BMO Mutual Funds

Proxy Voting Policies and Procedures

BMO Investments Inc. (the "**Manager**") has delegated the voting of proxies of each fund's portfolio securities to that fund's portfolio manager as part of the portfolio manager's management of the fund's portfolio, subject to the Manager's continuing oversight. A portfolio manager voting proxies on behalf of a fund must do so in a manner consistent with the best interests of the fund and its securityholders.

The Manager has established policies and procedures to be considered, in conjunction with the portfolio manager's own policies and procedures, in determining how to vote on matters for which the funds receive proxy materials for a meeting of securityholders of an issuer. Due to the variety of proxy voting issues that may arise, the following summary of the proxy voting policies and procedures is not exhaustive and is intended to provide guidance but does not necessarily dictate how each issue must be voted in each instance. Further, the Manager or a portfolio manager may depart from their respective proxy voting policies and procedures or not vote a proxy, in order to avoid voting decisions that may be contrary to the best interests of a fund and its securityholders.

The policies and procedures established by the Manager (the "**Proxy Voting Guidelines**") include:

(a) a standing policy for dealing with routine matters on which a fund may vote. In particular, the Proxy Voting Guidelines apply general guidelines to a number of routine matters. These guidelines vary, depending on the specific matter involved. Routine matters include: election of directors; appointment of auditors; changes in capital structure; and an increase in authorized stock;

(b) the circumstances under which a fund will deviate from the standing policy for routine matters. The Proxy Voting Guidelines provide that a fund's portfolio manager may depart from the general guidelines with respect to routine matters, in order to avoid voting decisions that may be contrary to the best interests of the fund and the fund's securityholders. For example, the Proxy Voting Guidelines provide that funds will typically support management's recommendations regarding the appointment of an auditor, but may vote against such a recommendation if the fees for services are excessive or if there are other reasons to question the independence or quality of the company's auditors;

(c) the policies under which, and the procedures by which, a fund will determine how to vote or refrain from voting on non-routine matters. These policies vary depending on the specific matter involved. Non-routine matters include: corporate restructurings; mergers and acquisitions; proposals affecting shareholder rights; corporate governance; executive compensation; social and environmental issues; and shareholder proposals. For example, with respect to shareholders rights, the Proxy Voting Guidelines provide that the funds will typically vote in favour of proposals that give shareholders a greater voice in the affairs of the company and oppose any measure that seeks to limit those rights; and

(d) procedures to ensure that portfolio securities held by a fund are voted in accordance with the instructions of the Manager. This includes the requirement of each portfolio manager to provide to the Manager on a quarterly basis a certificate confirming that it has voted all securities held by the funds it manages in accordance with the Proxy Voting Guidelines.

A conflict of interest may exist if a portfolio manager, its personnel or another related entity has a business relationship with (or is actively soliciting business from) either the company soliciting the proxy or a third party that has a material interest in the outcome of a proxy vote or that is actively lobbying for a particular outcome of a proxy vote. Conflicts of interest also may arise if an individual employed by the portfolio manager that is involved in the proxy vote decision has a direct or indirect personal relationship or other interest in either the company soliciting the proxy or in a third party that has a material interest in the outcome of a proxy vote, or that is lobbying for a particular outcome of a proxy vote.

Each fund's portfolio manager has procedures in place to identify potential conflicts of interest. When a fund's portfolio manager becomes aware of any vote that presents a conflict, the portfolio manager must vote such proxy question in a manner consistent with, and uninfluenced by considerations other than, the best interest of the fund and its securityholders.

The policies and procedures that the funds follow when voting proxies relating to portfolio securities are available on request, at no cost, by calling 1-800-665-7700 if you purchased your securities in a BMO Bank of Montreal branch or through the BMO Investment Centre, or by calling 1-800-668-7327 if you purchased your securities through a dealer or by writing to BMO Investments Inc., 100 King Street West, 43rd Floor, Toronto, Ontario M5X 1A1.

Each fund's proxy voting record for the most recent period ended June 30 of each year is, or will be, available free of charge to any securityholder of the fund upon request at any time after August 31 of the relevant year by calling 1-800-665-7700 if you purchased your securities in a BMO Bank of Montreal branch or through the BMO Investment Centre, or by calling 1-800-668-7327 if you purchased your securities through a dealer.

The proxy voting record is also available on the funds' websites at www.bmo.com/mutualfunds or at www.bmo.com/gam/ca.