



Investing for you.

ISA Individual Savings Account

GIA General Investment Account

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Investing for your future

Launched in 1817 as Canada's first bank, we've been helping customers with their money for over 200 years and manage an ever expanding global offering. At BMO, we manage the world's oldest collective investment fund (launched in 1868) and a further nine Investment Trusts to suit a variety of investment needs. This guide will talk you through our plans and investment options.

Investing is easy with BMO: 5 simple steps

- 1 Start with a BMO plan**

We have two plans designed specifically to help you invest for your future. With the annual management charge as low as £40 + VAT per year and the ability to invest from as little as £50 per month, our plans are an affordable way to start investing.
- 2 Deciding your investment goals**

Choose the most effective investment strategy; income, growth, or maybe both.
- 3 Consider your risk appetite**

You need to ensure you are comfortable with risks involved in investing in our trusts. They are subject to differing risks and you may not get back your original investment.
- 4 Choosing your investment**

Today's investment options can seem bewildering. With 10 investment trusts, our range keeps things manageable whilst giving you plenty of choice. You can invest globally or in specific markets and choose from options aiming to deliver income, growth or a blend of the two.
- 5 Opening a BMO plan**

Opening a BMO plan is easy – simply complete an application form or apply online. Before investing, please make sure you have read our Key Features and Terms & Conditions, the Pre-Sales Cost & Charges Disclosure for your savings plan and selected investment(s), and the Key Information Document (KID) for each investment trust you select.

1. Start with a BMO plan

The first step on your investment journey with BMO starts with picking a plan that reflects your investment goals, perspective on risk and the amount that you are able to invest. We have two plans for you to choose from, each designed to give you flexibility in these areas.

ISA

Individual Savings Account

If you're looking to give your money the best chance to grow, then a tax-efficient Stocks and Shares ISA may be the right plan for you.

The ISA is designed to help you invest and it reduces the impact of tax on your investments. Each tax year, every UK resident aged 18 or over is entitled to an ISA allowance (£20,000 for the 2020/21 tax year).

Unsure where to start with Stocks and Shares ISAs?



Visit **bmoinvestments.co.uk** where you will find various articles explaining Individual Savings Accounts (ISAs) in more detail.



Alternatively call one of our specially trained UK based consultants on **0800 136 420***.

Why choose the ISA?

Tax efficient

An ISA is the simplest way to invest tax-efficiently. Any returns you make are free of capital gains tax and there is no further income tax to pay¹.

An easier choice

You can access a range of 10 investment trusts that includes equity, property and private equity trusts. For more information about our trusts, visit bmoinvestments.co.uk/what-you-invest-in.

Tailor it to your needs

Our investment trusts range from the fairly cautious to the more adventurous, offering you the potential for growth, income, or a combination of both. You can choose as many trusts as you like to build your investment portfolio.

Simplicity

You can set up and manage your account online, including topping-up and switching trusts at any time, allowing you to manage your investment when it suits you.



Transferring your ISA to BMO

If you have ISAs with other companies that you feel don't meet your needs, you may want to consider transferring them to us. Consolidating your ISAs with BMO as a single provider could help reduce fees. You'll only pay one annual management charge no matter how many tax years' ISAs you have with us. This will also make your investments much easier to manage.

Opening a new BMO ISA is easy:



Complete and return the appropriate form(s) in the prepaid envelope



Apply online at bmoinvestments.co.uk/how-to-invest



Call one of our friendly UK-based consultants on **0800 136 420***

To transfer an existing ISA from another provider to BMO:



Download a transfer form at bmoinvestments.co.uk/documents



Call us on **0800 136 420*** and we can send a transfer form to you

3 reasons to transfer your ISA to us:

1

Time to consolidate

If you have built up numerous ISA holdings over the years it might make sense to bring them together. Doing so could make them easier to monitor and with an annual management charge of £60 + VAT on ISA holdings irrespective of how many tax years they cover, it can be cost effective too.

2

No hidden costs

At BMO we aim to make our fees easy to understand so that you know exactly what you will be charged.

3

Expertise

We've been managing investment trusts for over 150 years, including the world's oldest collective investment fund. F&C Investment Trust. So why not put our team of expert fund managers to work for you?



Use it or lose it! Your annual ISA limit cannot be carried over into subsequent tax years. So, you need to invest each tax year if you want to maximise your tax advantages.



GIA

General Investment Account

Whatever your long-term investment objective is, our General Investment Account (GIA) might be the right solution for you.

The GIA is one of our most flexible investment solutions for long-term investors and can be tailored to suit your current circumstances. The GIA could help you harness the long-term potential of the stock market to help you achieve your investment goals.

Opening a new BMO GIA is easy:



Complete and return the appropriate form(s) in the prepaid envelope



Apply online at **[bmoinvestments.co.uk/how-to-invest](https://www.bmoinvestments.co.uk/how-to-invest)**



Call one of our friendly UK-based consultants on **0800 136 420***

You may want to consider the BMO GIA if:

You're looking to invest as much as you like.
There is no maximum investment in a GIA, which gives you the opportunity to invest more than the annual ISA limit.

You want easier access for others.
Unlike the ISA, you can hold your GIA in joint names, so you can invest together with your loved ones.

You've fully used your ISA allowance.
Ideal for when you've used your annual allowance of £20,000 but want to invest more.

You're looking for growth and income solutions.
With the dividends where applicable (not all of our trusts pay dividends) from your investment, you can choose to take it as income or reinvest it for free to help grow your capital².

You're looking for a flexible way to invest.
You can start investing from as little as £50 per month by direct debit free of any dealing fees. You can also invest a lump sum at anytime (minimum £500).

Investing for you - comparison table

	Individual Savings Account (ISA)	General Investment Account (GIA)
Product information		
Who is eligible?	UK residents aged 18 or over	UK residents aged 18 or over
Tax-efficient solution	✓	✗
Investment information		
Lump sum	Minimum £500 per trust	Minimum £500 per trust
Minimum top-ups	£250 per trust	£250 per trust
Minimum monthly investment	£50 per trust	£50 per trust
Maximum monthly investment	£1,666 for 2020/2021 tax year	No limit
Annual limit	£20,000 for 2020/2021 tax year	No limit
Plan information		
Choice of investment trusts	10	10
Set-up fee	No fee	No fee
Annual management charge	£60 + VAT	£40 + VAT
Dealing fees	0.2% on sales & purchases	Lump sum investments/Sales: Post - £12 per trust Online - £8 per trust Monthly investment by direct debit: No dealing fee Dividend reinvestment: No dealing fee
Stamp duty	0.5% Government stamp duty (on purchase of UK shares only)	0.5% Government stamp duty (on purchase of UK shares only)
Transaction charges	When the fund buys and sells assets, transaction costs will reduce the return of the fund	When the fund buys and sells assets, transaction costs will reduce the return of the fund

TIPS

You can hold both a GIA and an ISA, so it could make sense to invest in an ISA first, up to your annual limit, then invest any extra funds into a GIA.



Please make sure you have read the Key Information Document (KID) for each investment trust you select.



2. Deciding your investment goals

The second step is to determine whether you're investing for income, growth or a combination of the two.

Investing for Income

If your aim is to invest your cash in a way that will give you an income both today and in the future, we have a range of investment trusts which aim to provide income normally in the form of dividends, often paid quarterly.

Investing for Growth

Whether it is for a retirement nest egg or to fund a future need, if your main aim is to build up the value of your capital over time, you can choose to invest in funds that predominantly aim to grow your money over the medium to long-term.

All of our UK & European and Global investment trusts can be used as part of a

growth strategy, as they all seek to grow the value of your investment over time and you can choose to reinvest any dividends to compound the effect of any gain.

Investing for Growth and Income

If you're looking for the best of both worlds where your investment provides medium to long-term growth, whilst also potentially benefiting from possible extra income, then a trust that aims to achieve both, could be what you're looking for.

The value of your investment may fall as well as rise and you may not get back your original capital investment.

3. Choosing your investment

Once you've chosen your plan and have a clear understanding of your investment goals, the third step is to choose the investment trust or combination of trusts that you feel meets your goals.

What is an investment trust?

An investment trust is a pooled investment fund that is structured as a company and is listed on the stock exchange. As a listed company, each investment trust is overseen by a Board of Directors. They have a number of responsibilities, but their main one is looking after the interests of individual shareholders.

When you invest, your money is added to that of many other investors. Professional Fund Managers then invest this in a wide range of different investments e.g. companies or properties.

Because your money is pooled with other investors, it means that, even if you only have a small amount to invest, you can access a range of investments that you may not have been able to otherwise.


If the investments that our Fund Managers make perform well, the value of your

shares should increase. As well as investing in companies both in the UK and abroad, investment trusts can also invest in other assets such as property, bonds³ or private equity (companies that are not listed on a stock exchange).

Investment trusts are investments rather than savings and unlike bank and building society accounts you may not get back the full amount invested.

How many investment trusts can you choose?

You can invest in a single trust or in a combination. For example, you could choose to complement one of our global trusts with a more regionally focused one or supplement your investments in smaller companies with a holding in commercial property – it's up to you.

 If you feel you need specific investment advice that takes your individual circumstances fully into account, please talk to a financial adviser. Please make sure you have read the Key Information Document (KID) for each investment trust you select.

Did you know?

Investing for income could help you improve pension income in retirement or during a period when you have stopped working but are not yet taking your full pension entitlement.



Core and Specialist trusts

Core trusts - These trusts invest in a wide range of companies across different asset classes, markets and sectors. This level of diversification helps to reduce risk. Their broad approach could make them appealing as the base of your investment portfolio to which you can add more specialist trusts.

Specialist trusts - These trusts invest in a specific type of investment or sector, for example property, private equity or smaller companies. Their more targeted investment approach could provide the potential for strong growth, however this can come with a greater level of risk. These trusts can act as a complement to a broader investment portfolio.



Investment trusts are overseen by an independent board that acts on your behalf and closely monitors investment performance.



6 good reasons to consider investment trusts

- 1 Professional experts**

Your investment is looked after by professional Fund Managers who are dedicated to managing the assets in the trust. They commit their time to researching individual companies and markets to ensure investments are aligned with the trust's aims and in the interest of shareholders.
- 2 Investing into a wide range of asset classes and markets**

The wise old saying of 'don't put all your eggs in one basket' could be applied to investing. To spread the risk, your investment is diversified across a range of companies, asset classes and geographical regions.
- 3 Ability to borrow could enhance returns**

The Fund Manager can borrow money to take advantage of more opportunities – a tool that could help boost returns in rising markets (also known as gearing⁴). Remember, markets can go down as well as up and gearing can further reduce fund performance if markets fall.
- 4 Regular and consistent income**












In contrast to open ended funds – which are obliged to pass on all the dividends they receive in any given year – investment trusts can keep some of the income they generate in the good years to maintain similar dividend levels in the not so good years. This may be particularly attractive if you are looking to invest for income as it could help to give you a regular and consistent flow of income.
- 5 Value for money**

Many other collective (or pooled) investments involve higher initial charges. This normally applies to all investments, even if you are paying in monthly. Ongoing charges on investment trusts tend to be lower which helps make them a relatively cost effective way of accessing the stock market.
- 6 Independent board**

Like any listed company, investment trusts are overseen by an independent board that acts on your behalf and closely monitors investment performance. They also have the ability to change the Fund Manager should they be concerned about the performance of the trust.

Our Investment Trusts

Trust Name	Investment Objectives
F&C Investment Trust	Our flagship trust launched in 1868. The objective of the trust is to secure long-term growth in capital and income through a policy of investing primarily in an internationally diversified portfolio of publicly listed equities, as well as unlisted securities and private equity, with the use of gearing. FCIT invests in more than 450 companies globally.
BMO Managed Portfolio Trust	<p>Growth Portfolio: To provide shareholders with capital growth from a diversified portfolio of investment companies. The Portfolio invests in a diversified portfolio of at least 25 investment companies that have underlying investment exposures across a range of geographic regions and sectors.</p> <p>Income Portfolio: To provide shareholders with an attractive level of income, with the potential for income and capital growth from a diversified portfolio of at least 25 investment companies that have underlying investment exposures across a range of geographic regions and sectors.</p>
BMO Capital & Income Investment Trust	To secure long-term capital and income growth from a portfolio consisting mainly of UK FTSE All-Share companies. The Portfolio of around 80 holdings is diversified with the majority in large and midcapitalisation companies.
BMO UK High Income Trust	To provide an attractive return to shareholders each year in the form of dividends and/or capital repayments, together with prospects for capital growth. The company invests predominately in UK equities and equity related securities of companies across the market capitalisation spectrum.
European Assets Trust	To achieve growth of capital through investment in quoted small and medium-sized companies in Europe, excluding the UK. A high distribution policy has been adopted and dividends have been paid from a mix of income and capital reserves.
BMO Private Equity Trust	To achieve long-term capital growth through investment in private equity assets, whilst providing shareholders with a predictable and above average level of dividend funded from a combination of the trust's revenue and realised capital profits.
BMO Commercial Property Trust	To provide ordinary shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified UK commercial property portfolio.
BMO Real Estate Investments	To provide ordinary shareholders with an attractive level of income together with the potential for income and capital growth from investing in a diversified UK commercial property portfolio.
BMO Global Smaller Companies	One of the largest specialist global smaller companies investment trusts, the objective is to secure a high total return by investing in smaller companies worldwide with a blend of direct equity and collective investments.
TR Property Investment Trust	The trust's objective is to maximise shareholders' total returns by investing in property shares and property on an international basis. Although the investment objective allows for investment on an international basis the benchmark is a Pan-European index. The majority of investments will be located in the Pan-Europe region and direct property investments are located in the UK only.

Investors Objectives	Geographic Focus	Income Payment Frequency	Current Net Dividend Yield ⁵	Management Fee ⁵	Ongoing Charges ⁵
	Worldwide	Feb, May, Aug, Nov	1.71%	0.35% p.a. based on Market Capitalisation [^]	0.79%
 	Worldwide	Growth Portfolio: None Income Portfolio: Jan, Apr, Jul, Oct	N/A 4.78%	0.65% 0.65%	1.08% 1.12%
	UK	Mar, Jun, Sept, Dec	3.61%	0.40%	0.59%
	UK	Feb, May, Aug, Nov	5.86%	0.65%	0.93%
	Europe exc. UK	Jan, Apr, Jul, Oct	5.17%	0.80%	1.06%
	Worldwide	Jan, Apr, Jul, Oct	4.25%	0.9%	1.27%
	UK	Monthly	6.16%	0.55% of gross assets p.a.	0.82%
	UK	Mar, Jun, Sept, Dec	6.48%	0.60% of gross assets p.a.	1.30%
	Worldwide	Aug, Jan	1.35%	0.55%	0.84%
	Europe & UK	Jan, Jul	3.19%	£3.565m plus 0.20% of net assets p.a.	0.76%

For more information, up-to-date performance and valuation information

You can find the latest factsheet and performance details about each of our investment trusts online at [bmoinvestments.co.uk/what-you-invest-in](https://www.bmoinvestments.co.uk/what-you-invest-in). Alternatively, you can call one of our specially trained UK-based consultants to send you a copy of the factsheet on each of our trusts on **0800 136 420***.

Please make sure you have read our Key Information Document (KID) for each investment trust you select.

The historic yield reflects distributions declared over the past 12 months as a percentage of the mid-market unit price, as at the date shown. It does not include preliminary charge and investors may be subject to tax on their distributions.

Risks to consider when investing

Performance & Price Volatility - Past performance is not a guide to future performance. The value of all stock market investments can go down as well as up and you may not get back the full amount originally invested. If you feel you need specific investment advice that takes your individual circumstances fully into account, please talk to a financial adviser.

Gearing⁴ - Investment trusts can borrow money to make further investments. This is known as gearing. In a rising market, this can enhance returns to shareholders. Correspondingly, if the market falls, losses may be greater.

Insufficient Income - If the income earned by an investment trust is insufficient to cover its charges and expenses, these may be charged to capital, which will constrain capital growth.

Liquidity - Shares in smaller companies are generally traded less frequently than those in larger companies. This means that there may be difficulty in both buying and selling shares and individual share prices may be subject to short term price swings.

Net Asset Value (NAV) & Premiums/Discounts - Investment trust shares are publicly traded on the London Stock Exchange. Their price is determined by market factors, such as demand and supply. That price will not necessarily reflect the underlying value of the trust's portfolio of investments (its 'Net Asset Value' or 'NAV'). The share price may be either higher than the NAV; at a 'premium', or lower than the NAV; at a 'discount'. Many factors influence the discount or premium and a large discount does not necessarily indicate a bargain.



7 reasons to choose BMO

- 1 Expertise**

We've been managing investment trusts for over 150 years including F&C Investment Trust – the world's oldest collective investment fund launched in 1868.
- 2 Transparency**

Our annual management charge is fixed⁶ – no matter how much, or how many times you top up your investment (dealing fees and stamp duty still apply).
- 3 Free paper statements**

You will receive statements and valuations each quarter at no extra cost.
- 4 Manageable**

Keeping an eye on your investment is easy – do it all online.
- 5 Flexibility**

You can invest in lump sum payments or monthly direct debit from as little as £50 a month. You can also top up your investment at any time.
- 6 Support**

Any questions? Just call our friendly, UK-based team. When you call, you won't be selecting from an endless list of options – pushing 1 for this and 6 for that. You'll be straight through to someone who can help you.
- 7 Focus**

Our only job is managing your investment.



Complete your application

We look forward to helping you with your investment goals and working hard to maximise your returns, to the very best of our ability.

Opening a new BMO plan is easy:

-  Complete and return the appropriate form(s) in the prepaid envelope
-  Apply online at bmoinvestments.co.uk/how-to-invest
-  Call one of our friendly UK based consultants on **0800 136 420**^{*}

To transfer an existing ISA from another provider to BMO:

-  Download and complete a transfer form at bmoinvestments.co.uk/documents
-  Call us on **0800 136 420**^{*} and we will send a form to you

Information correct as at January 2020



^{*} Monday to Friday, 8.30am to 5.30pm. Calls may be recorded or monitored for training and quality purposes.

[^] Based on market capitalisation up to £3.0 billion, 0.30% between £3.0 and £4.0 billion, and 0.25% above £4.0 billion

¹ BMO does not offer tax advice. If you are unsure, please consult your tax or financial adviser. Tax allowances and the benefits of tax-efficient accounts are subject to change and tax treatment depends upon your individual circumstances.

² Dividend income may fluctuate and income may be paid at the expense of capital.

³ Bonds – A form of loan paying a generally agreed rate of interest over a fixed term, with the principal paid at maturity.

⁴ Gearing – The amount of borrowing a company or trust has relative to its share capital.

⁵ Information as at March 2020 and is subject to change.

⁶ CTF Stakeholder account has a 0.7% annual management charge.

BMO Asset Management Limited

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