

# Conflicts of Interest Statement

The following statement outlines certain potential conflicts of interest as at May 5, 2014 which may arise between you, as an account holder, and us, BMO Nesbitt Burns Inc., as a Canadian investment dealer. If you have any questions about anything in this statement please do not hesitate to contact us at 1-844-875-3721.

## Related and Connected Issuers

### Terminology

Where we act as your broker, advise you, or exercise discretion on your behalf with respect to securities issued by us or a related party or a connected party in the course of distribution, we must disclose to you our relationship with the issuer of the securities.

- An issuer is related to us if we are an influential securityholder of theirs, or they are an influential securityholder of ours, or if we have a common influential securityholder.
- An issuer is connected to us where a reasonable prospective purchaser of their securities might question the issuer's independence from us, a party related to us, one of our directors or officers or a director or officer of our related party.
- A party is associated with us if we beneficially own, directly or indirectly, securities carrying more than 10% of the voting rights of the party, or if the party is a trust, if we have a substantial beneficial interest or we, or another party in a close relationship to us such as one of our salespeople, directors or officers serve as trustee.

### Bank of Montreal

BMO Nesbitt Burns is a subsidiary of Bank of Montreal. Bank of Montreal is a reporting issuer with securities listed and trading on the Toronto Stock Exchange and the New York Stock Exchange. Because Bank of Montreal is an influential securityholder of ours it is considered to be a related party and where its securities are being distributed to the public it would be considered to be a connected party under Canadian securities laws.

## Issuers and Mutual Funds

BMO Nesbitt Burns Inc., BMO InvestorLine Inc., BMO Asset Management Inc., BMO Asset Management Corp. (formerly Harris Investment Management, Inc.), BMO Private Investment Counsel Inc., and BMO Investments Inc. are affiliates.

The following are also considered to be issuers that are related and/or connected to us:

- the mutual funds in the BMO Mutual Funds group of funds because they are managed and distributed by BMO Investments Inc.;
- BMO exchange traded mutual funds (BMO ETFs) because they are managed and promoted by BMO Asset Management Inc.;
- the mutual funds in the BMO Harris Private Portfolios, because they are managed by BMO Private Investment Counsel Inc.;
- Coxe Commodity Strategy Fund, because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; BMO Asset Management Corp. provides it with investment management services; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- Coxe Global Agribusiness Income Fund, because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; BMO Asset Management Corp. provides it with investment management services; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- DoubleLine Income Solutions Trust because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- First Trust Global DividendSeeker Fund because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;

- PineBridge Investment Grade Preferred Securities Fund because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- Star Hedge Managers Corp., because: it is managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund; If you have any questions or concerns about our privacy practices, the privacy of your Personal Information or you want to change your privacy preferences, please let us know.
- Star Hedge Managers Corp. II, because: it is managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. acts as portfolio advisor for this investment fund and provides it with certain valuation and accounting services;
- Star Portfolio Corp. because: it is managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- Star Yield Trust because: it is managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- U.S. Housing Recovery Fund because: it is promoted, managed and administered by BMO Nesbitt Burns Inc.; and BMO Asset Management Inc. provides certain valuation and accounting services to this investment fund;
- BMO Nesbitt Burns Inc. is an influential securityholder of Virtus Investment Partners Inc.

Additionally, our affiliates, BMO Asset Management Inc., BMO Private Investment Counsel Inc., Pyrford International plc, Pyrford International Limited and

HIM Money Inc. are portfolio advisors to certain of these mutual funds and flow-through limited partnerships.

### **Where to find Information**

Where we act for you in transactions involving related and/or connected issuers a conflict between our interest and yours may arise. In such case the potential conflict will be disclosed to you in the following places:

- Where we exercise discretion, under your authority, in the purchase or sale of securities for your account, we will obtain your prior specific and informed written consent before exercising that discretion for transactions involving related and connected issuers.

### **Acting as Principal**

In certain instances where we act as your broker or exercise discretion on your behalf, securities purchased for you may be bought from or sold to us, a party associate with us or, in the course of distribution, a connected party.

### **Relationships with other members of BMO Financial Group**

#### **Disclosure of related registrants**

In addition to being our principal shareholder, Bank of Montreal is the principal shareholder and certain of our officers and directors are also directors and officers of certain of the following Canadian registrants:

BMO Asset Management Corp.,  
 BMO Asset Management Inc.,  
 BMO Harris Financial Advisors, Inc.,  
 BMO Private Investment Counsel Inc.,  
 BMO Investments Inc.,  
 BMO InvestorLine Inc.

In connection with our ongoing business activities we obtain or provide management, administrative, referral and/or other services from or to the following affiliates:

Bank of Montreal,  
 BMO Asset Management Inc.  
 BMO Asset Management Corp.

BMO Capital Market Corp.,  
BMO Capital Markets Limited,  
BMO Harris Financial Advisors, Inc.,  
BMO Private Investment Counsel Inc.,  
BMO Investments Inc.,  
BMO InvestorLine Inc.,  
BMO Nesbitt Burns Securities Ltd.,  
Money Inc.

### **Insurance**

Although we are a subsidiary of Bank of Montreal we are a separate corporation from the Bank. This means that securities sold by us (unless we inform you otherwise concerning a specific security) are:

- (a) not insured by CDIC or any other government deposit insurer;
- (b) are not guaranteed by Bank of Montreal; and
- (c) are subject to fluctuations in market values.

None of the above represents a change in the way we have operated in the past and cash held in securities accounts continues to be backed, up to prescribed limits by the Canadian Investor Protection Fund (CIPF).