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## Steadyhand

# Feature Comparison

We feel Steadyhand is a good fit for many investors. Some individuals, however, may be better served by a full service advisor, investment counsellor, or indexing approach. But decide for yourself. Below we compare and contrast our firm to other common investment providers, including:

- Full Service Advisors (Brokers)
- ETFs (via Discount Broker)
- Investment Counsellors, and
- Canada's largest no-load fund company (PH&N)

# Firm

<h2>Steadyhand</h2>	<h3>Full Service Advisor (Broker)</h3>	<h3>ETFs (via Discount Broker)</h3>	<h3>Investment Counsellor</h3>	<h3>No-load Fund Company (PH&amp;N)</h3>
<p><b>Independent, right-sized</b></p>	<p><b>Each advisor is running his/her own business</b></p>	<p><b>Do-it-yourself investing</b></p>	<p><b>Focus on high-net-worth investors</b></p>	<p><b>Canada's largest no-load fund company</b></p>
<ul style="list-style-type: none"> <li>• Independent, employee-owned</li> <li>• Recognized for industry-leading Stewardship</li> <li>• Co-investment (80% of employees assets are invested alongside our clients)</li> <li>• Experienced team, led by Tom Bradley (30 years)</li> <li>• Low employee turnover since inception</li> <li>• Third-party validation (Morningstar, Gordon Pape, Rob Carrick)</li> <li>• Not "in your pocket" (not commission-based; not constantly launching new products)</li> </ul>	<ul style="list-style-type: none"> <li>• Advisor is running their own business</li> <li>• Experience varies by individual</li> <li>• Many brokerages are bank-owned</li> </ul>	<ul style="list-style-type: none"> <li>• Many discount brokerages are bank-owned, although independents do exist</li> </ul>	<ul style="list-style-type: none"> <li>• May be independent and employee owned, or may be owned by a bank or other financial institution</li> <li>• Typically some level of co-investment for independent firms</li> <li>• Focus on high-net-worth investors (high minimum investment requirements)</li> <li>• Reputation and third-party validation varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• There are a handful of no-load fund companies in Canada (including Steadyhand), but our comparison focuses on the largest of the group, PH&amp;N</li> <li>• Several billion dollars in assets under management</li> <li>• Evolving fund lineup</li> <li>• Recognized for low fees</li> <li>• Third-party validation (Lipper, Morningstar)</li> <li>• Strong track record in bonds</li> </ul>

# Investment Philosophy

<h2>Steadyhand</h2>	<h3>Full Service Advisor (Broker)</h3>	<h3>ETFs (via Discount Broker)</h3>	<h3>Investment Counsellor</h3>	<h3>No-load Fund Company (PH&amp;N)</h3>
<p><b>Explicit philosophy, veteran oversight</b></p>	<p><b>Choice of philosophy, specific to advisor</b></p>	<p><b>Indexing</b></p>	<p><b>Area of expertise specific to counsellor</b></p>	<p><b>Range of approaches</b></p>
<ul style="list-style-type: none"> <li>Well defined philosophy - Undexing - based on 4 key principles:               <ol style="list-style-type: none"> <li>1. Non-benchmark oriented,</li> <li>2. Concentrated portfolios,</li> <li>3. Unconstrained managers,</li> <li>4. Low turnover</li> </ol> </li> <li>Tom Bradley, your Chief Investment Officer (respected industry veteran, designed mandates for the funds, oversees/monitors the fund managers)</li> </ul>	<ul style="list-style-type: none"> <li>Philosophy will vary by individual advisor</li> <li>Investors can seek advisors who focus on a certain investing style, such as value, growth, income-oriented, indexing, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Objective of ETFs is to replicate the composition and performance (minus fees) of an index, sub sector of an index, or basket of securities</li> <li>Most indices are capitalization weighted, meaning a security's weighting in the index is proportional to its size or market capitalization</li> <li>No human judgment in constructing or rebalancing the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Philosophy will vary by firm</li> <li>Counsellors often focus on a certain investing style, such as value or growth, or have expertise in a specific asset class</li> </ul>	<ul style="list-style-type: none"> <li>Investment teams employ a wide variety of investment styles, including value, growth and growth at a reasonable price (GARP)</li> <li>Investment teams are under the guidance of Chief Investment Officer Dan Chornous</li> <li>Style of management specific to investment team and fund</li> </ul>

# Product Offering

<h2>Steadyhand</h2>	<h3>Full Service Advisor (Broker)</h3>	<h3>ETFs (via Discount Broker)</h3>	<h3>Investment Counsellor</h3>	<h3>No-load Fund Company (PH&amp;N)</h3>
<p><b>Simple lineup</b></p>	<p><b>Wide selection</b></p>	<p><b>Wide selection</b></p>	<p><b>Tight offering, higher minimums</b></p>	<p><b>Wide variety of funds</b></p>
<ul style="list-style-type: none"> <li>• Simple lineup that covers the waterfront (6 funds)</li> <li>• Access to managers not available to most investors</li> <li>• Founders Fund captures all of what we do</li> <li>• Most account types offered (RESP is the exception)</li> <li>• \$10,000 minimum investment requirement per fund</li> </ul>	<ul style="list-style-type: none"> <li>• Access to thousands of investment products (stocks, bonds, mutual funds, wraps, ETFs, etc.)</li> <li>• All types of accounts offered</li> <li>• Steady flow of new products</li> <li>• Minimum account size varies, but typically \$100,000+</li> </ul>	<ul style="list-style-type: none"> <li>• Hundreds of ETFs to choose from</li> <li>• Range from broad-market to niche products</li> <li>• Steady flow of new products</li> <li>• Emergence of complex and higher cost products (leveraged, inverse ETFs)</li> <li>• No minimum investment requirement</li> </ul>	<ul style="list-style-type: none"> <li>• Typically have a focused lineup with expertise in a specific asset class or two</li> <li>• Many offer pooled funds or segregated accounts (clients own individual securities)</li> <li>• Most account types offered</li> <li>• High minimum investment requirement (\$1-2 million)</li> </ul>	<ul style="list-style-type: none"> <li>• Wide variety of funds (nearly 100) offered by PH&amp;N and RBC Funds</li> <li>• All account types offered</li> <li>• \$25,000 minimum investment requirement</li> </ul>

# Service Offering

<b>Steadyhand</b>	<b>Full Service Advisor (Broker)</b>	<b>ETFs (via Discount Broker)</b>	<b>Investment Counsellor</b>	<b>No-load Fund Company (PH&amp;N)</b>
<b>Clear-cut advice and reporting</b>	<b>Full service offerings, reporting varies</b>	<b>Tiered levels of advice</b>	<b>Discretionary management</b>	<b>Tiered levels of advice</b>
<ul style="list-style-type: none"> <li>• Clear-cut investment advice (focused on Strategic Asset Mix and better investing practices)</li> <li>• Access to online tools</li> <li>• Online account access</li> <li>• Easy to deal with (most transactions/requests can be taken care of with a phone call)</li> <li>• Comprehensive quarterly reporting (detailed info on portfolio performance, fees, asset mix, funds, and company updates)</li> </ul>	<ul style="list-style-type: none"> <li>• Advice and planning services will vary by advisor</li> <li>• Discretionary management option (higher investment requirement)</li> <li>• Dedicated contact person, often with team back-up</li> <li>• Online account access</li> <li>• Introduction to ancillary financial services (banking, insurance, tax, lending, estate, etc.)</li> <li>• Can hold all investments/financial products in one place</li> <li>• Quality of reporting varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Low trading commissions</li> <li>• Access to call center for account-related and administrative questions</li> <li>• Investing tools and features will vary by firm</li> <li>• Online account access</li> <li>• No advice provided</li> <li>• Monthly account statements</li> <li>• Quality of reporting and client service varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Discretionary management (all investment decisions and portfolio adjustments are made on client's behalf)</li> <li>• Typically high level of client service</li> <li>• Dedicated contact person, often with team back-up</li> <li>• Advice and planning services will vary by counsellor</li> <li>• Typically offer annual or semi-annual portfolio reviews</li> <li>• Quality of reporting varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Investment Funds Centre available to all clients and offers consultation on portfolio structure and periodic portfolio reviews</li> <li>• Investment Funds Advisory Service (higher investment requirement) helps clients design a personalized investment strategy with portfolio recommendations offered through a dedicated advisor</li> <li>• Discretionary management offered for portfolios over \$1 million</li> <li>• Online account access</li> <li>• Easy to deal with</li> <li>• Access to online tools</li> <li>• Comprehensive quarterly reporting and communications (detailed info on fees, asset mix, funds)</li> </ul>

# Cost

<h2>Steadyhand</h2>	<h3>Full Service Advisor (Broker)</h3>	<h3>ETFs (via Discount Broker)</h3>	<h3>Investment Counsellor</h3>	<h3>No-load Fund Company (PH&amp;N)</h3>
<p><b>Low cost, declining fees</b></p>	<p><b>Choice of fee structure; typically higher cost</b></p>	<p><b>Lowest cost</b></p>	<p><b>Low cost, tapered fees</b></p>	<p><b>Low cost</b></p>
<ul style="list-style-type: none"> <li>• Low base fees: 0.65% to 1.78% all in</li> <li>• Fee rebates on portfolios over \$100,000</li> <li>• Additional fee rebates after 5 years as a client</li> <li>• Total fee for a balanced portfolio ranges from approx. 1.24% to 1.40% before rebates</li> <li>• No commissions, admin fees or transaction fees</li> <li>• No middleman</li> </ul>	<ul style="list-style-type: none"> <li>• Fees: commission-based or fee-based option</li> <li>• Can expect to pay approx. 1% to 1.5% for full service advice plus the cost of investment products</li> <li>• Possible fee breaks for larger accounts</li> </ul>	<ul style="list-style-type: none"> <li>• MERs as low as 0.1% for some broad-market ETFs</li> <li>• Trading commissions range from \$10-30 per transaction depending on firm and account size</li> <li>• Annual account administration fees may apply depending on firm and account size</li> <li>• Total annual cost of a balanced portfolio estimated to be 0.4% - 0.7% (includes MERs, trading commissions, admin charges and tracking error)</li> </ul>	<ul style="list-style-type: none"> <li>• Low fees</li> <li>• Can expect to pay approx. 1% to 1.5% for a balanced portfolio</li> <li>• Tapered fee schedules for larger accounts</li> <li>• Custodian fees may be charged to client</li> <li>• No commissions</li> </ul>	<ul style="list-style-type: none"> <li>• Low fees: MERs range from 0.55% to 1.50%</li> <li>• Fees reported in percentage terms for client accounts</li> <li>• Co commissions, admin fees or transaction fees</li> <li>• No middleman</li> </ul>

# Performance Reporting

<b>Steadyhand</b>	<b>Full Service Advisor (Broker)</b>	<b>ETFs (via Discount Broker)</b>	<b>Investment Counsellor</b>	<b>No-load Fund Company (PH&amp;N)</b>
<p><b>Clear track record</b></p>	<p><b>No audited track record</b></p>	<p><b>Returns will track indices; reporting varies</b></p>	<p><b>Reporting varies by firm</b></p>	<p><b>Clear track record</b></p>
<ul style="list-style-type: none"> <li>• Audited returns for all funds (post-fee)</li> <li>• Returns calculated for hypothetical balanced portfolios (record of how clients have done)</li> <li>• Show each client their performance at the account and portfolio level</li> </ul>	<ul style="list-style-type: none"> <li>• No composite or audited track record of client portfolios</li> <li>• Reporting to client varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Returns will track performance of underlying index or basket of securities, minus fees (MERs) and tracking error</li> <li>• Reporting to clients varies by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-fee audited record of composite portfolios available for prospective investors</li> <li>• Reporting to clients varies by firm, but will typically include performance at the account level</li> </ul>	<ul style="list-style-type: none"> <li>• Audited returns for all funds (post-fee)</li> <li>• Show each client performance at the account and portfolio level</li> </ul>

# Other

<h2>Steadyhand</h2>	<h3>Full Service Advisor (Broker)</h3>	<h3>ETFs (via Discount Broker)</h3>	<h3>Investment Counsellor</h3>	<h3>No-load Fund Company (PH&amp;N)</h3>
<p><b>Non-conforming, brutally honest, unusually simple</b></p>	<p><b>The individual is the key</b></p>	<p><b>Passive investing</b></p>	<p><b>Benefits and intangibles vary by firm</b></p>	<p><b>Evolving fund lineup</b></p>
<ul style="list-style-type: none"> <li>• Access to white papers and internal articles on better investing practices</li> <li>• Annual client presentation in five cities</li> <li>• Focus on simplicity and transparency</li> <li>• Steadyhand Blog (opinions, advice to investors, stance on industry issues, and the odd piece of wit)</li> </ul>	<ul style="list-style-type: none"> <li>• Access to research reports on stocks, funds, other</li> <li>• Access to views of market strategists, economists</li> <li>• Advisor and/or company presentations</li> </ul>	<ul style="list-style-type: none"> <li>• Access to research reports on ETFs and stocks</li> <li>• Educational tools on passive investing</li> </ul>	<ul style="list-style-type: none"> <li>• Potential access to white papers and internal articles</li> <li>• Typically hold annual or bi-annual client presentations</li> <li>• Other features/benefits will vary by firm</li> </ul>	<ul style="list-style-type: none"> <li>• Access to research papers and internal articles</li> <li>• Annual client presentations in a number of cities</li> <li>• Focus is on offering a full range of investment products and services</li> </ul>