

## Investments in Securities Underwritten by an Underwriter Related to the Manager – Private Placement Offerings

November 20, 2007

On September 12, 2007, the Independent Review Committee (“IRC”) for the investment funds (the “Funds”) managed by BMO Investments Inc., BMO Harris Investment Management Inc., BMO Nesbitt Burns Inc. and Guardian Group of Funds Ltd. (collectively, the “Managers”) provided its approval and granted standing instructions (the “Standing Instructions”) to enable the Funds to invest on a continuing basis in securities during the period of distribution of those securities and/or during the 60-day period following the period of distribution where BMO Nesbitt Burns Inc. and/or BMO Capital Markets Corp. acted as an underwriter in the distribution of those securities.

The Standing Instructions granted by the IRC require the Managers to comply with policies and procedures. In accordance with applicable securities legislation, the policies and procedures only permitted investments in equity securities where the distribution of those securities was made by prospectus filed in Canada. Accordingly, investments in equity securities where the distribution of those securities was offered by “private placement” (an offering exempted from the prospectus requirements) were not permitted under the policies and procedures (the “Investment Prohibition”).

On November 20, 2007, subject to certain conditions, the Managers received exemptive relief from Canadian securities regulators so that the Funds would not be restricted by the Investment Prohibition. On November 28, 2007, the IRC, after reasonable inquiry, approved changes to the policies and procedures so that the Investment Prohibition would not apply. The IRC concluded that the changes to the policies and procedures achieved a fair and reasonable result for the Funds.

For further information, please refer to the Relief/Approval dated November 20, 2007, available on SEDAR at [www.SEDAR.com](http://www.SEDAR.com).