



Give your RESP an Education in Smart Investing

With the cost of tuition rising every year, many parents are concerned about how they're going to pay for their children's post-secondary education. The best place to start is by considering a Registered Education Savings Plan (RESP).

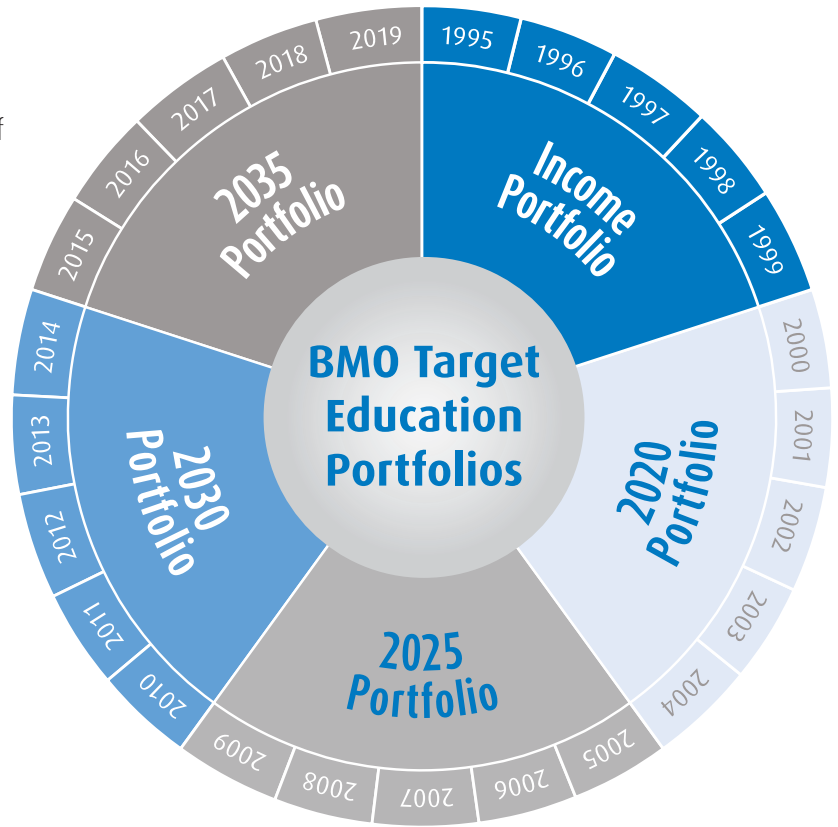
Once you have opened an RESP for your child, your next step is to choose the most suitable investment solution to help build your child's education savings. BMO Target Education Portfolios make saving for your child's education easier.

BMO Target Education Portfolios offer:

1 A professionally managed portfolio
The team of experts at BMO Asset Management Inc. will build and maintain your portfolio and take the hard work out of investing for your child's future.

2 A portfolio that is specifically designed with your child in mind
In designing a portfolio that is tailored to the time when your child will attend a post-secondary institution, BMO Asset Management Inc. focuses on achieving growth in the early years. The portfolio gradually becomes more conservative the closer your child gets to using the money you have saved for their education. You can sleep easier knowing your money is always properly invested.

3 BMO Asset Management Inc.'s best ideas
BMO's Target Education Portfolios use a mix of our award-winning mutual funds and low-cost exchange-traded funds (ETFs) to ensure you always have BMO Asset Management Inc.'s best ideas working for you.



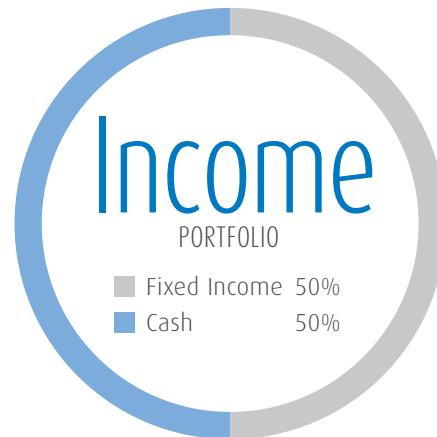
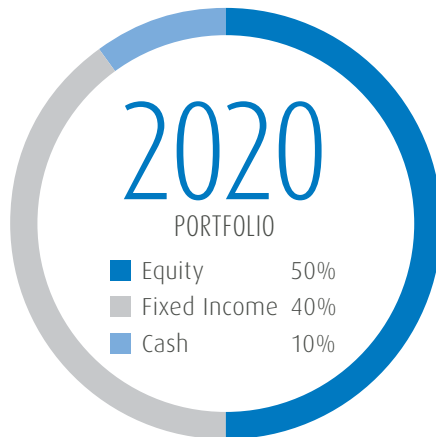
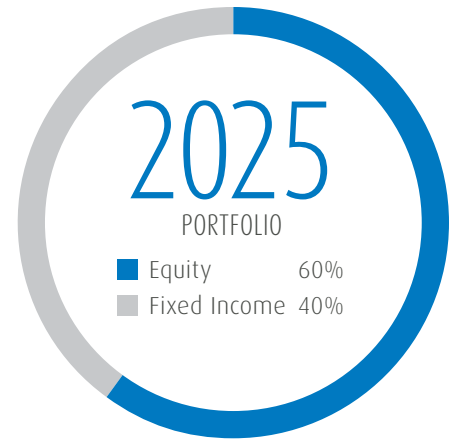
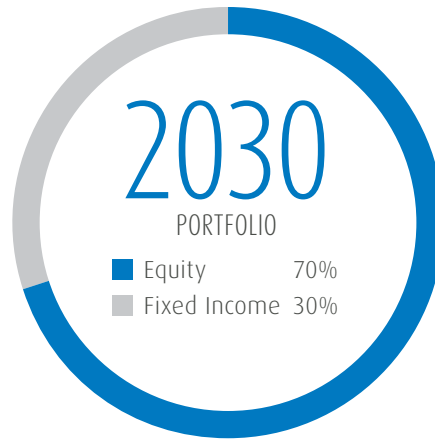
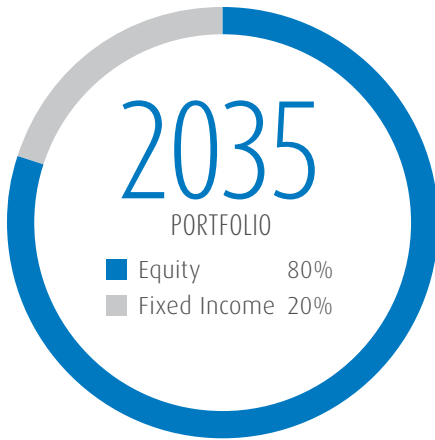
Your child's year of birth – the outside circle above – will point you to the right BMO Target Education Portfolio!

We make it simple!

BMO Target Education Portfolios are designed to reduce the impact of equity market swings as your child approaches the year in which they will start their post-secondary education. Once the Portfolio has reached its target date, your child's assets will be switched into the BMO Target Education Income Portfolio to provide capital preservation and stable income as your child starts to draw down their money.



How are BMO Target Education Income Portfolios invested?*



*Neutral Portfolio Weighting as of November 1st 2014



Get to know BMO Target Education Income Portfolios

As each BMO Target Education Portfolio's target end date approaches, the fund will gradually shift its asset mix from an exposure that is primarily invested in growth-oriented investments such as equity mutual funds and ETFs, to an exposure that is more heavily weighted in fixed-income mutual funds and ETFs. By becoming more conservative as the target date approaches, these funds allow you to hold a single portfolio throughout the life of your education savings, reducing the need to rebalance the portfolio and helping to insulate against sudden drops in the market.

RESP basics

RESPs offer a number of great benefits including:

- **Tax-deferred growth**

Any gains achieved within the RESP will not be taxed until your money is withdrawn from the RESP in the form of educational assistance payments (EAPs). When withdrawn, EAPs are taxed in the hands of the beneficiary and are likely subject to a low tax rate.

- **Canada Education Savings Grant**

The Government of Canada contributes a certain amount of money into the RESP on behalf of the child in the form of a Canada Education Savings Grant (CESG). The amount contributed by the government is up to 20% for the first \$2,500 contributed by the subscriber per beneficiary per year, up to a maximum of \$500 per year and a lifetime maximum of \$7,200.

- **Additional grants**

If you are a resident of Alberta, Saskatchewan, Québec or British Columbia, or if you are a lower income family, you may qualify for additional grants from your provincial government.

In recent years, the number and types of post-secondary educational institutions that qualify for payments from an RESP have increased dramatically to include almost any type of post-secondary education the child may choose.

Learn more about BMO Target Education Portfolios

For more information on RESPs, as well as most appropriate investment selections to suit your family's needs, please visit your local branch or call the BMO Investment Centre at **1-800-665-7700**.



Did you know?

There are two types of RESPs available:

One child

Individual (or Specified) plans are designed for one person only, making them more suitable for single-child families. And, if you are setting up an RESP for someone who is not related to you, this is the only plan option available.

Multiple children

Family plans are appealing if you have more than one child whom you'd like to name as beneficiaries because the funds held within the RESP can be used by one child if the other(s) decide not to attend a post-secondary institution. You can add or remove beneficiaries from family plans at any time.



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