



Mutual funds and ETFs provided by
Queensbury Strategies Inc.

 www.queensbury.com



Our investment process


Our process is aligned to client goals and expectations. Here are the top four requests we hear:

1. **Preserve my capital** “I’ve worked hard to create this wealth, I don’t want to lose it.”
2. **Grow my capital** “I want to grow my capital at a rate of return that allows me to achieve my long term goals.”
3. **Minimize my taxes** “I don’t want to pay any more income tax on my investment earnings than necessary.”
4. **Keep my costs reasonable** “I want to see value for the fees I pay for investment management and financial planning.”

Preserve and grow capital. Minimize taxes and costs.

How do we help you preserve and grow your capital while minimizing costs? Our five biggest levers are:


- **Choosing money managers** We select and monitor top tier money managers. We employ a multi-manager or *open architecture* approach to constructing your investment portfolio. By selecting and monitoring *truly active* investment managers with discipline and rigour. Money Managers must earn their way onto our recommendation list through performance, risk management and transparent communication.
- **Cost sensitivity** We partner with money managers that have reasonable fees for value delivered. Our wealth management fees are tiered to provide lower costs as portfolio size increases.
- **Low cost investments** – We incorporate low cost investments such as index Exchange Traded Funds, GICs and annuities when appropriate.

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- **Regular fee reviews** – Client fees are reviewed annually. If portfolio growth merits a fee reduction, it is done. If lower cost product alternatives become available, we recommend changes if there aren't unpleasant side effects that offset the fee savings.
 - **Tax efficiency** – Tax deferral and tax minimization is a focus of our recommendations. CRA is making it more difficult to create tax efficient portfolios than in the past, however, we use the few levers remaining where practical.

Our philosophy and approach

Distilled into eight items, here is the Caring for Clients investment philosophy. Please, pick up the phone and talk to us about any one of these, at any time.

1. Active portfolio management can add value relative to market benchmark indices, both in additional returns and reduced risk. Low-cost broad market exposure through ETFs can reduce the overall cost of investing without undermining long term returns.
2. Tax-effective structures should be offered whenever practical/possible.
3. Fee transparency and unbundling fees results in client cost savings.
4. No single investment manager, however expert, can excel in all:
 - a. Asset classes (bonds, equities, commodities, cash equivalents)
 - b. Styles (e.g. growth, value, small companies, large companies)
 - c. Market environments.
5. No manager can be or should be conclusively identified as the best, even in their own specialty. But it is possible to identify those with significantly higher (or lower) than average odds of future success.
6. Engaging more than one manager in an asset class can be a prudent move. It mitigates the risk of manager lack of success, whether due to a material organizational change or market unpredictability.

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7. Globally diversified portfolios have become a prerequisite for long-term investment success. Our product selection process includes those that specialize in markets beyond Canada.
 8. Guaranteed-return products such as annuities and GICs can complement an actively managed strategy and support a client's overall objectives.

Choosing excellent money managers


As with all our choices on your behalf, we're disciplined. As well, we look for discipline in our managers:

1. A sound and distinctive investment philosophy is a prerequisite. In practice, this distinguishes between managers who truly have a disciplined investment philosophy and who understand their business, versus those who simply repeat what has worked before or follow the herd.
2. A disciplined investment process that includes:
 - a. Unique insights through solid research
 - b. Rigorous analysis
 - c. Disciplined execution and staying the course.
3. Lack of hubris – The best managers constantly re-examine their successes and failures and acknowledge and learn from each. They understand that successful investment processes are not static.

Reducing costs through ETFs

We are always on the lookout for high quality investments for our clients. The proliferation of ETFs introduces a range of options.

1. As the Exchange Traded Fund (ETF) industry evolves, ETFs are not always the straightforward and economical product they once were. In some instances, owning ETFs can [increase the cost of advice](#) you are receiving.
2. However, many ETFs remain cost-effective and are an efficient way to diversity your portfolio.

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3. We are committed to recommending “best fit” investments, regardless of whether those investments be active or passive.

How our process differs

Maybe you’re considering a few other financial planners? Ask them about our three core differentiators:

1. **Financial Planning is part of the package** - Investment recommendations are made in the context of your overall financial plan and objectives. Rather than being tactical in nature, your portfolio reflects a broader financial strategy.
2. **No conflicts of interest** - Our responsibility is to identify the most appropriate investment managers and investment product solutions to our clients. We are free to do so as Queensbury Group has no proprietary product – we have no vested interest in recommending one solution/manager over another.
3. **Tax minimization** When you have taxable accounts, you benefit from tax structures that allow you to minimize and/or defer investment income, increasing your total investment return.

Socially Responsible Investing

We have knowledge and experience in socially responsible investing and access to investment strategies that align with our clients’ personal values if desired.

Alternative Investments

Through our partnership with Connor Clark and Lunn, our clients have access to:

- Private loans
- Private equity
- Infrastructure investments
- Real estate



Competitive Fees

We ensure that recommended portfolio managers and exchange traded funds provide excellent value for their fees and review this on a regular basis.

Our annual advisory fees are tiered according to portfolio size under our management as follows:

- Annually: (minimum investment \$1 million)
 - \$0 – \$1 million is 1%
 - Next \$1 million – \$1.5 million is 0.65%
 - Next \$1.5 million – \$2 million is 0.50%
 - Next \$2 million – \$3 million is 0.40%
 - Next \$3 million – \$4 million is 0.30%
 - Next \$4 million and up is 0.20%
 - Plus, a \$200 annual trustee fee per account

- Once the financial planning engagement is complete, no further hourly fees for ongoing comprehensive financial planning.

- Product costs:
 - Your product fees depend on the products needed to achieve your investment objectives.
 - Actively managed portfolios (i.e. investment counsellors, F class mutual funds) have embedded fees that typically range from .4% to 1%
 - ETFs range from .05% to .85%
 - GICs and annuities do not have embedded management fees. A sales commission is factored into the yield of the product.
 - Alternative asset classes have management fees and performance fees.



Thank you for considering becoming a wealth management client!

