



Rempart Asset Management specializes in discretionary investment management for individuals, private corporations and foundations. Our firm takes a professional approach to diversified portfolio management that features discipline, a focus on quality, and conservative risk management.

Rempart is a fully independent firm owned by its founding partners. Rempart emphasizes a disciplined team approach to the management of its clients' portfolios.

Investment Philosophy

At Rempart, we create investment portfolios tailored to the specific client and managed on a segregated basis. We do this by incorporating each client's unique circumstances into his or her own distinctive investment policy. Existing holdings, income requirements, tax considerations, time horizon and growth objectives are all taken into account in this process. We believe the individual circumstance of each investor is a key determinant in the portfolio construction process.

Investment Style

Our creative approach to portfolio management balances superior long-term returns with minimal risk exposure. The depth and experience of our investment team allows us to be proactive in managing client portfolios. Discipline, attentiveness and patience do the rest.

Equities

At Rempart, we invest in companies, not markets. To this end, equity investment follows stringent criteria, with research conducted in-house by our senior investment professionals. The primary focus of our research is the generation and application of free cash flow. This process, which we term ***"Tracking the Cash"***, concentrates on companies that generate significant amounts of free cash flow. These tend to be businesses that are non-cyclical in nature, are market leaders, generate consistent and stable corporate growth, have strong balance sheets and solid management with proven records.

"Tracking the Cash" goes beyond cash flow generation. The manner in which a company applies its cash to the benefit all stakeholders, namely its employees, customers and shareholders, is of critical importance. To this end, we focus on companies that use their free cash flow intelligently, by investing in fixed capital additions, strengthening their financial position or increasing dividends. Experienced management, balance sheet strength and proper allocation of cash flow are crucial to investing for growth and managing risk.

Our investment approach is backed by rigorous fundamental analysis by our investment team. Our senior investment professionals are trained financial analysts and meet with over 100 companies annually, 25 to 30 of which are deemed suitable for client's portfolios. In-depth knowledge of individual companies and diversification across industry groups allows us to structure clients' portfolios for consistent returns without significant volatility. Combining growth and capital preservation is the underlying goal of Rempart's equity investments.

When searching for the companies with the greatest growth potential, an important component of our analysis is the early identification of macro-trends. These trends influence the performance of the various equity sectors and are driven by a combination of many factors, including geo-political, economic, and emerging industrial developments.

Fixed Income

Our fixed income investment strategy combines the objectives of capital preservation and income generation. Risk is minimized in this area with investments being largely focussed on Canadian Federal and Provincial government bonds as well as high quality corporate issues. For taxable portfolios, preferred share investments will also be considered.

We undertake a disciplined approach within the fixed income area, concentrating on investment grade securities and the relative valuations between federal, provincial and corporate issues. Our investment decisions are influenced by our analysis of key macro-economic, financial and political issues. This approach allows Rempart to maximize client returns, while minimizing exposure to adverse shifts in the fixed income markets.

Balanced Portfolios

Balanced portfolio mandates are structured for consistent returns within a low risk framework. This is accomplished through diversification in both the equity and fixed income areas and by the quality of the portfolio holdings.

In determining the appropriate asset mix, longer-term trends, including the business cycle, inflation and interest rate trends, fiscal and monetary policies and other financial indicators are considered. The impact of these factors on the various asset classes, in concert with the goals of high quality growth and capital preservation, drive our asset mix process. The experience and depth of our investment team enables us to make portfolio decisions quickly and, more importantly, implement them into our client portfolios in a timely manner.

We do not believe in market timing, as such strategies increase volatility and detract from after-tax returns.

Client Service

As with our investment approach, client service is tailored to the individual – timely and accurate reporting, efficient handling of administrative matters and, most importantly, access to Rempart’s senior investment professionals – the decision makers in client portfolios. Close personal relationships between client and our senior portfolio managers ensure better customization of the investment process, both for the development of the Investment Policy Statement and for security selection. We like to meet with our clients on a regular basis to ensure that their objectives are being met.

We report monthly, providing comprehensive portfolio valuations that list all securities and their respective book and market values. Our reporting is flexible, allowing us to customize our client’s portfolio to their needs. Portfolios can be consolidated to provide clients with an overall view of their financial position. Further, reporting of individual accounts can be provided, as these portfolios may have differing investment objectives (such as educational trust funds) that require separate evaluation.

Custody of assets is with third party custodians with whom Rempart has had long standing professional relationships: