

**AMENDMENT NO. 1 DATED DECEMBER 20, 2012
TO THE SIMPLIFIED PROSPECTUS DATED OCTOBER 26, 2012**

in respect of:

**BMO HARRIS CANADIAN SHORT-TERM BOND PORTFOLIO
(formerly BMO Harris Canadian Bond Income Portfolio)
BMO HARRIS CANADIAN MID-TERM BOND PORTFOLIO
(formerly BMO Harris Canadian Total Return Bond Portfolio)
BMO HARRIS CANADIAN CORPORATE BOND PORTFOLIO**

(each, a “Portfolio” and collectively, the “Portfolios”)

The simplified prospectus dated October 26, 2012 (the “Simplified Prospectus”) relating to units of the Portfolios is hereby amended as noted below. All capitalized terms in this Amendment No. 1 shall have the meanings ascribed to them in the Simplified Prospectus unless otherwise specifically defined in this Amendment No. 1.

1. Introduction

The Simplified Prospectus is hereby amended to provide notice of changes to:

- (a) the name of certain Portfolios;
- (b) the investment strategies of, and the risks associated with, each Portfolio; and
- (c) the distribution policy of certain Portfolios,

effective on or about January 25, 2013. Accordingly, effective on or about January 25, 2013, the following technical amendments are made to the Simplified Prospectus.

2. Portfolio Name Changes

- (a) The reference to BMO Harris Canadian Bond Income Portfolio on the front and back covers and on page 19 of the Simplified Prospectus is deleted and replaced by the following:

“BMO Harris Canadian Short-Term Bond Portfolio (formerly
BMO Harris Canadian Bond Income Portfolio)”.
- (b) All other references in the Simplified Prospectus to “BMO Harris Canadian Bond Income Portfolio” are deleted and replaced by “BMO Harris Canadian Short-Term Bond Portfolio”.
- (c) The reference to BMO Harris Canadian Total Return Bond Portfolio on the front and back covers and on page 21 of the Simplified Prospectus is deleted and replaced by the following:

“BMO Harris Canadian Mid-Term Bond Portfolio (formerly BMO Harris Canadian Total Return Bond Portfolio)”.

- (d) All other references in the Simplified Prospectus to “BMO Harris Canadian Total Return Bond Portfolio” are deleted and replaced by “BMO Harris Canadian Mid-Term Bond Portfolio”.

3. Investment Strategy, Related Risks and Distribution Policy Changes

- (a) Under the sub-heading “General investment risks” beginning on page 2 of the Simplified Prospectus, the following risk is added as a new risk following the “Fund of funds” risk on page 4 of the Simplified Prospectus:

“Indexing

Certain Portfolios may invest in underlying mutual funds that are exchange traded funds (“underlying ETFs”). Exchange traded funds use a variety of indexing strategies. Indexing strategies involve tracking the performance of an index by tracking the performance of the investments included in the index. It’s unlikely that an underlying ETF will be able to track an index perfectly because the underlying ETF has its own operating and trading costs, which lower returns. Indices don’t have these costs.

Also, an underlying ETF may, in basing its investment decisions on an index, have more of its assets invested in one or more issuers than is usually permitted for mutual funds. In these circumstances, the underlying ETF may tend to be more volatile and less liquid than more diversified mutual funds as it is affected more by the performance of individual issuers.

Further, concentrating its investments in the securities of a particular index allows an underlying ETF to focus on that index’s potential, but it also means that the underlying ETF may tend to be more volatile than an underlying ETF that invests in the securities of a variety of indices because prices of securities on the same index tend to move up and down together. If required by its investment objectives, the underlying ETF must continue to invest in the securities of the index, even if the index is performing poorly. That means the underlying ETF won’t be able to reduce risk by diversifying its investments into securities listed on other indices.

Also, if the market upon which the index is based is not open, the underlying ETF may be unable to determine its net asset value per security, and so may be unable to satisfy redemption requests.”.

BMO Harris Canadian Short-Term Bond Portfolio

- (b) Under the sub-heading “Investment strategies” for BMO Harris Canadian Short-Term Bond Portfolio on page 19 of the Simplified Prospectus, each of the bullets is deleted in its entirety and replaced by the following:

- “
- selection of fixed income securities in reference to the characteristics of a widely recognized Canadian short-term bond index (which includes bonds with remaining effective terms greater than 1 year and less than or equal to 5 years);
 - diversification of the Portfolio by allocating investments among government and corporate securities, including securities backed by mortgages or other financial assets;
 - investment primarily in securities which will provide a steady stream of annual income;
 - investment of up to 35% of the Portfolio’s assets at the time of purchase in securities of exchange traded funds and other mutual funds, which may include funds that are managed by us or one of our affiliates or associates; and
 - investment in cash or short-term money market instruments while seeking investment opportunities or for defensive purposes to reflect general economic and/or market conditions.”.

- (c) Under the sub-heading “Investment strategies” for BMO Harris Canadian Short-Term Bond Portfolio on page 19 of the Simplified Prospectus, the second last paragraph is deleted in its entirety.

- (d) Under the sub-heading “Investment strategies” for BMO Harris Canadian Short-Term Bond Portfolio on page 19 of the Simplified Prospectus, the following paragraph is added immediately before the heading “What are the risks of investing in the fund?”:

“As a result of the investment strategy change, which occurred on or about January 25, 2013, it is anticipated that the Portfolio will have a high portfolio turnover rate in 2013. It is not anticipated that the Portfolio will have a high portfolio turnover rate in future years. The higher the portfolio turnover rate, the greater the Portfolio’s trading costs, and the greater the possibility that the Portfolio will realize greater capital gains and distribute them to unitholders of the Portfolio. For more information, see *Income tax considerations for investors* on page 13.”.

- (e) Under the sub-heading “What are the risks of investing in the fund” for BMO Harris Canadian Short-Term Bond Portfolio on page 19 of the Simplified Prospectus, the following risks are added in alphabetical order to the list of risks:

- “
- fund of funds;
 - indexing;”.

BMO Harris Canadian Mid-Term Bond Portfolio

- (f) Under the sub-heading “Investment strategies” for BMO Harris Canadian Mid-Term Bond Portfolio on page 21 of the Simplified Prospectus, each of the bullets is deleted in its entirety and replaced by the following:

- “
- selection of fixed income securities in reference to the characteristics of a widely recognized Canadian mid-term bond index (which includes bonds with remaining effective terms greater than 5 years and less than or equal to 10 years);
 - diversification of the Portfolio by allocating investments among government and corporate debt securities, including securities backed by mortgages or other financial assets;
 - investment of a portion of the Portfolio’s assets in non-investment grade fixed income securities;
 - investment of up to 35% of the Portfolio’s assets at the time of purchase in securities of exchange traded funds and other mutual funds, which may include funds that are managed by us or one of our affiliates; and
 - investment in cash or short-term money market instruments while seeking investment opportunities or for defensive purposes to reflect general economic and/or market conditions.”.

- (g) Under the sub-heading “Investment strategies” for BMO Harris Canadian Mid-Term Bond Portfolio on page 21 of the Simplified Prospectus, the second last paragraph is deleted in its entirety.

- (h) Under the sub-heading “Investment strategies” for BMO Harris Canadian Mid-Term Bond Portfolio on page 21 of the Simplified Prospectus, the following paragraph is added immediately before the heading “What are the risks of investing in the fund?”:

“As a result of the investment strategy change, which occurred on or about January 25, 2013, it is anticipated that the Portfolio will have a high portfolio turnover rate in 2013. It is not anticipated that the Portfolio will have a high portfolio turnover rate in future years. The higher the portfolio turnover rate, the greater the Portfolio’s trading costs, and the greater the possibility that the Portfolio will realize greater capital gains and distribute them to unitholders of the Portfolio. For more information, see *Income tax considerations for investors* on page 13.”.

- (a) Under the sub-heading “What are the risks of investing in the fund” for BMO Harris Canadian Mid-Term Bond Portfolio on page 21 of the Simplified Prospectus, the following risk is added in alphabetical order to the list of risks:

- “
- indexing;”.

- (b) Under the sub-heading “Distribution policy” for BMO Harris Canadian Mid-Term Bond Portfolio on page 22 of the Simplified Prospectus, the first sentence in the paragraph is deleted and replaced by the following:

“The Portfolio’s net income, if any, is distributed monthly to unitholders.”.

BMO Harris Canadian Corporate Bond Portfolio

- (c) Under the sub-heading “Investment strategies” for BMO Harris Canadian Corporate Bond Portfolio on page 23 of the Simplified Prospectus, each of the bullets is deleted in its entirety and replaced by the following:

- “
- selection of fixed income securities in reference to the characteristics of a widely recognized Canadian corporate bond index (which includes bonds with remaining effective terms of over one year);
 - diversification of the Portfolio by allocating investments among corporate debt securities, including securities backed by mortgages or other financial assets;
 - investment of a portion of the Portfolio’s assets in non-investment grade fixed income securities;
 - investment of up to 35% of the Portfolio’s assets at the time of purchase in securities of exchange traded funds and other mutual funds, which may include funds that are managed by us or one of our affiliates or associates;
 - investment of a portion of the Portfolio’s assets in non-corporate investment grade fixed income securities; and
 - investment of a portion of its assets in cash or short-term instruments such as money market securities and/or higher quality debt such as Government of Canada bonds while seeking investment opportunities or for defensive purposes to reflect general economic and/or market conditions.”.

- (d) Under the sub-heading “What are the risks of investing in the fund” for BMO Harris Canadian Corporate Bond Portfolio on page 24 of the Simplified Prospectus, the following risk is added in alphabetical order to the list of risks:

- “
- indexing;”.

- (e) Under the sub-heading “Distribution policy” for BMO Harris Canadian Corporate Bond Portfolio on page 24 of the Simplified Prospectus, the first sentence in the paragraph is deleted and replaced by the following:

“The Portfolio’s net income, if any, is distributed monthly to unitholders.”.

What Are Your Legal Rights?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus, or to cancel your purchase within forty-eight hours of receiving confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy mutual fund units and get your money back, or make a claim for damages, if the Simplified Prospectus, annual information form, or financial statements misrepresent any facts about the mutual fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or consult your lawyer.