important to ensuring a mutually successful relationship. We recommend that you:

- **Keep us up to date:** Provide full and accurate information about your personal contact details and your objectives for your BMO InvestorLine Self-Directed account.
- **Stay informed:** Ensure that you understand the potential risks and returns of your investments. Where appropriate, consult independent professionals, such as a lawyer or an accountant, for any legal or tax advice.
- **Ask us questions:** Request information from us to resolve any concerns or uncertainties you have with respect to your account(s) or investments.
- **Keep on top of your investments:** Thoroughly review all account documentation provided and keep updated on your portfolio by reviewing your account statements, trade confirmations, and other reporting you receive about your account holdings and performance.

We have prepared this Relationship Disclosure in order to provide you with a description of:

1. Our firm and how we are regulated
2. BMO InvestorLine Self-Directed and how it operates
3. The implications of our order execution only service
4. Statements and confirmations provided

5. Benchmarks
6. Conflicts of interest
7. Fees and charges
8. Benefits received by BMO InvestorLine
9. Account documents
10. Use of trusted contact person and temporary holds
11. Our complaint handling process
12. Online availability
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This disclosure is to be read together with the BMO InvestorLine Client Agreements. If you have any questions about this disclosure, please contact us at 1-888-776-6886.

1. Our Firm and how we are regulated

About our Firm: BMO InvestorLine Inc. ("BMO InvestorLine") is a subsidiary of Bank of Montreal and a member of BMO Financial Group.

Our regulators: BMO InvestorLine is a regulated investment dealer under the rules and oversight of the Canadian Investment Regulatory Organization (CIRO). CIRO is the national self-regulatory organization which oversees all investment dealers and trading activity on debt and equity marketplaces in Canada. BMO InvestorLine is a member of CIRO. CIRO sets high-quality regulatory and investment industry standards, protects investors and

strengthens market integrity while maintaining efficient and competitive capital markets. For further information on CIRO, please visit www.ciro.ca.

The ten provinces and three territories in Canada are responsible for securities regulations of investment dealers, such as BMO InvestorLine. Securities regulators from each province and territory have teamed up to form the Canadian Securities Administrators ("CSA") and are primarily responsible for developing a harmonized approach to securities regulation across the country. For more information, please refer to the websites of the provincial and territorial securities commissions, available through the CSA website at www.securities-administrators.ca.

Customers' accounts at CIRO Dealer Members are protected by the Canadian Investor Protection Fund within specified limits. A brochure describing the nature and limits of coverage is available upon request or at www.cipf.ca

2. BMO InvestorLine Self-Directed and how it operates

BMO InvestorLine Self-Directed is a commission-based online investing service that provides **order execution only** services for investment products, including cash and cash equivalents, fixed-income, stocks, mutual funds, and exchange traded funds (ETFs).

Account types

As part of its service, BMO InvestorLine Self-Directed offers you a wide range of accounts, from which to choose to meet your investing needs, including:

- **Cash accounts:** for clients who intend to pay "cash" for all transactions executed in their account
- **Margin accounts:** provides clients with the ability to borrow money against the value of the securities held in the account. Clients will be charged interest on the funds borrowed, using the securities held in the account as collateral
- **Non-personal accounts:** Trusts, Estates, Corporations
- **Retirement Savings and Retirement Income accounts (RRSPs, RIFs, LIRAs, etc.):** for clients wanting to shelter eligible investments from immediate tax

- **Registered Education Savings Plans:** for clients to accumulate tax-free income while saving for a child's education, and
- **Tax Free Savings accounts:** for clients wanting to earn tax-free income with the flexibility to withdraw money for emergencies or other purposes without tax consequences

With BMO InvestorLine Self-Directed, you may enter your orders using either our online trading platforms or by placing an order over the phone with one of our Investment Specialists.

3. The implications of our order execution only service

BMO InvestorLine Self-Directed does not give personal or client specific or tailored investment advice or recommendations and does not advise you on the suitability of any of your investment decisions or transactions. BMO InvestorLine Self-Directed will not consider your personal and financial circumstances, investment knowledge, risk profile, investment time horizon, or other similar factors and will not be responsible for making a determination that the products and account types it offers are appropriate for you. You are solely responsible for making all your own investment decisions.

4. Statements and confirmations provided

We will provide you with an account statement as well as a trade confirmation for trades executed in your account.

We will provide you with account statements according to the following schedule:

- On a quarterly basis if you held any cash or investments in your account during the quarter; or:
- At the end of the month if:
 - You have requested to receive statements on a monthly basis or
 - There has been activity in the account during the month.
- You will also be provided with an October month-end account statement each year that you maintain an account at BMO InvestorLine, to coincide with the fiscal year end of BMO Financial Group.

- Based on the reporting period of your account statement, it will confirm: the value of your portfolio; your current holdings; the cost base of your holdings, all account activity, including purchases and sales of securities; contributions and withdrawals; dividend payments; interest earned and paid; transfers; and any other transactions that took place in your account over the reporting period.
- In addition, included on each statement you receive, is a Year-to-Date Fees Summary for the current calendar year. This summary details all fees paid directly by you (for example, operating and transaction charges), as well as any compensation we received on your behalf from third parties.
- On your December month-end statement, BMO Investor Line will include a section titled “Your Performance Report”, which includes your total percentage return – on both a time-weighted and money-weighted basis.

If you don't receive a statement within ten business days of the date you normally receive one, please advise us and we will investigate.

5. Benchmarks

Benchmarks provide you with a means of measuring the relative performance of your portfolio against a standardized or “benchmark” portfolio over a prescribed period of time. Although a singular benchmark index may be used (for example, a broad stock market or bond index), a blend of benchmarks may be appropriate for portfolios that include different asset classes and investments. You are reminded that past performance is not necessarily an indicator of future performance.

You can request a copy of your annual performance report that includes benchmark indices. You can also view a customized benchmark comparison on our website.

6. Conflicts of interest

A conflict of interest may arise where (i) our interests, including those of our Investment Specialists, and your interests as our client may be inconsistent or different, (ii) you may perceive us to be influenced to put our interests ahead of yours, or (iii) monetary or non-monetary benefits available to us, or potential negative consequences for us, may affect the trust you have in us.

We and our Investment Specialists address existing or reasonably foreseeable material conflicts of interest with you in your best interest. If a conflict cannot be so addressed, it is avoided.

More information about material conflicts of interest is set out in BMO InvestorLine's Conflicts of Interest Statement previously provided to you. The current version of this Statement is available on our website by clicking the “Conflicts of interest” link found at the bottom of every page of the BMO InvestorLine Self-Directed website.

7. Fees and charges

BMO InvestorLine Self-Directed discloses to you the fees and charges associated with your account in the Commission & Fee Schedule provided to you on account opening and available at [Commission & Fee Schedule](#).

Fees charged directly to your account reduce the market value of your account(s) portfolio directly, while fees embedded within certain investment instruments reduce the market value of those securities held in your account(s) portfolio. The impact of fees reduces your investment returns and this impact, due to the effect of compounding, increases over time. Every dollar taken out to cover fees is one less dollar left to invest in the portfolio to compound and grow over time.

If you invest in investment funds, including ETFs and mutual funds, you should remember that funds pay management fees to their manager and are charged operating expenses and administrative fees. These fees and expenses are disclosed in the prospectus for each investment fund and are generally disclosed as a Management Expense Ratio (MER). The MER of a fund is important because the fees and expenses affect the return on your investments. Fund fees and costs vary by fund manager and product type. You should understand the charges and review the prospectus documents for each fund.

BMO InvestorLine Self-Directed may also charge other fees related to the ongoing maintenance of your account, including registered plan administration fee. We may also charge you for other services that we provide to you, including for foreign exchange currency conversions. Please refer to the Commission & Fee Schedule for further details.

We will provide you with at least 60 days' prior written notice of any new fee or increases in charges.

8. Benefits received by BMO InvestorLine

We may receive compensation from an issuer of a security or a manager of an investment fund. Such compensation may include fees paid directly or indirectly in connection with new issues of shares and/or other investment products such as investment funds, principal protected notes and other structured notes. We disclose to you all compensation received as required by securities law. Canadian securities regulations are changing on June 1, 2022 at which time BMO InvestorLine Self-Directed will no longer collect trailing commissions from managers of mutual funds.

See also the Conflicts of Interest Statement which was previously provided to you and is available on our website.

9. Account documents

BMO InvestorLine Self-Directed provides you with the following documents when you open your account:

- Client Agreements, including BMO InvestorLine Account Agreements, documents related to registered plans, Bank of Montreal Account Agreements for BMO InvestorLine Accounts with AccountLink Services, and Strip Bonds and Strip Bond Packages Information Statement
- Commission & Fee Schedule
- How BMO Protects Your Privacy
- Relationship Disclosure
- BMO InvestorLine's Conflicts of Interest Statement
- BMO Financial Group Complaint Resolution Process
- How CIRO Protects Investors
- Making a Complaint: A Guide for Investors
- How Can I Get My Money Back? A Guide for Investors
- Canadian Investor Protection Fund (CIPF) Brochure
- Canadian Deposit Insurance Corporation – Official CDIC Brochure* (Account Links only)
- Trade Execution Disclosure
- Opening your retail account

Note: You can also access these documents online.

10. Use of trusted contact person and temporary holds (for individuals)

Canadian securities regulations require us to ask you for the name and contact information for a person that you trust (Trusted Contact Person or TCP), so that we may contact your TCP to assist us in protecting your financial interests and assets in certain circumstances. We may contact your TCP if we notice signs of financial exploitation or if you exhibit signs of diminished mental capacity which we believe may affect your ability to make financial decisions relating to your account(s). We may also contact your TCP to confirm your contact information if we are unsuccessful in contacting you after repeated attempts, particularly if our failure to contact you is unusual. We may also ask the TCP to confirm the name and contact information of a legal guardian, executor, trustee or any other personal or legal representative such as an attorney under a power of attorney. In providing us with the name and contact information of your TCP, you confirm to us that you have your TCP's permission to give us this information and your TCP has agreed to act in this capacity.

If we have a reasonable belief that you are being financially exploited or that you are experiencing diminished mental capacity which may affect your ability to make financial decisions relating to your account(s), we may place a temporary hold on your account or a particular transaction. We will provide you with a verbal or written notice explaining our actions, in addition to contacting your TCP, as described above.

11. Our complaint handling process

We Can Help

Our clients are our priority and we work hard to deliver an exceptional client experience. However, if you have a complaint, we encourage you to let us know and give us the opportunity to resolve your concerns. We promise to address your complaint quickly, efficiently and professionally because retaining your confidence and trust is of utmost importance to us.

Please see the “Investment Complaints” section of the BMO Financial Group Complaint Resolution Process brochure provided to you at account opening, which is available at [BMO Financial Group Complaint Resolution Process](#) for details on the complaint handling procedures.

We will also provide you with a copy of the CIRO brochure: An Investor’s Guide to Making a Complaint, at the time you open your account(s) with us.

12. Online availability

You can access your account online 24 hours a day, 7 days a week to review your account positions, transaction history and select how you would like to receive your statements.

13. How to contact us

Have a question? That’s what we’re here for. You can call us Monday through Friday from 8 a.m. to 6 p.m. (ET) at **1-888-776-6886 (within North America)** or **1-416-355-8366 (call collect outside North America)**.

