

Simplified Prospectus

November 29, 2018

BMO Growth Funds

BMO SIA Focused Canadian Equity Fund
(series A, F, D, I, ETF Series and Advisor Series)

BMO SIA Focused North American Equity Fund
(series A, F, D, I, ETF Series and Advisor Series)

The BMO Mutual Funds in this simplified prospectus are offered by BMO Investments Inc.

The funds issue ETF Series securities directly to Designated Brokers and ETF Dealers (as both such terms are hereinafter defined). BMO Nesbitt Burns Inc., an affiliate of BMO Investments Inc., will act as a Designated Broker and an ETF Dealer for the ETF Series securities of the funds.

The Toronto Stock Exchange (“**TSX**”) has conditionally approved the listing of the ETF Series securities of the funds on the TSX. Listing of the ETF Series securities of the funds on the TSX is subject to the funds fulfilling all of the requirements of the TSX on or before November 27, 2019. Subject to satisfying the TSX’s original listing requirements, the ETF Series securities of the funds will be listed on the TSX and offered on a continuous basis, and an investor will be able to buy or sell ETF Series securities of the funds on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling the ETF Series securities of the funds.

No underwriter has been involved in the preparation of this simplified prospectus or has performed any review of the contents of this simplified prospectus.

No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise.

The funds and the securities of the funds offered under this simplified prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.



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Introduction

In this document, “we”, “us” and “our” refer to BMO Investments Inc. We refer to all of the mutual funds we offer as “**BMO Mutual Funds**”. We also refer to ETF Series of the mutual funds we offer as “**BMO Exchange Traded Funds**”. We refer to the funds offered under this simplified prospectus as “**fund**” or “**funds**”. We refer to a unit or the units of the funds as “**unit**” or “**units**” and holders of units as “**unitholders**”. We also refer to units as “**securities**” and unitholders as “**securityholders**”.

This simplified prospectus contains selected important information to help you make an informed investment decision and understand your rights as an investor. It’s divided into two parts. Pages 8 to 11 contain specific information about each fund and pages 12 to 45 contain general information about the funds.

You’ll find more information about each fund in the following documents:

- the annual information form
- the most recently filed fund facts
- the most recently filed ETF facts for the ETF Series
- the most recently filed comparative annual financial statements, together with the accompanying report of the auditor
- any interim financial statements filed after the most recently filed comparative financial statements
- the most recently filed annual management report of fund performance
- any interim management report of fund performance filed after the most recently filed annual management report of fund performance

These documents are or will be incorporated by reference into this simplified prospectus, which means they will legally form part of this simplified prospectus just as if they were printed as part of this document. The above documents, if filed by the funds after the date of this simplified prospectus and before the end of the distribution hereunder, are also deemed to be incorporated by reference herein.

There’s no charge for these documents. You’ll also find copies of them, and other information about the funds, on the internet at www.sedar.com.

If you would like a copy of these documents and you purchased your securities at a BMO Bank of Montreal branch, through the BMO Investment Centre, by telephone or through the internet, or for more information about BMO Mutual Funds, please call toll free at 1-800-665-7700 or visit our website:

In English: www.bmo.com/mutualfunds

En français: www.bmo.com/fonds

If you would like a copy of these documents and you purchased your securities through a dealer, or for more information about BMO Mutual Funds, please call toll free at 1-800-668-7327 or visit our website:

In English: www.bmo.com/gam/ca

En français: www.bmo.com/gma/ca

If you would like a copy of these documents or for more information about BMO Exchange Traded Funds, please call toll free at 1-800-361-1392 or visit our website:

In English: www.bmoetfs.com

En français: www.bmoetfs.com

Important Terms

While we've made the fund descriptions easy to understand, you'll come across a few investment terms. Here's what they mean.

Adjusted Cost Base ("ACB"): The cost of a security adjusted in accordance with the Tax Act.

Basket of Securities: In relation to the ETF Series of a fund, a group of securities or assets determined by the manager from time to time, representing the constituents of, and their weightings in, the fund.

Capital Gain: Generally, the amount an investment has risen in value since it was bought. A capital gain is realized when the investment is sold. Net capital gains are capital gains after deducting capital losses.

Capitalization: Market capitalization is the value of a company, generally measured by multiplying the price of its common equity shares by the number of shares outstanding.

CDS: CDS Clearing and Depository Services Inc.

CDS Participant: A participant in CDS that holds ETF Series securities on behalf of beneficial owners of ETF Series securities.

Constituent Securities: For each fund that offers ETF Series securities, the issuers included in the portfolio of that fund from time to time.

Derivatives: Specialized investments like forward contracts, futures, options and swaps whose value is based on the value of another investment called an underlying investment. See page 5 for more information.

Designated Broker: A registered dealer, including BMO Nesbitt Burns Inc., an affiliate of the manager, that has entered into a designated broker agreement with the manager, on behalf of one or more funds offering ETF Series, pursuant to which the Designated Broker agrees to perform certain duties in relation to the ETF Series securities including, without limitation (i) to subscribe for a sufficient number of ETF Series securities to satisfy the applicable exchange's original listing requirements; (ii) to subscribe for ETF Series securities when cash redemptions of ETF Series securities occur; and (iii) to post a liquid two-way market for the trading of ETF Series securities on the applicable exchange.

ETF Dealer: A registered dealer (that may or may not be a Designated Broker), including BMO Nesbitt Burns Inc., an affiliate of the manager, that has entered into a continuous distribution agreement with the manager, on behalf of one or more funds offering ETF Series, pursuant to which the ETF Dealer may subscribe for, purchase and redeem ETF Series securities from that fund(s) on a continuous basis from time to time.

ETF Series: Exchange traded series of securities offered by the funds.

Fixed Income Securities: Investments that pay a fixed rate of interest. They're usually corporate and government bonds.

GIC: Guaranteed investment certificate.

Hedging: A transaction intended to offset risk.

Liquidity: How easy it is for a fund to buy and sell a security, like a stock or a bond. The easier it is, the more liquid the investment.

Maturity: The day on which investments like bonds or derivative contracts come due for payment.

Mutual Fund Series: All series of securities a fund other than the ETF Series.

Net Income: The net income of a fund is interest, dividends and other investment income earned after deducting all expenses. It does not include capital gains or capital losses.

NI 81-102: National Instrument 81-102 *Investment Funds*, as the same may be amended or replaced from time to time.

NI 81-107: National Instrument 81-107 *Independent Review Committee for Investment Funds*, as the same may be amended or replaced from time to time.

No Load: No sales or redemption charges are paid by investors on the purchase or sale of No Load Series securities.

No Load Series: Each or collectively, Series A, Series F, Series D, Series I and ETF Series securities of a fund.

Plan Agent: AST Trust Company (Canada), the plan agent for the Reinvestment Plan.

Reinvestment Plan: The distribution reinvestment plan of each ETF Series.

Return of Capital (“ROC”): A fund can generally choose to make a distribution that is a ROC. Also, a mutual fund trust will be considered to distribute a ROC if it distributes more than its net income and net realized capital gains. In any case, a ROC distribution is not included in your income, but instead reduces the ACB of the securities on which it was paid. When you eventually redeem the securities, you may realize a larger capital gain. If the ACB of your securities is reduced to less than zero while you continue to hold them, you will be deemed to realize an immediate capital gain equal to the negative amount and your ACB will be increased to zero. A ROC distribution should not be confused with return on investment or “**yield**”. You should not draw any conclusions about a fund’s investment performance from the amount of ROC it distributes.

Trading Day: For each ETF Series, a day on which: (i) a regular session of the TSX is held; and (ii) the primary market or exchange for the majority of the securities held by the ETF Series is open for trading.

TSX: Toronto Stock Exchange.

Volatility: Volatility refers to the amount of uncertainty or risk about the size of changes in a security’s value. A higher volatility means that a security’s value can potentially be spread out over a larger range of values. This means that the price of the security can change more dramatically in either direction, compared to a security with lower volatility.

Yield: The annual income distributed from an investment expressed as a percentage of the investment’s current value. For example, a money market instrument that pays \$30 in interest with a current value of \$1,000 has a yield of 3%.

Specific information about each of the mutual funds described in this document

A guide to using the fund descriptions

You'll find all the key information about each fund in one place—the fund descriptions. They begin on page 8. Each fund description is organized into sections to make it easier for you to compare funds. Below is a short guide to what you'll find in each section of the fund descriptions.

1 Fund details

The *Fund details* section provides an overview of some basic information about the fund, like what kind of fund it is, when it was started and what type of securities it offers.

A mutual fund can be set up as a trust or as a corporation. The funds offered under this simplified prospectus are organized as trusts. When you invest in a fund, you are buying units of a trust. The funds may offer more than one series of securities. Each series is intended for a different kind of investor and may have a different management fee.

The *Fund details* section tells you if the fund is a qualified investment for registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), registered disability savings plans (“RDSPs”), registered education savings plans (“RESPs”), deferred profit sharing plans (“DPSPs”) and tax-free savings accounts (“TFSAs”) (collectively, the “**registered plans**” and each a “**registered plan**”). You should consult your own tax advisor to determine whether an investment in a fund would be a prohibited investment for your registered plan.

This section shows the management fee that we may charge for the series of securities of the funds. For each series, we may, from time to time at our discretion, waive a portion or the entire amount of the management fee chargeable at any given time.

This section includes information about the name of the portfolio manager and the sub-advisor for each fund.

2 What does the fund invest in?

This section tells you the *Investment objectives* and *Investment strategies* of the fund.

Investment objectives

These are the goals of the fund. You'll find details about the kinds of securities the fund invests in, as well as any special focus, like concentrating on a particular country or industry.

Investment strategies

This section tells you how the portfolio manager and the sub-advisor try to achieve the fund's objectives. Each of the funds follows the standard investment restrictions and practices established by Canadian securities legislation, unless Canadian securities regulators have given the fund approval to vary from these restrictions. If we and/or the fund have obtained such an approval, we may discuss it here or under *Additional information* and we also discuss it in the annual information form.

As permitted by Canadian securities legislation, the Independent Review Committee (the “IRC”) of the funds has provided us with approval to enable the funds to engage in certain transactions with, and purchase securities of, certain related parties. Additional information is available in the funds' annual information form and under *Additional information* on page 44.

Each fund may hold cash as a defensive strategy or while waiting to invest in other securities. A fund may also buy short-term fixed income securities and money market instruments.

A fund may purchase securities of other mutual funds (or obtain exposure to other mutual funds by entering into derivative transactions), including mutual funds or exchange traded funds that are managed by us or other mutual fund managers including our affiliates or associates.

A fund that purchases securities of other mutual funds will select the underlying funds on the basis that they help the fund to achieve the same strategies that it uses when investing directly in those securities.

In some cases, the investment strategies section of a fund may indicate that the fund has percentage or other restrictions on its investment in certain types of securities. In these cases, if the restriction is adhered to at the time of investment and then later

1 Fund details	
Type of fund	Canadian equity
Date started	Series A: November 29, 2018 Series F: November 29, 2018 Series D: November 29, 2018 Series I: November 29, 2018 ETF Series: November 29, 2018 (Ticker symbol: ZFC) Advisor Series: November 29, 2018
Securities offered	Units of a mutual fund trust
Eligible for registered plans	Expected to be a qualified investment
Management fee	Series A: 1.65% Series F: 0.65% Series D: 0.90% Series I: N/A. A Series I fee is negotiated and paid by each Series I investor. ¹⁰ ETF Series: 0.75% ¹¹ Advisor Series: 1.65%
Portfolio manager	BMO Asset Management Inc. Toronto, Ontario (Portfolio Manager since November 2018)
Sub-advisor	SIA Wealth Management Inc. Calgary, Alberta (Sub-advisor since November 2018)

¹⁰ The management fee for Series I will not exceed the management fee charged for Advisor Series or Series A.

¹¹ For ETF Series securities, the manager is responsible for payment of the costs related to the Administration Expenses and other operating expenses of the fund which are allocated to the ETF Series, other than the Fund Expenses. See Fees and expenses on page 35 for details.

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2 What does the fund invest in?

Investment objectives

This fund's objective is to provide long-term capital growth by investing primarily in a portfolio of Canadian equities.

The fundamental investment objectives may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment strategies

These are the strategies the portfolio manager uses to try to achieve the fund's objectives:

- invests in high conviction Canadian equity securities
- employs a proprietary model that utilizes technical indicators to identify attractive securities that may offer superior rates of return while minimizing risk
- may temporarily depart from the fund's investment objectives by holding all or a portion of its assets in short-term fixed income exchange traded funds, cash or short-term money market instruments and/or high quality fixed income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions
- may invest up to 30% of the fund's assets in securities of exchange traded funds and other mutual funds (excluding short-term fixed income exchange traded funds referred to above), including funds that are managed by us or one of our affiliates or associates
- may invest up to 10% of the fund's assets in foreign securities
- the fund may use derivatives to implement the investment strategy. Derivatives, such as options, futures, forward contracts, swaps and other derivative instruments may be used for both hedging and non-hedging purposes, or to, among other things:
 - protect the fund against potential losses. For example, the portfolio manager may be concerned about the impact that rising interest rates may have on the fund. The portfolio manager may attempt to reduce the impact of security price fluctuations by using interest rate swaps
 - reduce the impact of volatility on the fund. For example, the portfolio manager may attempt to reduce the impact of any adverse changes in exchange rates by buying currency futures
 - gain exposure to securities without buying the securities directly.

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<p>The fund will only use derivatives as permitted by Canadian securities regulators.</p> <p>The fund and the underlying funds may enter into securities lending, repurchase and reverse repurchase transactions to earn additional income. These transactions will be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the fund's investment objectives. See <i>Securities lending, repurchase and reverse repurchase transactions risk</i> on page 17.</p> <p>The fund may engage in short selling in order to manage volatility or enhance the fund's performance in declining or volatile markets. In compliance with its investment objectives, the fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased by the fund at a later date and returned to the lender. The fund will only engage in short sales as permitted by Canadian securities regulators.</p>	<p>4 Who should invest in this fund?</p> <p>Consider this fund if:</p> <ul style="list-style-type: none"> you are seeking long-term capital growth from your investment you are comfortable with concentrated high conviction Canadian equity investments that adjust to current market conditions you are comfortable with medium investment risk (i.e., you are willing to accept fluctuations in the market value of your investment). <p>See <i>Fund risk classification</i> on page 6 for a description of how we determined the classification of this fund's risk level.</p>
<p>3 What are the risks of investing in the fund?</p> <p>These strategies may involve the following risks, which we explain starting on page 13:</p> <ul style="list-style-type: none"> credit risk cybersecurity risk derivative risk equity risk fund of funds risk industry concentration risk indexing risk interest rate risk issuer concentration risk large transaction risk securities lending, repurchase and reverse repurchase transactions risk series risk short selling risk. <p>Additional risks associated with an investment in ETF Series securities include:</p> <ul style="list-style-type: none"> absence of an active market for the ETF Series securities and lack of operating history risk halted trading of ETF Series securities risk trading price of ETF Series securities risk. 	<p>5 Distribution policy</p> <p>For Series A, Series F, Series D, Series I and Advisor Series securities, the fund distributes any net income and any net capital gains in December. Distributions for these series are automatically reinvested in additional securities of the fund, unless you tell us in writing that you prefer to receive cash distributions.</p> <p>For ETF Series securities, distributions, if any, are paid annually such that any net income and net realized capital gains have been distributed to securityholders. Distributions may be paid in cash or reinvested automatically in additional ETF Series securities of the fund at a price equal to the net asset value ("NAV") per security of the fund and the ETF Series securities will be immediately consolidated such that the number of outstanding ETF Series securities following the distribution will equal the number of ETF Series securities outstanding prior to the distribution. If you are enrolled in a Reinvestment Plan, your distributions are automatically reinvested in additional securities of the ETF Series pursuant to the Reinvestment Plan. In addition, the fund may from time to time pay additional distributions on its ETF Series securities, including without restriction in connection with a special dividend or in connection with ROC.</p> <p>See <i>Income tax considerations for investors</i> on page 41 for more information.</p>
<p>7 Fund expenses indirectly borne by investors</p> <p>This information is not available because the fund is new and its expenses are not yet known.</p>	<p>9</p>

the market value of the investment, the rating of the investment, or the value of the fund, changes in a manner that causes the restriction to be exceeded, it is not a violation of the restriction.

How the funds use derivatives

A derivative is an investment whose value is based on the value of another investment—called the underlying investment. There are many different kinds of derivatives, but they usually take the form of a contract to buy or sell a stock, currency, commodity, market index or mutual fund.

Some common types of derivatives a fund may use include:

- Futures or forward contracts:** these are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price
- Options contracts:** these are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price
- Swap agreements:** these are negotiated contracts between parties agreeing to exchange periodic payments in the future based on returns of different investments. Swaps are generally equivalent to a series of forward contracts packaged together

Mutual funds can use derivatives for purposes other than hedging only if the fund has enough cash or securities to cover its positions.

A mutual fund can only use derivatives as permitted by the Canadian securities regulatory authorities and subject to any exemptive relief they have received, and only if their use is consistent with the fund's investment objectives.

Currency hedging strategies

The funds buy securities denominated in foreign currencies. The value of these securities will vary with changes in the value of the Canadian dollar. To protect against variations in exchange rates, these funds may buy or sell forward currency contracts or currency futures contracts.

Each fund that engages in currency hedging will exchange currency on a spot basis at prevailing rates or through forward contracts of one year or less. We enter into currency hedging contracts only up to the market value of the assets a fund holds in that currency. We may adjust the contracts from time to time.

Securities lending, repurchase and reverse repurchase transactions

All of the funds may engage in securities lending, repurchase and reverse repurchase transactions as described under *General investment risks*.

Short selling strategies

Each fund may engage in short selling in order to manage volatility or enhance the fund's performance in declining or volatile markets.

A “**short sale**” is where a fund borrows securities from a borrowing agent (generally a custodian or dealer) and then sells the borrowed securities in the open market. At a later date, the same number and type of securities are repurchased by the fund and returned to the borrowing agent. A fund that sells securities short must post margin with the borrowing agent from whom it is borrowing securities as collateral for the borrowed securities. This margin can be in the form of cash and/or securities. In addition to paying interest to the borrowing agent on the borrowed securities, the fund may also be required to pay other fees in connection with the short sale. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities to the borrowing agent, the fund profits by the amount of the change in the value of the securities (less any borrowing and transaction costs).

A mutual fund will only engage in short sales as permitted by Canadian securities regulatory authorities, and only if the strategy is consistent with the fund's investment objectives.

3 What are the risks of investing in the fund?

When you're deciding which funds to invest in, risk is one of the things you should think about. This section tells you the specific risks of investing in the fund. You'll find a description of each risk under *General investment risks*.

4 Who should invest in this fund?

This section tells you the kind of investor the fund may be suitable for and how the fund could fit into your portfolio. When you're choosing a fund to invest in, you need to ask yourself what you're expecting from your investments, how long you're planning to put your money away, and how much risk you're willing to accept. You should also think about how the fund will work with your other investments.

5 Fund risk classification

We assign an investment risk level to each fund to provide you with further information to help you determine whether a fund is appropriate for you. The methodology we use to determine the investment risk level of a fund, for purposes of the disclosure in this simplified prospectus and in the

fund facts or ETF facts for a fund, is required to be determined in accordance with a standardized risk classification methodology mandated by the Canadian Securities Administrators that is based on a fund's historical volatility as measured by the 10-year standard deviation of the monthly returns of the fund, assuming the reinvestment of all income and capital gains distributions in additional securities of the fund. However, other types of risk, both measurable and non-measurable, may exist. It is also important to note that a fund's historical volatility may not be indicative of its future volatility.

Using this methodology, we will generally assign an investment risk level based on a fund's historical 10-year standard deviation in one of the following categories:

- Low
- Low to medium
- Medium
- Medium to high
- High

In certain instances, this methodology may produce a result that would require us to assign a lower investment risk level for a fund which we believe may not be indicative of the fund's future volatility. As a result, in addition to using the standardized risk classification methodology described above, we may increase a fund's investment risk level if we determine the increase to be reasonable in the circumstances by taking into account other qualitative factors including, but not limited to, economic climate, portfolio management styles, sector concentration and types of investments made by the fund and the liquidity of those investments.

In addition, if a fund does not have at least 10 years of performance history, and if there is another fund with 10 years of performance history that has the same manager, portfolio manager or sub-advisor, investment objectives and investment strategies as the fund, then the return history of the other fund will be used for the remainder of the 10-year period when calculating the standard deviation of the fund. If such a fund does not exist, then the return history of a reference index that reasonably approximates, or in the case of a newly established fund is expected to reasonably approximate, the standard deviation of the fund, will be used for the 10-year period, or for the remainder of the 10-year period, as the case may be, when calculating the standard deviation of the fund. In the case of a fund that undergoes a change to its investment objectives, the fund will use its own performance history following the change and use the return history of a

reference index that reasonably approximates the standard deviation of the fund for the remainder of the 10-year period. This investment risk level may change once the fund has sufficient performance history. The investment risk level and the reference index or reference fund for each fund are reviewed at least annually and when it is no longer reasonable in the circumstances, such as where there is a material change in a fund's investment objectives and/or investment strategies.

The following chart sets out the reference index or other fund used for each fund since the funds have less than a 10-year return history.

Fund	Reference index or fund
BMO SIA Focused Canadian Equity Fund	S&P/TSX Composite Total Return Index
BMO SIA Focused North American Equity Fund	50% S&P/TSX Composite Total Return Index and 50% S&P 500 Total Return Index (C\$)

The following chart sets out a description of each reference index used for each fund since the funds have less than a 10-year return history.

Reference index	Description of reference index
S&P 500 Total Return Index	The S&P 500 Total Return Index reflects changes in the performance of 500 widely-held U.S. common stocks.
S&P/TSX Composite Total Return Index	The S&P/TSX Composite Total Return Index is a market capitalization-weighted index of securities of the largest and most liquid companies on the TSX.

These investment risk levels do not necessarily correspond to an investor's risk tolerance assessment. Please consult your financial advisor for advice regarding your personal circumstances.

Details about the standardized risk classification methodology used to identify the investment risk level of each fund are available on request, at no cost to you. If you purchased your securities of a fund at a BMO Bank of Montreal branch or through the BMO Investment Centre, you may call us toll free at 1-800-665-7700, write to BMO Investments Inc. at 100 King Street West, 43rd Floor, Toronto, Ontario M5X 1A1 or email us at mutualfunds@bmo.com. If you purchased your securities of a fund, including ETF Series securities, through a dealer, you may call us toll free at 1-800-668-7327, write to BMO Investments Inc. at 250 Yonge Street, 7th Floor, Toronto, Ontario M5B 2M8 or email us at clientservices.mutualfunds@bmo.com or bmo.etfs@bmo.com.

6 Distribution policy

This section tells you when you might receive distributions from a fund and the character of the distribution. However, a fund may make other distributions from time to time. Distributions in respect of Mutual Fund Series of the funds held in BMO registered plans are always reinvested in additional securities of the same Mutual Fund Series of the fund you hold. Distributions in respect of Mutual Fund Series of the funds held outside BMO registered plans are reinvested in additional securities of the same Mutual Fund Series of the fund, unless you tell us in writing that you prefer cash. You'll find information about the taxation of distributions under *Income tax considerations for investors*.

Distributions in respect of ETF Series of the funds are made in cash. However, the ETF Series have adopted a Reinvestment Plan, which provides that a holder of ETF Series securities (a "**Plan Participant**") may elect to automatically reinvest all cash distributions paid on ETF Series securities held by that Plan Participant in additional ETF Series securities ("**Plan Securities**") in accordance with the terms of the Reinvestment Plan (a copy of which is available through your broker or dealer) and the distribution reinvestment agency agreement between the manager, on behalf of the ETF Series, and the Plan Agent, as may be amended. Please see *Optional services – ETF Series Reinvestment Plan* on page 33 for a description of the key terms of the Reinvestment Plan.

7 Fund expenses indirectly borne by investors

This section gives you a hypothetical example to help you compare the indirect cost of investing in the fund with the indirect cost of investing in other mutual funds. These costs are paid out of a fund's assets. While you don't pay them directly, they have the effect of lowering the fund's returns. The information in the chart is for the series of the fund that are charged management fees, have been issued to investors and have completed a financial year. See *Fees and expenses* for more information about the cost of investing in the funds.

The example shows the expenses you would pay if:

- you invested \$1,000 in the fund for the time periods shown;
- the fund earned 5% each year (the fund's actual performance will likely be different); and
- the fund's management expense ratio was the same in all periods as it was in its last financial year.

BMO SIA Focused Canadian Equity Fund

Fund details

Type of fund	Canadian equity
Date started	Series A: November 29, 2018 Series F: November 29, 2018 Series D: November 29, 2018 Series I: November 29, 2018 ETF Series: November 29, 2018 (Ticker symbol: ZFC) Advisor Series: November 29, 2018
Securities offered	Units of a mutual fund trust
Eligible for registered plans	Expected to be a qualified investment
Management fee	Series A: 1.65% Series F: 0.65% Series D: 0.90% Series I: N/A. A Series I fee is negotiated and paid by each Series I investor. ⁽¹⁾ ETF Series: 0.75% ⁽²⁾ Advisor Series: 1.65% Fees and expenses also include taxes and other fund costs. See <i>Fees and expenses</i> on page 35 for details.
Portfolio manager	BMO Asset Management Inc. Toronto, Ontario (Portfolio Manager since November 2018)
Sub-advisor	SIA Wealth Management Inc. Calgary, Alberta (Sub-advisor since November 2018)

⁽¹⁾ The management fee for Series I will not exceed the management fee charged for Advisor Series or Series A.

⁽²⁾ For ETF Series securities, the manager is responsible for payment of the costs related to the Administration Expenses and other operating expenses of the fund which are allocated to the ETF Series, other than the Fund Expenses. See *Fees and expenses* on page 35 for details.

What does the fund invest in?

Investment objectives

This fund's objective is to provide long-term capital growth by investing primarily in a portfolio of Canadian equities.

The fundamental investment objectives may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment strategies

These are the strategies the portfolio manager uses to try to achieve the fund's objectives:

- invests in high conviction Canadian equity securities
- employs a proprietary model that utilizes technical indicators to identify attractive securities that may offer superior rates of return while minimizing risk
- may temporarily depart from the fund's investment objectives by holding all or a portion of its assets in short-term fixed income exchange traded funds, cash or short-term money market instruments and/or high quality fixed income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions
- may invest up to 30% of the fund's assets in securities of exchange traded funds and other mutual funds (excluding short-term fixed income exchange traded funds referred to above), including funds that are managed by us or one of our affiliates or associates
- may invest up to 10% of the fund's assets in foreign securities
- the fund may use derivatives to implement the investment strategy. Derivatives, such as options, futures, forward contracts, swaps and other derivative instruments may be used for both hedging and non-hedging purposes, or to, among other things:
 - protect the fund against potential losses. For example, the portfolio manager may be concerned about the impact that rising interest rates may have on the fund. The portfolio manager may attempt to reduce the impact of security price fluctuations by using interest rate swaps
 - reduce the impact of volatility on the fund. For example, the portfolio manager may attempt to reduce the impact of any adverse changes in exchange rates by buying currency futures
 - gain exposure to securities without buying the securities directly.

The fund will only use derivatives as permitted by Canadian securities regulators.

The fund or the underlying funds may enter into securities lending, repurchase and reverse repurchase transactions to earn additional income. These transactions will be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the fund's investment objectives. See *Securities lending, repurchase and reverse repurchase transactions risk* on page 17.

The fund may engage in short selling in order to manage volatility or enhance the fund's performance in declining or volatile markets. In compliance with its investment objectives, the fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased by the fund at a later date and returned to the lender. The fund will only engage in short sales as permitted by Canadian securities regulators.

What are the risks of investing in the fund?

These strategies may involve the following risks, which we explain starting on page 13:

- credit risk
- cybersecurity risk
- derivative risk
- equity risk
- fund of funds risk
- industry concentration risk
- indexing risk
- interest rate risk
- issuer concentration risk
- large transaction risk
- securities lending, repurchase and reverse repurchase transactions risk
- series risk
- short selling risk.

Additional risks associated with an investment in ETF Series securities include:

- absence of an active market for the ETF Series securities and lack of operating history risk
- halted trading of ETF Series securities risk
- trading price of ETF Series securities risk.

Who should invest in this fund?

Consider this fund if:

- you are seeking long-term capital growth from your investment
- you are comfortable with concentrated high conviction Canadian equity investments that adjust to current market conditions
- you are comfortable with medium investment risk (i.e., you are willing to accept fluctuations in the market value of your investment).

See *Fund risk classification* on page 6 for a description of how we determined the classification of this fund's risk level.

Distribution policy

For Series A, Series F, Series D, Series I and Advisor Series securities, the fund distributes any net income and any net capital gains in December. Distributions for these series are automatically reinvested in additional securities of the fund, unless you tell us in writing that you prefer to receive cash distributions.

For ETF Series securities, distributions, if any, are paid annually such that any net income and net realized capital gains have been distributed to securityholders. Distributions may be paid in cash or reinvested automatically in additional ETF Series securities of the fund at a price equal to the net asset value ("NAV") per security of the fund and the ETF Series securities will be immediately consolidated such that the number of outstanding ETF Series securities following the distribution will equal the number of ETF Series securities outstanding prior to the distribution. If you are enrolled in a Reinvestment Plan, your distributions are automatically reinvested in additional securities of the ETF Series pursuant to the Reinvestment Plan. In addition, the fund may from time to time pay additional distributions on its ETF Series securities, including without restriction in connection with a special dividend or in connection with ROC.

See *Income tax considerations for investors* on page 41 for more information.

Fund expenses indirectly borne by investors

This information is not available because the fund is new and its expenses are not yet known.

BMO SIA Focused North American Equity Fund

Fund details

Type of fund	North American equity
Date started	Series A: November 29, 2018 Series F: November 29, 2018 Series D: November 29, 2018 Series I: November 29, 2018 ETF Series: November 29, 2018 (Ticker symbol: ZFN) Advisor Series: November 29, 2018
Securities offered	Units of a mutual fund trust
Eligible for registered plans	Expected to be a qualified investment
Management fee	Series A: 1.70% Series F: 0.70% Series D: 0.95% Series I: N/A. A Series I fee is negotiated and paid by each Series I investor. ⁽¹⁾ ETF Series: 0.80% ⁽²⁾ Advisor Series: 1.70% Fees and expenses also include taxes and other fund costs. See <i>Fees and expenses</i> on page 35 for details.
Portfolio manager	BMO Asset Management Inc. Toronto, Ontario (Portfolio Manager since November 2018)
Sub-advisor	SIA Wealth Management Inc. Calgary, Alberta (Sub-advisor since November 2018)

⁽¹⁾ The management fee for Series I will not exceed the management fee charged for Advisor Series or Series A.

⁽²⁾ For ETF Series securities, the manager is responsible for payment of the costs related to the Administration Expenses and other operating expenses of the fund which are allocated to the ETF Series, other than the Fund Expenses. See *Fees and expenses* on page 35 for details.

What does the fund invest in?

Investment objectives

This fund's objective is to provide long-term capital growth by investing primarily in a portfolio of North American equities.

The fundamental investment objectives may only be changed with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Investment strategies

These are the strategies the portfolio manager uses to try to achieve the fund's objectives:

- invests in high conviction North American equity securities
- employs a proprietary model that utilizes technical indicators to identify attractive securities that may offer superior rates of return while minimizing risk
- may temporarily depart from the fund's investment objectives by holding all or a portion of its assets in short-term fixed income exchange traded funds, cash or short-term money market instruments and/or high quality fixed income securities while seeking investment opportunities or for defensive purposes to reflect economic and market conditions
- may invest up to 30% of the fund's assets in securities of exchange traded funds and other mutual funds (excluding short-term fixed income exchange traded funds referred to above), including funds that are managed by us or one of our affiliates or associates
- may invest up to 100% of the fund's assets in Canadian or U.S. equity securities
- may invest up to 10% of the fund's assets in securities outside of North America
- the fund may use derivatives to implement the investment strategy. Derivatives, such as options, futures, forward contracts, swaps and other derivative instruments may be used for both hedging and non-hedging purposes, or to, among other things:
 - protect the fund against potential losses. For example, the portfolio manager may be concerned about the impact that rising interest rates may have on the fund. The portfolio manager may attempt to reduce the impact of security price fluctuations by using interest rate swaps
 - reduce the impact of volatility on the fund. For example, the portfolio manager may attempt to reduce the impact of any adverse changes in exchange rates by buying currency futures
 - gain exposure to securities without buying the securities directly.

The fund will only use derivatives as permitted by Canadian securities regulators.

The fund or the underlying funds may enter into securities lending, repurchase and reverse repurchase transactions to earn additional income. These transactions will be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the fund's investment objectives. See *Securities lending, repurchase and reverse repurchase transactions risk* on page 17.

The fund may engage in short selling in order to manage volatility or enhance the fund's performance in declining or volatile markets. In compliance with its investment objectives, the fund will engage in short sales by borrowing securities which the portfolio manager believes are overvalued and selling them in the open market. The securities will then be repurchased by the fund at a later date and returned to the lender. The fund will only engage in short sales as permitted by Canadian securities regulators.

What are the risks of investing in the fund?

These strategies may involve the following risks, which we explain starting on page 13:

- credit risk
- currency risk
- cybersecurity risk
- derivative risk
- equity risk
- fund of funds risk
- industry concentration risk
- indexing risk
- interest rate risk
- issuer concentration risk
- large transaction risk
- securities lending, repurchase and reverse repurchase transactions risk
- series risk
- short selling risk.

Additional risks associated with an investment in ETF Series securities include:

- absence of an active market for the ETF Series securities and lack of operating history risk
- halted trading of ETF Series securities risk
- trading price of ETF Series securities risk.

Who should invest in this fund?

Consider this fund if:

- you are seeking long-term capital growth from your investment
- you are comfortable with concentrated high conviction North American equity investments that adjust to current market conditions
- you are comfortable with medium investment risk (i.e., you are willing to accept fluctuations in the market value of your investment).

See *Fund risk classification* on page 6 for a description of how we determined the classification of this fund's risk level.

Distribution policy

For Series A, Series F, Series D, Series I and Advisor Series securities, the fund distributes any net income and any net capital gains in December. Distributions for these series are automatically reinvested in additional securities of the fund, unless you tell us in writing that you prefer to receive cash distributions.

For ETF Series securities, distributions, if any, are paid annually such that any net income and net realized capital gains have been distributed to securityholders. Distributions may be paid in cash or reinvested automatically in additional ETF Series securities of the fund at a price equal to the NAV per security of the fund and the ETF Series securities will be immediately consolidated such that the number of outstanding ETF Series securities following the distribution will equal the number of ETF Series securities outstanding prior to the distribution. If you are enrolled in a Reinvestment Plan, your distributions are automatically reinvested in additional securities of the ETF Series pursuant to the Reinvestment Plan. In addition, the fund may from time to time pay additional distributions on its ETF Series securities, including without restriction in connection with a special dividend or in connection with ROC.

See *Income tax considerations for investors* on page 41 for more information.

Fund expenses indirectly borne by investors

This information is not available because the fund is new and its expenses are not yet known.

What is a mutual fund and what are the risks of investing in a mutual fund?

What is a mutual fund?

A mutual fund is a pool of investments managed by professional money managers. When you invest in a mutual fund, you're actually pooling your money with other people who have similar investment goals. A portfolio manager invests that money on behalf of the whole group. If the investments make money, everyone shares in the gain. If the investments lose money, the whole group shares in the loss.

Mutual fund companies keep track of each investor's share of the pool by selling mutual funds in units or shares. The more you invest, the more units or shares you own and the bigger your share of the fund's income, gains and losses. As an investor, you also share a portion of the fund's expenses.

Mutual funds come in many varieties that are designed to meet the differing needs of investors. A fund could hold investments like stocks, bonds, cash, derivatives, or other mutual funds and exchange traded funds or some combination of these, depending on its investment objectives.

The value of these investments can go up or down. They're affected by things such as changes in interest rates or currency exchange rates, economic conditions in Canada or abroad, or news about the companies the fund invests in. When the value of the investments change, it can make the price of the mutual fund securities rise or fall. That's why mutual fund investments can increase or decrease in value after you buy them and why the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Under exceptional circumstances, a mutual fund may not allow you to redeem your securities. See *When you may not be allowed to redeem your securities* on page 30 for more information.

How mutual funds are structured

A mutual fund can be set up as a trust or corporation. Both allow you to pool your money with other investors, but there are some differences. When you invest in a trust, you buy units of the trust. When you invest in a corporation, you buy shares of the corporation. Some mutual fund corporations issue several classes of shares, where each share class works like a separate mutual fund with its own investment objectives.

The main difference between an investment in a trust and a corporation is in how the entity and your investment in the entity are taxed. This is generally more important if you're investing outside of a registered plan. Distributions from a mutual fund that is a trust are generally treated differently for tax purposes than distributions from a mutual fund that is a corporation.

Units of a mutual fund trust and classes of a mutual fund corporation may be issued in different series. Each series is intended for different kinds of investors and may have different fees and expenses or different distribution policies.

Classes and series of securities of funds structured as trusts

A fund that is structured as a trust may issue securities in one or more classes and each such class may be issued in one or more series. An unlimited number of securities of each series may be issued. In respect of a fund structured as a trust, for some purposes such as calculating fees and expenses, a class or a series of securities may be dealt with separately from other classes or series of securities of that fund. In addition, the money that you and other investors pay to purchase securities of any series is tracked on a series-by-series basis in your fund's administration records. For other purposes, such as the investment activity of the portfolio of a fund, all classes and series of securities of the fund are dealt with together.

The funds offered under this simplified prospectus are organized as trusts. When you invest in a fund, you are buying units of a trust. The funds currently offer Series A, Series F, Series D, Series I, ETF Series and Advisor Series securities. The series of each fund derive their returns from a common pool of assets with a single investment objective and together constitute a single mutual fund.

See *About series of securities* on page 21 for more details on the different series of securities available.

What is an ETF Series?

The ETF Series are exchange traded series of securities offered by the funds. ETF Series securities of the funds will be issued and sold on a continuous basis.

The funds issue ETF Series securities directly to Designated Brokers and ETF Dealers. BMO Nesbitt Burns Inc., an affiliate of the manager, will act as a Designated Broker and an ETF Dealer for the ETF Series securities of the funds.

The TSX has conditionally approved the listing of the ETF Series securities of the funds on the TSX. Listing of the ETF Series securities of the funds on the TSX is subject to the funds fulfilling all of the requirements of the TSX on or before November 27, 2019. Subject to satisfying the TSX's original listing requirements, the ETF Series securities of the funds will be listed on the TSX and offered on a continuous basis, and an investor will be able to buy or sell ETF Series securities of the funds on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling the ETF Series securities of the funds.

What are the risks of investing in a mutual fund?

Risk varies from one fund to another. You can measure risk by how often the fund's value changes and how big the changes tend to be. This is called volatility. The bigger and more often the changes in value, the more volatile the fund.

Every fund has a different degree of volatility, which depends largely on the investments that the fund makes. For example, if a fund only invests in interest-paying money market instruments offered by the Canadian government, it will be subject to very little volatility. That's because the government guarantees payment of a certain interest rate and there's little chance it will fail to keep its promise. On the other hand, some funds may invest heavily in technology stocks. Technology stocks can have frequent, large changes in value as a company's products go in and out of favour, so funds that have heavy exposure to technology stocks can be quite volatile.

As a general rule, the higher the risk, the higher the potential for gains (and losses). The lower the risk, the lower the potential for gains (and losses). A key to reducing the overall volatility of your portfolio is to hold a wide variety of investments.

When you're deciding which funds to invest in, you need to ask yourself how comfortable you'll be with their volatility. Here are some important points that can help you decide:

- *the length of time you're prepared to invest.* The more time you have until you need to cash in your investments, the more you should be thinking about investing in funds that have exposure to equities. These can be volatile in the short-term, but over the long-term, they've tended to provide higher returns than other kinds of investments.
- *your investment goals.* Your goals are unique and will influence the amount of risk that you are willing to take. If you can reach your goal only by earning higher returns on your investments, you may want to think about taking on more risk by making more volatile funds a larger part of your portfolio.
- *your portfolio as a whole.* A fund that may seem too risky on its own may be suitable as a small percentage of your portfolio. Why? Diversification. When you hold a variety of interest-paying funds and equity funds in your portfolio, you increase the potential for higher returns. At the same time, a good mix of investments tends to reduce wide swings in the value of your portfolio. That's because the various kinds of investments the funds hold tend to react differently to market and economic changes.

Mutual fund investments are not guaranteed

Unlike bank accounts or GICs, the funds aren't covered by the Canada Deposit Insurance Corporation or the Régie de l'assurance dépôts du Québec and aren't guaranteed by Bank of Montreal or by anyone else. The value of each fund will vary with changes in the value of the fund's investments.

Under exceptional circumstances, a fund may suspend redemptions. See *When you may not be allowed to redeem your securities* on page 30.

General investment risks

The volatility of a fund depends on the kinds of investments it makes. Here are some of the common risk factors that may cause the value of a fund to change. Not all risks apply to all funds or to all series of securities of a fund.

Absence of an active market for the ETF Series securities and lack of operating history risk

The ETF Series securities have no previous operating history. Although the ETF Series securities of the funds may be listed on the TSX, there can be no assurance that an active public market for the ETF Series securities will develop or be sustained.

Credit risk

Credit risk is the risk that the company, government or other entity (including a special purpose vehicle) that issued a bond or other fixed income security (including asset-backed and mortgage-backed securities) can't pay interest or repay principal when it's due. This risk is lowest among issuers that have a high credit rating from a credit rating agency. It's highest among issuers that have a low credit rating or no credit rating. Investments with a lower credit rating usually offer a better return than higher-grade investments, but have the potential for substantial loss as well as gain, as will the funds that buy them.

High yielding, higher risk income securities in which some of the funds may invest are subject to greater risk of loss of principal and income than higher rated fixed income securities, and are considered to be less certain with respect to the issuer's capacity to pay interest and repay principal.

A specialized credit rating agency, such as Standard & Poor's or DBRS, may reduce the credit rating of an issuer's debt securities. Unexpected downgrades in credit rating typically decrease the value of such securities.

Currency risk

Funds that invest in foreign securities buy them using foreign currency. For example, the funds use U.S. dollars to buy U.S. stocks or bonds. Because currencies change in value against each other, it's possible that an unfavourable move in the exchange rate may reduce, or even eliminate, any increase in the value of that investment. The opposite can also be true—the fund can benefit from changes in exchange rates.

Cybersecurity risk

With the increased use of technologies such as the internet to conduct business, the manager and each of the funds are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the funds, the manager or the funds' service providers (including, but not limited to, a fund's portfolio manager, sub-advisor(s), transfer agent, custodian and sub-custodians) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the funds' ability to calculate their NAV, impediments to trading, the inability of securityholders to transact business with the funds and the inability of the funds to process transactions including redeeming securities, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the funds invest and counterparties with which the funds engage in transactions.

In addition, substantial costs may be incurred to prevent any cyber incidents in the future. While the manager and the funds have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, inherent limitations exist in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the manager and the funds cannot control the cyber security plans and systems of the funds' service providers, the issuers of securities in which the funds invest or any other third parties whose operations may affect the funds or their securityholders. As a result, the funds and their securityholders could be negatively affected.

Derivative risk

While derivatives can be useful for hedging against losses or as a substitute for the underlying assets, they involve a number of risks:

- the hedging strategy used by a fund may not be effective
- there's no guarantee that a market will exist when a fund wants to meet the terms of the derivative contract. This could prevent the fund from making a profit or limiting its losses
- the other party to a derivative contract may not be able to meet its obligations
- stock exchanges may set daily trading limits on futures contracts. This could prevent a fund from closing a contract
- the price of stock index options may be distorted if trading in some or all of the stocks that make up the index is interrupted. If a fund could not close out its position in these options because of interruptions or imposed restrictions, it may experience losses
- the price of a derivative may not accurately reflect the value of the underlying security or index
- an acceptable counterparty may not be willing to enter into contracts that allow the fund to link its performance to the underlying security
- if a fund is required to give a security interest in order to enter into a derivative, there is a risk that the other party may try to enforce the security interest against the fund's assets
- the cost of the derivative contracts may increase.

Equity risk

Businesses issue equity securities, such as shares or units, to help pay for their operations and finance future growth. Funds that buy equities become part owners of the company that issued the securities. Changes in the value of the businesses change the value of the fund. The price of a security is influenced by the outlook for the particular business, by the market activity and by the larger economic picture, both at home and abroad. When the economy is expanding, the outlook for many businesses may also be good and the value of their securities may rise. The opposite is also true.

Funds that invest in limited partnership units or trust units, such as oil and gas royalty trusts, real estate investment trusts and income trusts, will have varying degrees of risk depending on the sector and the underlying asset or business and

may therefore be susceptible to risks associated with the industry in which the underlying business operates, to changes in business cycles, commodity prices, and to interest rate fluctuations and other economic factors.

Fund of funds risk

Certain funds invest directly in, or obtain exposure to, other investment funds as part of their investment strategy. Therefore, these funds will be subject to the risks of the underlying funds. Also, if an underlying fund suspends redemptions, the investment fund that invests in the underlying fund will be unable to value part of its portfolio and may be unable to redeem securities.

Some funds may be deemed to earn income on certain investments in some types of foreign investment entities. There is a risk that the Canada Revenue Agency may disagree with the tax treatment adopted by a fund. In such case, the net income of the fund for tax purposes and the taxable component of distributions to investors could subsequently be determined to be more than originally reported. Investors or the fund could be reassessed for income tax. Also, the fund could become liable for unremitted withholding taxes on prior distributions made to non-resident investors. Any liability imposed on the fund may reduce the value of the fund and the value of an investor's investment in the fund.

Halted trading of ETF Series securities risk

Trading of ETF Series securities on certain marketplaces may be halted by the activation of individual or market-wide "circuit breakers" (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). In the case of the TSX, trading of ETF Series securities may also be halted if: (i) the ETF Series securities are delisted from the TSX without first being listed on another exchange; or (ii) TSX officials determine that such action is appropriate in the interest of a fair and orderly market or to protect investors.

Indexing risk

Certain funds, including index funds and certain exchange traded funds, use a variety of indexing strategies or have exposure to underlying mutual funds that use 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 a fund or an underlying mutual fund will be able to track an index perfectly because each of the fund and underlying mutual fund has its own operating and trading costs which lower returns. Indices don't have these costs.

Also, a fund or an underlying mutual fund 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 fund or underlying mutual fund 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 a fund or an underlying mutual fund to focus on that index's potential, but it also means that the fund or underlying mutual fund may tend to be more volatile than a fund or underlying mutual fund 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 fund or underlying mutual fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the fund or underlying mutual fund won't be able to reduce risk by diversifying its investments into securities listed on other indices.

Also, if the stock market upon which the index is based is not open, the fund or underlying mutual fund may be unable to determine its NAV per security, and so may be unable to satisfy redemption requests.

Industry concentration risk

Some mutual funds concentrate their investments in a particular industry. This allows them to focus on that industry's potential, but it also means that they tend to be more volatile than funds that invest in many industries. Securities in the same industry tend to be affected in the same way by changes in economic, regulatory, financial and market conditions. Where required to invest in a particular industry by their investment objectives, these funds must continue to invest in that industry, even if the industry is performing poorly. That means the funds won't be able to reduce risk by diversifying their investments into other industries.

Interest rate risk

The value of funds that invest in fixed income securities can move up or down as interest rates change. Here's why. Fixed income securities—including bonds, mortgages, treasury bills and commercial paper—pay a rate of interest that's fixed when they're issued. Their value tends to move in the opposite direction to interest rate changes. For example, when interest rates rise, the value of an existing bond will fall because the interest rate on that bond is less than the market rate. The opposite is also true. These changes in turn affect the value of any fund investing in fixed income securities.

In the case of money market funds, a fund's yield is affected by short-term interest rates, and will vary.

Issuer concentration risk

Some mutual funds concentrate their investments in a particular issuer. This allows them to focus on that issuer's potential, but it also means that they tend to be more volatile than more diversified funds. Their liquidity, and therefore their ability to satisfy redemption requests, may be adversely affected. And because these funds invest in fewer issuers, they're affected more by the performance of individual issuers. These funds may be riskier than other funds that hold a greater number of issuers in their portfolios.

Large transaction risk

A fund may have one or more investors who hold or acquire a significant amount of securities of the fund, including another mutual fund. For example, a financial institution may buy or sell large amounts of the securities of a fund to hedge its obligations relating to a guaranteed investment product whose performance is linked to the performance of the fund. As well, certain mutual funds, including BMO Mutual Funds, may invest directly in the funds. If one or more of these investors (including these investing funds) decides to redeem its investment in a fund, the fund may have to make large sales of securities to meet these requests. The portfolio manager may have to change the composition of the fund's portfolio significantly or may be forced to sell investments at unfavourable prices which can negatively impact the fund's returns. Conversely, if one or more of these investors decides to increase its investment in a fund, the

fund may have to hold a relatively large position in cash for a period of time while the portfolio manager attempts to find suitable investments. This could negatively impact the fund's return.

A trust, such as a fund, is subject to a **“loss restriction event”** for the purposes of the *Income Tax Act* (Canada) (the **“Tax Act”**) if a person becomes a **“majority-interest beneficiary”** of the fund, or a group of persons becomes a **“majority-interest group of beneficiaries”** of the fund, as those terms are defined in the Tax Act. Generally, a majority-interest beneficiary of a fund is a unitholder who, together with persons and partnerships with whom the unitholder is affiliated, owns units with fair market value that is greater than 50% of the fair market value of all units of the fund. If a fund experiences a **“loss restriction event”** (i) it will be deemed to have a year-end for tax purposes (which would result in an allocation of the fund's taxable income at such time to unitholders so that the fund is not liable for income tax on such amounts), and (ii) it will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. As a result of the application of these rules, the amount of distributions paid by the fund after a loss restriction event may be larger than it otherwise would have been. However, no person or group of persons should become a majority-interest beneficiary or majority-interest group of beneficiaries of a fund as long as the fund qualifies as an **“investment fund”** under the Tax Act by satisfying certain investment diversification and other conditions. Because of the way ETF Series securities are bought and sold, it may not be possible for a fund that issues ETF Series securities to determine if or when a loss restriction event has occurred. There can be no assurance that a fund will not become subject to the loss restriction event rules and there can be no assurance regarding when distributions resulting from a loss restriction event will be made.

Securities lending, repurchase and reverse repurchase transactions risk

The funds may engage in securities lending, repurchase and reverse repurchase transactions. These transactions will be used in conjunction with the other investment strategies in a manner considered appropriate to achieving the fund's investment objectives. Securities lending is an agreement whereby a fund lends securities through an authorized agent in exchange for a fee and a form of acceptable collateral. Under a repurchase transaction, a fund agrees to sell securities for cash while, at the same time, assuming an obligation to repurchase the same securities for cash (usually at a higher price) at a later date. A reverse repurchase transaction is a transaction pursuant to which a fund buys securities for cash while, at the same time, agreeing to resell the same securities for cash (usually at a higher price) at a later date.

The risks associated with securities lending, repurchase or reverse repurchase transactions arise when a counterparty defaults under the agreement evidencing the transaction and the fund is forced to make a claim in order to recover its investment. In a securities lending or a repurchase transaction, a fund could incur a loss if the value of the securities loaned or sold has increased in value relative to the value of the collateral held by the fund. In the case of a reverse repurchase transaction, a fund could incur a loss if the value of the securities purchased by the fund decreases in value relative to the value of the collateral held by the fund.

To limit these risks:

- the collateral held by the fund must equal at least 102% of the market value of the security sold, loaned or cash paid (the collateral is adjusted on each business day to ensure that this value is maintained)
- repurchase transactions and securities lending agreements are limited to 50% of a fund's assets. Collateral held for loaned securities and cash paid for received securities are not included when making this calculation
- we only enter into such transactions with parties who appear to have the resources and the financial strength to fulfill the terms of the agreements.

Series risk

The funds issue more than one series of securities. Each series has its own fees and expenses, which are tracked separately; however, if a series can't meet its financial obligations, the other series are responsible for making up the difference. This is because the fund as a whole is legally responsible for the financial obligations of all of the series.

Short selling risk

Short selling strategies can provide a fund with an opportunity to manage volatility and enhance performance in declining or volatile markets. Short selling securities involves risk because there is no assurance that securities will sufficiently decline in value during the period of the short sale to offset the interest paid by the fund and make a profit for the fund. Securities sold short may instead increase in value. The fund may also experience difficulties repurchasing and returning the borrowed securities. The borrowing agent from whom the fund has borrowed securities may go bankrupt and the fund may lose the collateral it has deposited with the borrowing agent.

To limit these risks, a fund will implement controls when conducting a short sale:

- the security sold short must not be an illiquid asset
- at the time the fund sells the security short
 - the fund has borrowed or arranged to borrow the security from a borrowing agent
 - the aggregate market value of all securities of the issuer of the securities sold short by the fund does not exceed 5% of the NAV of the fund
 - the aggregate market value of all securities sold short by the fund does not exceed 20% of the NAV of the fund
 - the fund must hold cash cover that, together with the portfolio assets deposited with the borrowing agents as security for the short sales by the fund, is at least 150% of the aggregate market value of all securities sold short by the fund on a daily mark-to-market basis
- the fund must not use the cash cover from a short sale to enter into a long position in a security, other than a security that qualifies as cash cover.

Trading price of ETF Series securities risk

ETF Series securities may trade in the market at a premium or discount to the NAV per security. There can be no assurance that ETF Series securities will trade at prices that reflect their NAV. The trading price of the ETF Series securities will fluctuate in accordance with changes in the fund's NAV, as well as market supply and demand on the TSX.

However, given that generally only a Prescribed Number of ETF Series securities (as defined under *Issuance of ETF Series – To Designated Brokers and ETF Dealers* on page 25) are issued to Designated Brokers and ETF Dealers, and that holders of a Prescribed Number of ETF Series securities (or an integral multiple thereof) may redeem such ETF Series securities at their NAV, we believe that large discounts or premiums to the NAV of the ETF Series securities should not be sustained.

Organization and management of BMO Mutual Funds

Manager	The manager is responsible for the day-to-day management of the business and operations of the funds. BMO Investments Inc., a wholly-owned, indirect subsidiary of Bank of Montreal, is the manager of the BMO Mutual Funds.	BMO Investments Inc. 100 King Street West, 43rd Floor Toronto, Ontario M5X 1A1 1-800-665-7700 or 1-800-668-7327
Trustee	All of the funds are organized as trusts. The trustee holds title to the securities owned by the funds on behalf of unitholders, has exclusive authority over their assets and affairs and has a fiduciary responsibility to act in the best interest of the unitholders.	BMO Investments Inc. Toronto, Ontario
Principal distributor	The principal distributor markets and distributes the funds (except for the ETF Series) through registered dealers and brokers.	BMO Investments Inc. Toronto, Ontario
Custodian	The custodian holds the funds' cash and securities on behalf of the funds. The custodian is independent of BMO Investments Inc.	State Street Trust Company Canada Toronto, Ontario
Registrar	<p><i>Mutual Fund Series</i> The registrar of the Mutual Fund Series processes orders, records all investor investment transactions, issues or cancels certificates, as applicable, issues account statements to securityholders and deals with enquiries from investors and dealers. The register of securities of the Mutual Fund Series of the funds is kept in Toronto, Ontario and Montreal, Quebec.</p> <p><i>ETF Series</i> The registrar of the ETF Series makes arrangements to keep a record of all securityholders of the ETF Series and processes orders. The register of securities of the ETF Series of the funds is kept in Toronto, Ontario.</p>	<p><i>Mutual Fund Series</i> BMO Investments Inc. Toronto, Ontario</p> <p><i>ETF Series</i> AST Trust Company (Canada) Toronto, Ontario</p>
Plan agent	The plan agent administers the Reinvestment Plan of the ETF Series.	AST Trust Company (Canada) Toronto, Ontario
Auditor	The auditor audits the funds' annual financial statements to ensure that these statements fairly present, in all material respects, the financial position and results of operations of each of the funds in accordance with International Financial Reporting Standards. The auditor is independent of the funds.	PricewaterhouseCoopers LLP, Chartered Professional Accountants Toronto, Ontario

Organization and management of BMO Mutual Funds (continued)

Securities lending agent	The securities lending agent acts as agent for securities lending transactions for the funds that engage in securities lending. The securities lending agent is independent of BMO Investments Inc.	State Street Bank and Trust Company Boston, Massachusetts
Independent review committee	<p>The funds are required to have an independent review committee (“IRC”) in accordance with NI 81-107. The mandate of the IRC is to review conflict of interest matters identified and referred to the IRC by the manager and to give its approval or recommendation, depending on the nature of the conflict of interest matter. In each instance where a conflict of interest matter is identified and referred to the IRC, the primary focus of the IRC is to determine if the manager’s proposed action achieves a fair and reasonable result for the funds.</p> <p>The IRC is currently composed of six members and each member is independent of the funds, the manager and other companies related to the manager. The IRC will prepare, for each financial year of the funds, a report to securityholders that describes the IRC and its activities for the financial year. Securityholders can get a copy of this report, at no cost, as follows:</p> <ul style="list-style-type: none">• If you purchased your securities at a BMO Bank of Montreal Branch or through the BMO Investment Centre, you may call us toll free at 1-800-665-7700, write to BMO Investments Inc. at 100 King Street West, 43rd Floor, Toronto, Ontario, M5X 1A1 or visit our website at www.bmo.com/mutualfunds.• If you purchased your securities through a dealer, you may call us toll free at 1-800-668-7327, write to BMO Investments Inc., at 250 Yonge St., 7th Floor, Toronto, Ontario, M5B 2M8 or visit our website at www.bmo.com/gam/ca. <p>You can also get a copy of this report through the SEDAR website at www.sedar.com.</p> <p>Additional information about the IRC, including the names of IRC members, is available in the funds’ annual information form.</p>	

Portfolio manager and sub-advisor

The portfolio manager and the sub-advisor provide investment advice to the manager on the investment portfolios of the funds. We’ve hired the following companies to manage the investment portfolios of the funds. See the fund descriptions starting on page 8 for the portfolio manager and the sub-advisor for each fund.

BMO Asset Management Inc. Toronto, Ontario (“BMOAM”)	BMOAM is a wholly-owned, indirect subsidiary of Bank of Montreal, the parent company of BMO Investments Inc.
SIA Wealth Management Inc. Calgary, Alberta (“SIA”)	SIA is not an affiliate of BMO Investments Inc.

The securities of underlying funds held by a fund that we, or one of our affiliates or associates, manage will not be voted unless, at our discretion, we arrange for securities of the underlying fund to be voted by the securityholders of the fund.

In certain circumstances, in place of you approving a fund merger, the IRC has been permitted under applicable securities legislation to approve a fund merger. In these circumstances, you will receive written notice of any proposed fund merger at least 60 days prior to the effective date of the merger.

Purchases, switches and redemptions

About series of securities

All of the funds in this simplified prospectus issue more than one series of securities. You'll find the type of securities each fund offers through this simplified prospectus in the *Fund details* section of its fund description. Each series is intended for different kinds of investors and has different fees and expenses. See *Fees and expenses* and *Dealer compensation* for details.

Security	Features
Series A	Available to all investors transacting on a no load basis (i.e., under the No Load option).
Series F	Available to investors who are enrolled in dealer-sponsored wrap programs or flat fee accounts or other investors in our sole discretion. Instead of paying sales charges and trailing commissions, investors may pay an annual fee or other fees directly to their dealer. Series F securities have lower management fees than other series since we do not pay trailing commissions on these series of securities.
Series D	Available to investors who have an account with a discount broker, including BMO InvestorLine Inc., a discount broker within BMO Financial Group. We pay a reduced trailing commission with respect to Series D securities, which means we can charge a lower management fee. BMO InvestorLine Inc. and other discount brokers do not provide investment recommendations or advice to their clients.
Series I	Available to institutional investors, for use within managed asset programs or structured products, who have received our prior consent. Series I securities are not available to the general public. A fund doesn't pay a management fee on Series I securities because Series I investors negotiate and pay a separate fee directly to us.
ETF Series	Available to investors that purchase such securities over the TSX or another exchange or marketplace.
Advisor Series	Available to all investors transacting on a load basis (i.e., under the Sales Charge option or the Low Load Deferred Charge option).

Where Series D securities of a fund is available and you currently hold another series of securities of the same fund in an account with BMO InvestorLine Inc. or another discount broker, your existing securities will not be automatically switched into Series D. Should you wish to switch your existing series of securities of a fund into Series D, it is your sole responsibility to instruct your discount broker to do so.

Purchasing funds

Purchasing Mutual Fund Series Securities

Through us

You can buy Series A securities of the funds under the No Load option at no charge:

- in person, at any Bank of Montreal branch.
- by telephone, once you've made arrangements for payment:
 - with your Bank of Montreal branch
 - through the BMO Investment Centre, 1-800-665-7700.
- through the internet (other than in an RDSP, RESP and TFSA) at www.bmo.com/mutualfunds, once you've made authorization arrangements.
- by mail. Your order to buy must be mailed with a certified cheque made out to the fund you're buying.
- automatically through a Continuous Savings Plan.

If you are buying Series F and Advisor Series securities of BMO SIA Focused North American Equity Fund using the U.S. dollar purchase option, the cheque must be drawn on a U.S. dollar bank account at a Canadian financial institution. No BMO registered plans set up through BMO Bank of Montreal branches or through the BMO Investment Centre and no RDSP and RESP set up as indicated above or through a dealer can hold Series F and Advisory Series securities of BMO SIA Focused North American Equity Fund purchased in U.S. currency. BMO registered plans (other than an RDSP and RESP) set up through dealers can hold Series F and Advisor Series securities of BMO SIA Focused North American Equity Fund purchased in U.S. currency. For further details see *Optional services – Registered plans* on page 32.

Through BMO InvestorLine for Series D

You can buy Series D securities of the funds through BMO InvestorLine Inc., a discount broker within BMO Financial Group.

Through another dealer

You can buy Series A and Advisor Series securities of the funds through registered dealers. Please contact your dealer to find out how to place an order. Some dealers may charge you a fee for their services.

You can buy Series F securities of the funds only through registered dealers who have entered into an F Series Agreement with us and only with our prior approval. A dealer's ability to sell Series F securities is subject to our terms and conditions.

You can buy Series D securities of the funds through other discount brokers.

You can buy Series I securities of the funds only through registered dealers, provided you have entered into an I Series Agreement with us and obtained our prior approval. A dealer's ability to sell Series I securities is subject to our terms and conditions.

Purchasing ETF Series Securities

Through a stock exchange for ETF Series

You can buy or sell ETF Series securities on the TSX or another exchange or marketplace. You may incur customary brokerage commissions in buying or selling ETF Series securities. No fees are paid by you to us or a fund in connection with the buying or selling of ETF Series securities on the TSX or another exchange or marketplace.

Purchase options for Mutual Fund Series

Your choice of purchase option affects the fees and sales charges you, or we, will pay to your dealer and the trailing commission we will pay to your dealer. See *Fees and expenses* on page 35 and *Dealer compensation* on page 39.

No Load option

You don't pay a sales charge when you buy No Load Series securities of the funds.

Sales Charge option

Under the Sales Charge option, you pay a commission to your dealer when you buy Advisor Series securities of a fund. The commission is negotiable between you and your dealer, but cannot exceed 5% of the amount you invest. For further details see *Fees and expenses* on page 35.

Low Load Deferred Charge option

Under the Low Load Deferred Charge option, we pay a commission to your dealer on your behalf when you buy Advisor Series securities of a fund. You may be required to pay a fee to us if you redeem your Advisor Series securities within a specified number of years after your purchase. The redemption fee is a percentage of the original cost of the Advisor Series securities redeemed and declines at the rates shown under *Fees and expenses payable directly by you – Redemption fees* on page 37.

U.S. dollar purchase option

In addition to being available for purchase in Canadian dollars, the following series of securities of BMO SIA Focused North American Equity Fund priced in Canadian dollars are also available for purchase in U.S. dollars, as set out in the table below:

Fund Name	U.S. Dollar Purchase Option
BMO SIA Focused North American Equity Fund	Available for Series F and Advisor Series

The ability to purchase securities of BMO SIA Focused North American Equity Fund in U.S. dollars is offered only as a convenience for investors and does not act as a currency hedge between the two currencies.

How the funds are structured

The funds offered under this simplified prospectus are organized as trusts. When you invest in a fund that is organized as a trust, you buy units. Each fund distributes its earnings by allocating and paying its income and net capital gains to unitholders. In general, income and capital gains distributed to you from a trust is taxed as if you received it directly. A fund may also distribute capital to you. Distributions of capital, called ROC, are not taxable but reduce the ACB of your units.

We may terminate or cancel a fund or a series of a fund, as applicable, at any time, and return your portion of the NAV of such fund or series to you. We will give you advance notice of any termination of a fund or series. In the case of a fund termination, we will provide you with 60 days' advance notice.

If you or your dealer are no longer eligible to hold Series F, Series D or Series I securities (as the case may be), we may, in our sole and absolute discretion, switch your Series F, Series D or Series I securities (as applicable) into Series A or Advisor Series securities (under the Sales Charge option) of the same fund. If we do any of the above switches, we'll give you at least 30 days' notice. If we switch your securities of a fund into securities of another series of the same fund in the circumstances described above, the management fee charged to your new

series and the trailing commission payable by us to dealers, if any, may be higher than the series of securities that you previously owned. For the management fees and trailing commissions for each series of a fund, see the *Fund details* section of the fund descriptions and *Dealer compensation*.

Except in respect of ETF Series securities, in all other circumstances, provided the conditions set out below are met, we may, in our discretion, switch your securities of a fund into securities of another series of the same fund. We may only switch your securities in this circumstance if all the following conditions are satisfied:

- you receive securities of the same value;
- the management fee and administration fee of the new series are not more than that of the series that you previously owned;
- the switch is done at no cost to you;
- the switch is not a disposition for tax purposes; and
- the trailing commissions payable to registered dealers, if any, remain the same or lower.

How we compute the net asset value (NAV) of a fund

We calculate the NAV of each security for each series of each fund as at 4:00 p.m. Eastern Time ("ET") on each valuation day. A valuation day is any day that the TSX is open for trading or such other time as we may from time to time determine to be a valuation day for any fund. The NAV per security for Mutual Fund Series securities sold through BMO Bank of Montreal branches and the BMO Investment Centre may be published in major Canadian newspapers the following day and are published on the internet at www.bmo.com/mutualfunds. The NAV per security for other series of securities, including ETF Series securities, may be published in major Canadian newspapers the following day and are published on the internet at www.bmo.com/gam/ca and www.bmoetfs.com.

For each fund, we calculate the NAV for each security by:

- adding up the market value of each series' proportionate share of the assets of the fund (its investments and cash)
- subtracting the liabilities of the fund (any money the fund owes) attributed to the series of securities
- dividing by the number of securities of the series held by all investors in the series.

How to calculate a fund's NAV per security of a series

$$\frac{\text{series' proportionate share of assets} - \text{series' proportionate share of liabilities}}{\text{number of securities of that series}} = \frac{\text{price of a security}}{\text{price of a security}} = \frac{\text{NAV per security}}{\text{NAV per security}}$$

For purchases of Series F and Advisor Series securities of BMO SIA Focused North American Equity Fund in U.S. dollars, the NAV per security is computed by converting the Canadian dollar value into U.S. dollars based on current exchange rates.

How we process your order

Mutual Fund Series

When you buy, switch or redeem Mutual Fund Series securities of a fund, you do so at the NAV per security. Your order to buy, switch or redeem Mutual Fund Series securities must be forwarded to us by your dealer. If we receive your order by 4:00 p.m. (ET) on a valuation day, we'll process it at that day's NAV per security. If we receive your order after 4:00 p.m. (ET) or on a day that is not a valuation day, we'll process it at the next valuation day's NAV per security. If the TSX closes earlier than 4:00 p.m. (ET) on a valuation day, we may impose an earlier deadline. We'll process your order only if it's in good order. The issue and redemption price of the Mutual Fund Series securities of a fund is based on the fund's NAV per security next determined after receipt by the fund of your order.

If you're buying Mutual Fund Series securities, you must include payment with your order. If we do not receive payment within two (2) business days of processing your purchase order for any securities, we must redeem your securities on the next business day. If the proceeds from the redemption are greater than the payment you owe, the relevant fund keeps

the difference. If the proceeds are less than the payment you owe, we will pay the difference to the relevant fund on your behalf, and collect this amount together with additional costs from your dealer who may collect these amounts from you.

We'll pay to the fund you're buying any interest earned between the time you make payment and the time the purchase is completed. We generally don't issue certificates. We may accept or reject an order to buy within one business day of receiving the order. If we accept your order, your broker or dealer or we will send you confirmation of your order, which is your proof of the transaction. If you sign up for our Continuous Savings Plan or Systematic Withdrawal Plan, you'll only receive confirmation of the first transaction made under the plan. If we reject your order, we'll return any money we've received, without interest.

If you're redeeming Mutual Fund Series securities, we'll transmit or mail the proceeds to you within two (2) business days after we determine the redemption price, provided all necessary documents and/or information have been received by us. You will receive your redemption proceeds in U.S. dollars when you redeem Series F and Advisor Series securities of BMO SIA Focused North American Equity Fund that were purchased in U.S. dollars. Otherwise, you will receive your redemption proceeds in Canadian dollars when you redeem securities of the funds.

ETF Series securities

Designated Brokers

We, on behalf of each of the funds, have entered into a designated broker agreement with a Designated Broker pursuant to which the Designated Broker agrees to perform certain duties relating to these funds including, without limitation: (i) to subscribe for a sufficient number of ETF Series securities to satisfy the TSX's original listing requirements; (ii) to subscribe for ETF Series securities on an ongoing basis in connection with the rebalancing of and adjustments to the applicable portfolio and when cash redemptions of ETF Series securities occur; and (iii) to post a liquid two-way market for the trading of ETF Series securities on the TSX. We may, in our discretion from time to time, reimburse any Designated Broker for certain expenses incurred by the Designated Broker in performing these duties.

The designated broker agreement provides that we may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for ETF Series securities of a fund for cash in a dollar amount not to exceed 0.30% of the NAV of the fund. The number of ETF Series securities issued will be the subscription amount divided by the NAV per security of the ETF Series next determined following the delivery by us of a subscription notice to the Designated Broker. Payment for the ETF Series securities must be made by the Designated Broker, and the ETF Series securities will be issued, by no later than the second day on which a session of the exchange or marketplace on which the ETF Series securities of that fund are listed is held (a “**Trading Day**”), or such other day as determined by us, after the subscription notice has been delivered.

Issuance of ETF Series

To Designated Brokers and ETF Dealers

All orders to purchase ETF Series securities directly from the funds must be placed by Designated Brokers or ETF Dealers. We reserve the absolute right to reject any subscription order placed by a Designated Broker or ETF Dealer. No fees will be payable by a fund to a Designated Broker or ETF Dealer in connection with the issuance of ETF Series securities. On the issuance of ETF Series securities, we may, in our discretion, charge an administrative fee to a Designated Broker or ETF Dealer to offset the expenses (including any applicable additional TSX listing fees) incurred in issuing the ETF Series securities.

On any Trading Day, a Designated Broker or an ETF Dealer may place a subscription order for the Prescribed Number of ETF Series securities (or an integral multiple thereof) of a fund. If a subscription order is received by the fund by 4:00 p.m. (ET) on a Trading Day (or such later time on a Trading Day as we may agree to with the applicable Designated Broker or ETF Dealer), the fund will issue to the Designated Broker or ETF Dealer the Prescribed Number of ETF Series securities (or an integral multiple thereof) based on the NAV of the ETF Series securities determined on the next Trading Day. If the subscription order is not received by the cut-off time on a Trading Day, subject to our discretion, the subscription order will be deemed to

be received only on the Trading Day after the next Trading Day. The fund will issue the Prescribed Number of ETF Series securities (or an integral multiple thereof) by no later than the second Trading Day after the date on which the subscription order is accepted, provided that payment for such ETF Series securities has been received. “**Prescribed Number of ETF Series securities**” means the number of ETF Series securities determined by us from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

For each Prescribed Number of ETF Series securities issued, a Designated Broker or an ETF Dealer must deliver payment consisting of, in our discretion: (i) a group of securities or assets representing the constituents of, and their weightings in, the fund (a “**Basket of Securities**”) and cash in an amount sufficient so that the value of the securities and the cash received is equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order; (ii) cash in an amount equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by us, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order.

We may, in our discretion, increase or decrease the Prescribed Number of ETF Series securities from time to time. The Prescribed Number of ETF Series securities of each fund will be available on our website at www.bmoetfs.com.

To Designated Brokers in special circumstances

ETF Series securities may be issued by a fund to Designated Brokers in connection with the rebalancing of and adjustments to the fund or its portfolio and when cash redemptions of ETF Series securities occur.

To securityholders as reinvested distributions

ETF Series securities may be issued by a fund to securityholders of the fund on the automatic reinvestment of special distributions and other reinvested distributions.

Buying and selling ETF Series

Investors are able to buy or sell ETF Series securities through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling ETF Series securities. The funds issue ETF Series securities directly to the Designated Brokers and ETF Dealers.

From time to time as may be agreed by a fund and the Designated Brokers and ETF Dealers, the Designated Brokers and ETF Dealers may agree to accept Constituent Securities as payment for ETF Series securities from prospective purchasers.

Special considerations for securityholders of ETF Series

The provisions of the so-called “early warning” requirements set out in applicable securities legislation do not apply in connection with the acquisition of ETF Series securities. In addition, the funds have obtained exemptive relief from the Canadian securities regulatory authorities to permit securityholders to acquire more than 20% of the ETF Series securities of any fund through purchases on the TSX without regard to the take-over bid requirements of applicable securities legislation, provided that any such securityholder, and any person acting jointly or in concert with the securityholder, undertakes to the manager not to vote more than 20% of the ETF Series securities of that fund at any meeting of securityholders.

Short-term trading

Mutual Fund Series

We discourage investors from short-term trading. Short-term trading can harm a fund’s performance and the value of other investors’ holdings in a fund because such trading can increase brokerage and other administrative costs of a fund and interfere with the long term investment decisions of the portfolio manager. Short-term trading may be particularly problematic when large sums are involved. Short-term trading can include buying and then redeeming or switching securities of a fund within 30 days of buying or switching them

into the fund. We have policies and procedures to detect and deter short-term trading that include the ability to refuse your present or future order(s) to buy or switch securities. If, in our sole discretion, we determine that you are engaging in short-term trading, in addition to taking other available remedies, the relevant fund may charge a short-term trading fee to be paid directly to the fund out of the redemption proceeds, reducing the amount otherwise payable to you on the redemption or switch (see page 39 for more information). We may waive this fee at any time.

The restrictions imposed on short-term trading, including the short-term trading fees, will generally not apply in connection with redemptions or switches: from money market funds and similar funds; initiated by us; under special circumstances, as determined by us in our sole discretion; or made under optional plans including rebalancing in connection with BMO MatchMaker® Portfolios and BMO Intuition® Investment Service or pursuant to Systematic Withdrawal Plans. The annual information form includes a description of all arrangements, whether formal or informal, with any person or company, to permit short-term trades of securities of the funds.

Despite these restrictions and our procedures to detect and deter short-term trading, we cannot ensure that such trading will be completely eliminated.

ETF Series

At the present time, we are of the view that it is not necessary to impose any short-term trading restrictions on ETF Series securityholders as ETF Series securities of the funds are generally traded by investors on an exchange in the secondary market in the same way as other listed securities. In the few situations where the funds are not purchased in the secondary market, purchases usually involve a Designated Broker or an ETF Dealer upon whom we may impose a redemption fee, which is intended to compensate the applicable fund for any costs and expenses incurred in relation to the trade.

Your guide to buying the funds

The following table shows you the minimum amounts for buying securities of a fund, and for maintaining an account or an investment in a fund. These amounts depend on the kind of account and fund or series you choose. If the value of your investment in a fund falls below the minimum amount as determined by us from time to time, we may redeem all the securities of such fund in your account. If, as a result of market fluctuation, the value of your securities falls below the minimum balance, we may redeem your securities after giving you 10 days' notice. If, as a result of a partial redemption, the value of your remaining holding

falls below the minimum balance, we may redeem such remaining holding immediately and without prior notice to you. We may change the minimum amounts at any time without notice.

Any minimum amounts for Series I securities are determined on a contractual basis. Any minimum purchase amounts for Series F securities are determined by your dealer and the minimum account balance for Series F securities is \$250. These minimums are not currently enforced but may be enforced at our discretion.

There are no minimum initial or minimum additional investment amounts for ETF Series securities.

Buying funds

All minimums are in U.S. dollars where purchases of Advisor Series securities of BMO SIA Focused North American Equity Fund are being made in U.S. dollars.

	Minimum amount you can buy		Minimum balance
	Your first purchase	Each additional purchase	

ALL FUNDS AND SERIES, except Series F, Series I and ETF Series securities.

SINGLE PURCHASE

Regular account (US\$ for a fund purchased using the U.S. dollar purchase option)	\$500	\$50	\$500
RRIF account	\$5,000	—	—

Switching funds

A switch involves moving your investment from one BMO Mutual Fund or series to another BMO Mutual Fund or series. We describe the kinds of switches you can make below.

When we receive your switch request, we'll switch your Mutual Fund Series securities of one BMO Mutual Fund or series for Mutual Fund Series securities of another BMO Mutual Fund or series at the NAV per security next determined after we receive your switch request.

You may request a switch of Series A securities of the funds at no charge: (1) in person, at any Bank of Montreal branch; (2) by telephone, once you have completed the prescribed switch form with your Bank of Montreal branch or through the BMO Investment Centre, 1-800-665-7700; (3) through the internet (other than from an RDSP, RESP and TFSA) at www.bmo.com/mutualfunds after completion of an authorization form; or (4) by mail.

You may also switch Mutual Fund Series securities of the BMO Mutual Funds through your dealer. If you switch your Mutual Fund Series securities through your dealer, you may pay a fee of up to 2% of the value of the securities redeemed for switching between BMO Mutual Funds. You and your dealer can negotiate this fee. There may also be fees or charges payable on the purchase of Mutual Fund Series securities of the new BMO Mutual Fund or new series, depending on the series of securities purchased and the arrangements between you and your dealer. See *Fees and expenses* on page 35 for more information. If necessary, securities of the BMO Mutual Funds may be redeemed to pay fees or charges. We may require a minimum amount of \$50 for switching, in our sole discretion.

You can't switch between securities of BMO Mutual Funds purchased in U.S. dollars and securities of BMO Mutual Funds purchased in Canadian dollars. You can only switch between securities of BMO Mutual Funds purchased in the same currency.

There are two kinds of switches you can make:

- **Switching between Mutual Fund Series of the same fund**

You can switch your Mutual Fund Series securities of one series of a fund into Mutual Fund Series securities of another series of the same fund, provided you are qualified to hold the series into

which you are switching. The switch is a redesignation and should not result in a disposition for income tax purposes. Switching between ETF Series and Mutual Fund Series securities of the same fund is not permitted.

- **Switching between BMO Mutual Funds**

You can switch your Mutual Fund Series securities of a fund into securities of the same Mutual Fund Series or different Mutual Fund Series of another BMO Mutual Fund, provided you are qualified to hold the series into which you are switching and provided such series is priced in the same currency. This is a disposition for income tax purposes. Switching securities you hold in a non-registered account, including a BMO MatchMaker[®] account, may result in a capital gain or capital loss. Net capital gains are taxable. Switching between ETF Series securities of a fund into securities of the same series or different series of another BMO Mutual Fund is not permitted.

For details about how switches are taxed, see *Income tax considerations for investors*.

Switching between purchase options

If you are switching Advisor Series securities of a fund that you bought under the Low Load Deferred Charge option, you must switch into Advisor Series securities of the other BMO Mutual Fund under the Low Load Deferred Charge option if you would like the new securities to continue the deferred charge schedule of the securities that you have switched from. This is true if you switch between Advisor Series securities of any BMO Mutual Funds.

Switches between purchase options may involve a change in the compensation paid to your dealer and redemption fees. We do not recommend that you switch between purchase options as it may result in additional fees.

Series D securities

Where Series D securities of a fund is available and you currently hold another series of securities of the same fund in an account with BMO InvestorLine Inc. or another discount broker, your existing securities will not be automatically switched into Series D. Should you wish to switch your existing series of securities of a fund into Series D, it is your sole responsibility to instruct your discount broker to do so.

Redeeming securities

Mutual Fund Series securities

To redeem your Mutual Fund Series securities, we need to receive your request. See *How we process your order* on page 24 for more information.

For your protection, you must sign your redemption request and we may ask that your signature be guaranteed by a bank, trust company or your dealer.

If we have not received all the necessary documentation and/or information needed to settle your redemption request within ten (10) business days after the redemption date of the relevant Mutual Fund Series securities of the fund, we are required under applicable securities legislation to purchase the equivalent number of Mutual Fund Series securities you asked to be redeemed as of the close of business on the tenth business day. If the purchase price of these Mutual Fund Series securities is less than the original redemption price, the fund will keep the difference. If the amount of the purchase price of these Mutual Fund Series securities exceeds the original redemption price, we will immediately pay the difference to the fund and may seek reimbursement from your dealer, together with any additional costs. Your dealer may be entitled to recover these amounts from you.

Redeeming Mutual Fund Series securities you hold in a non-registered account, including a BMO MatchMaker® account, may result in a capital gain or capital loss. You'll find information about the taxation of securities held in a non-registered account under *Income tax considerations for investors*.

Redeeming Advisor Series securities under the Low Load Deferred Charge option

You may be required to pay a redemption fee on Advisor Series securities bought under the Low Load Deferred Charge option if you redeem these securities within three years after you purchase them. This redemption fee is a percentage of the original cost of your investment and declines at the rates shown on page 37 under *Fees and expenses payable directly by you – Redemption fees*. If you are redeeming securities that were switched from another BMO Mutual Fund, the redemption fee rate is based on the date the original securities were purchased in the other BMO Mutual Fund. Under the Low Load Deferred Charge option, your Advisor Series securities are redeemed in the order they were purchased or deemed purchased.

Redeeming and Exchanging ETF Series securities

Redemption of ETF Series securities for cash

On any Trading Day, securityholders may redeem ETF Series securities of any fund for cash at a redemption price per security equal to the lesser of: (i) 95% of the closing price for the ETF Series securities on the TSX on the effective day of the redemption; and (ii) the NAV per security on the effective day of the redemption. Because securityholders will generally be able to sell ETF Series securities at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, securityholders are advised to consult their brokers, dealers or investment advisors before redeeming their ETF Series securities for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by us from time to time must be delivered to the applicable fund at its registered office by 9:00 a.m. on the Trading Day (or such later time on such Trading Day as we may permit). If a cash redemption request is not received by the delivery deadline noted immediately above on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Securityholders that exercise this cash redemption right during the period that begins one business day prior to a distribution record date and ends on and includes that distribution record date for any distribution will not be entitled to receive the applicable distribution in respect of those ETF Series securities.

Exchange of ETF Series securities for Baskets of Securities

On any Trading Day, securityholders may exchange the Prescribed Number of ETF Series securities (or an integral multiple thereof) for Baskets of Securities and cash, or with respect to certain funds, cash only.

To effect an exchange of ETF Series securities, a securityholder must submit an exchange request in the form prescribed by us from time to time to the applicable fund at its registered office by 9:00 a.m. on a Trading Day (or such later time on such Trading Day as we may permit). The exchange price will be equal to the NAV of the ETF Series securities on the

effective day of the exchange request, payable by delivery of Baskets of Securities and cash. The ETF Series securities will be redeemed in the exchange.

If an exchange request is not received by the submission deadline noted immediately above on a Trading Day, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and cash will be made by no later than the second Trading Day after the effective day of the exchange request. The securities to be included in the Baskets of Securities delivered on an exchange shall be selected by us in our discretion.

Securityholders should be aware that the NAV per security will decline on the ex-dividend date of any distribution payable in cash on ETF Series securities. A securityholder that is no longer a holder of record on the applicable distribution record date will not be entitled to receive that distribution.

If Constituent Securities are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a securityholder on an exchange in the Prescribed Number of ETF Series securities may be postponed until such time as the transfer of the securities is permitted by law.

Requests for exchange and redemption of ETF Series securities

A securityholder submitting an exchange or redemption request is deemed to represent to the fund and us that: (i) it has full legal authority to tender the ETF Series securities for exchange or redemption and to receive the proceeds of the exchange or redemption; and (ii) the ETF Series securities have not been loaned or pledged and are not the subject of a repurchase agreement, securities lending agreement or a similar arrangement that would preclude the delivery of the ETF Series securities to the fund. We reserve the right to verify these representations at our discretion. Generally, we will require verification with respect to an exchange or redemption request if there are unusually high levels of exchange or redemption activity or short interest in the applicable fund. If the securityholder, upon receipt of a verification request, does not provide us with satisfactory evidence of the truth of the representations, the securityholder's exchange or redemption request will not be considered to have been received in proper form and will be rejected.

Costs associated with exchange and redemption of ETF Series securities

We may charge to securityholders, in our discretion, an administrative fee of up to 0.05% of the exchange or redemption proceeds of the fund to offset certain transaction costs associated with the exchange or redemption of ETF Series securities of a fund.

Exchange and redemption of ETF Series securities through CDS Participants

The exchange and redemption rights described above must be exercised through the broker or dealer (CDS Participant) through which the owner holds ETF Series securities. Beneficial owners of ETF Series securities should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold ETF Series securities sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify us prior to the relevant cut-off time.

When you may not be allowed to redeem your securities

A fund may suspend your right to request a redemption of securities for all or part of a period when:

- normal trading is suspended on a stock, options or futures exchange in Canada or outside Canada in which securities or derivatives that make up more than 50% of the value or underlying exposure of the fund's total assets are traded, and those securities or derivatives are not traded on any other exchange that represents a reasonable alternative for the fund; or
- with the prior permission of the securities regulatory authorities, for any period not exceeding 30 days during which the manager determines that conditions exist that render impractical the sale of assets of the fund or that impair the ability of the valuation agent to determine the value of the assets of the fund.

A fund may postpone a redemption payment for any period during which your right to request a redemption is suspended under the circumstances described above or with the approval of the Canadian securities regulatory authorities. A fund may not accept orders for the purchase of securities during any period when the redemption of its securities has been suspended.

The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All securityholders making such requests shall be advised by the manager of the suspension and that the redemption will be effected at a price determined on the first valuation day following the termination of the suspension. All such securityholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the funds, any declaration of suspension made by the manager shall be conclusive.

Optional services

This section tells you about the plans and services that are available to BMO Mutual Funds investors in respect of Mutual Fund Series securities. Call us toll free at 1-800-665-7700 or 1-800-668-7327 or ask your dealer for full details.

Continuous Savings Plan

You can generally make weekly, bi-weekly, semi-monthly, monthly or quarterly investments in the funds using our Continuous Savings Plan. Here's how the plan works:

- we'll automatically transfer money from your bank account to buy securities of the funds you choose
- if you choose any funds purchased in U.S. currency, we'll withdraw money from your U.S. dollar bank account at a Canadian financial institution
- you must meet the following minimum requirements:

Series	Minimum amount you can buy	Minimum balance
All funds and series, except Series F, Series I and ETF Series securities	\$50 a month	—

Averaging the cost of your investments

Making regular investments through our Continuous Savings Plan can reduce the cost of investing. Here's how. Let's say you invest \$100 in a fund each month. That money will buy more securities of the fund when prices are low and fewer securities when prices are high. Over time, this can mean a lower average cost per security than if you had made one lump-sum purchase.

The most recently filed fund facts documents will be delivered by dealers once to participants in a Continuous Savings Plan upon their initial purchase of securities of a fund and then not thereafter for subsequent purchases of the same fund pursuant to the Continuous Savings Plan unless they request it. You may request copies of the most recently filed fund facts documents for your funds at any time and at no cost by calling us toll free at 1-800-665-7700 if you purchased your securities at a BMO Bank of Montreal branch or through the BMO Investment Centre or toll free at 1-800-668-7327 if you purchased your securities through a dealer. The most recently filed fund facts documents and simplified prospectus of the funds may also be found on the SEDAR website at www.sedar.com or on our websites at www.bmo.com/mutualfunds and www.bmo.com/gam/ca.

You do not have a statutory right of withdrawal under applicable securities legislation for your purchase of securities of the funds pursuant to a Continuous Savings Plan, other than in respect of your initial purchase of these securities. However, you will continue to have all other statutory rights under applicable securities legislation, including a right of action if there is a misrepresentation in this simplified prospectus or any document incorporated by reference into the simplified prospectus (see page 43 under *What are your legal rights?*). You may terminate your participation in the Continuous Savings Plan at any time upon providing notice to us at least four (4) business days before the next scheduled investment date.

Systematic Withdrawal Plan

You can withdraw money monthly, quarterly, semi-annually or annually from your funds using our Systematic Withdrawal Plan. Here's how the plan works:

- you must hold your funds in a non-registered account

- we'll redeem enough securities to withdraw money from your account and make payments to you
- if you hold funds in U.S. currency, we'll either deposit the payments directly to your U.S. dollar bank account at a Canadian financial institution or we'll mail a cheque to you
- you must meet the following minimum requirements:

Series/Accounts	Minimum amount you can withdraw	Minimum balance
All funds and series, except Series F, Series I and ETF Series securities	\$100 monthly, quarterly or semi-annually	\$10,000
RRIF, LIF and LRIF accounts	Minimum amount required under the Tax Act	—

If you withdraw more than your funds are earning, you'll reduce your original investment and may use it up altogether.

Registered plans

You may purchase securities of the funds in registered plans offered by us or other institutions, subject to certain restrictions.

You should consult your tax advisor about the special rules that apply to each particular registered plan, including whether or not an investment in a fund would be a prohibited investment for your registered plan.

We can also set up an RRSP, RRIF, one of the various types of locked-in RRSPs or RRIFs, RDSP, RESP or TFSA for you. See *Fees and expenses* for fees that may apply. No BMO registered plans set up through BMO Bank of Montreal branches or through the BMO Investment Centre and no RDSP and RESP set up as indicated above or through a dealer can hold Series F and Advisory Series securities of BMO SIA Focused North American Equity Fund purchased in U.S. currency. BMO registered plans (other than an RDSP and RESP) set up through dealers can hold Series F and Advisor Series securities of BMO SIA Focused North American Equity Fund purchased in U.S. currency.

BMO MatchMaker® Investment Service and BMO Intuition® Investment Service

BMO MatchMaker® helps you match your investment goals and risk tolerance to one of our strategic BMO Mutual Fund portfolios or savings portfolios. BMO Intuition®, one of our RESP products, offers you a choice of several strategic portfolios and a savings portfolio. You pay no fee for these services. Here's how they work:

- Your contributions will be allocated automatically among the investments in the portfolio you've chosen, based on the weighting designated for each investment within that portfolio
- If you choose a strategic portfolio, it will be reviewed during the last month of each calendar quarter (i.e., March, June, September and December). If the percentage weighting of any single mutual fund held in your portfolio varies by more than its set target range, all of the mutual funds in your portfolio will be automatically rebalanced by switching securities among the funds to return them to their target ranges, at or near the end of the quarter. The set target ranges for the portfolios are listed in the table below. See *Income tax considerations for investors*.
- We have obtained regulatory relief to permit BMOAM to review the makeup of each of the strategic and savings portfolios on a periodic basis. Pursuant to this relief, BMOAM will exercise limited discretionary authority to make changes in your portfolio upon such periodic reviews by changing the percentage weightings of the funds (and GICs in the case of savings portfolios) in, and/or adding and/or removing funds from, each portfolio with a view to optimizing your return while having regard to your tolerance for risk. You should not opt for a BMO MatchMaker® or BMO Intuition® portfolio if you are not willing to have BMOAM exercise such limited discretionary authority over your portfolio. There will be no charge for this feature of the BMO MatchMaker® or BMO Intuition® service.

The BMO MatchMaker® Investment Service and the BMO Intuition® Investment Service are only offered through BMO Bank of Montreal branches and the BMO Investment Centre.

Rebalancing targets for BMO MatchMaker® Investment Service and BMO Intuition® Investment Service

As described above, one of the primary benefits of investing in a strategic portfolio under either BMO MatchMaker® Investment Service or BMO Intuition® Investment Service is the automatic rebalancing of your portfolio to help ensure that your portfolio continues to provide the best potential returns for your level of risk tolerance. However, your portfolio will only be automatically rebalanced if the percentage weightings of at least one of the mutual funds held in your portfolio varies by more than its set target range. The set target ranges for the mutual funds held in each strategic portfolio are listed in the table below.

BMO MatchMaker® Investment Service Strategic Portfolios	Set Target Range for Automatic Rebalancing
BMO MatchMaker® Income Portfolio	Plus or minus 2.0%
BMO MatchMaker® Balanced Portfolio	Plus or minus 3.0%
BMO MatchMaker® Growth Portfolio	Plus or minus 4.0%
BMO MatchMaker® Equity Growth Portfolio	Plus or minus 4.5%

BMO Intuition® Investment Service Strategic Portfolios	Set Target Range for Automatic Rebalancing
BMO Intuition® RESP Income Portfolio	Plus or minus 2.0%
BMO Intuition® RESP Balanced Portfolio	Plus or minus 3.0%
BMO Intuition® RESP Growth Portfolio	Plus or minus 4.0%
BMO Intuition® RESP Equity Growth Portfolio	Plus or minus 4.5%

For more information about our BMO MatchMaker® Investment Service or BMO Intuition® Investment Service, including details on the mutual funds held in the various strategic portfolios, please visit our website at www.bmo.com/mutualfunds, call us toll free at 1-800-665-7700, or visit your nearest Bank of Montreal branch.

BMO Mutual Funds Allocation Averaging Program

Under this program, which is available only through dealers, you can arrange for regular (monthly, quarterly, semi-annual or annual) transfers from a lump sum investment in a BMO Money Market Fund or BMO U.S. Dollar Money Market Fund into Mutual Fund Series securities of a maximum of five other BMO Mutual Funds of your choice. The minimum initial investment is \$5,000 and the minimum transfer amount to any one fund each time is \$50.

BMO Mutual Funds Distribution Transfer Program

Under this program, which is available only through dealers, you can arrange to have distributions made by one BMO Mutual Fund automatically reinvested in Mutual Fund Series securities of another BMO Mutual Fund or BMO Mutual Funds within the same series and currency. The reinvestment will be processed and trade dated on the same valuation date. This service is not available to investors who hold their Mutual Fund Series securities in a registered plan.

ETF Series Reinvestment Plan

If you are a holder of ETF Series securities (referred to as a **Plan Participant**), you can elect to automatically reinvest all cash distributions paid on ETF Series securities held by you in additional ETF Series securities (referred to as **Plan Securities**) in accordance with the terms of the Reinvestment Plan (a copy of which is available through your broker or dealer) and the distribution reinvestment agency between the manager, on behalf of the ETF Series, and the Plan Agent, as may be amended. The key terms of the Reinvestment Plan are as described below.

You cannot participate in the Reinvestment Plan if you are not a resident of Canada. If you cease to be a resident of Canada, you will be required to terminate your participation in the Reinvestment Plan. No ETF Series will be required to purchase Plan Securities if such purchase would be illegal.

If you wish to enroll in the Reinvestment Plan as of a particular distribution record date, you should notify the CDS Participant through which you hold ETF Series securities sufficiently in advance of that distribution record date to allow such CDS Participant to notify CDS by 4:00 p.m. on the distribution record date.

Distributions that you are due to receive will be used to purchase Plan Securities on your behalf in the market. No fractional Plan Securities will be purchased under the Reinvestment Plan. Any funds remaining after the purchase of whole Plan Securities will be credited to you via its CDS Participant in lieu of fractional Plan Securities.

The automatic reinvestment of the distributions under the Reinvestment Plan will not relieve you of any income tax applicable to such distributions.

You may voluntarily terminate your participation in the Reinvestment Plan as of a particular distribution record date by notifying your CDS Participant sufficiently in advance of that distribution record date. You should contact your CDS Participant to obtain details of the appropriate procedures for terminating your participation in the Reinvestment Plan. Beginning on the first distribution payment date after such notice is received from you and accepted by a CDS Participant, distributions to you will be made in cash. Any expenses associated with the preparation and delivery of such termination notice will be borne by you to exercise your right to terminate participation in the Reinvestment Plan. The manager may terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days' notice to: (i) registered participants in the Reinvestment Plan, (ii) the CDS Participants through which the Plan Participants hold their ETF Series securities; (iii) the Plan Agent; and (iv) if necessary, the TSX.

The manager may amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it receives prior approval for amendments from the TSX, and gives notice of the amendment, modification or suspension to: (i) registered participants in the Reinvestment Plan, (ii) the CDS Participants through which the Plan Participants hold their ETF Series securities, and (iii) the Plan Agent.

Fees and expenses

The following table shows the fees and expenses payable by the funds and the fees and expenses you may have to pay directly if you invest in the funds. Fees are paid by the funds before they calculate their price per security. These fees indirectly reduce the value of your investment.

In general, the approval of securityholders will not be obtained if the basis of the calculation of a fee or expense that is charged to No Load Series securities of a fund (or is charged directly to securityholders of No Load Series by the fund or by us in connection with the holding of securities of such No Load Series of the fund) is changed in a way that could result in an increase in charges to the No Load Series or to securityholders of such No Load Series or if a fee or expense, to be charged to No Load Series securities of a fund (or to be charged directly to securityholders of No Load Series by the fund or by us in connection with the holding of securities of such No Load Series of the fund) that could result in an increase in charges to the No Load Series or to securityholders of such No Load Series, is introduced. In the cases above, securityholders of such No Load Series will be sent a written notice of the change at least 60 days prior to the effective date.

If the basis of the calculation of a fee or expense that is charged to any series other than a No Load Series of a fund is changed in a way that could result in an

increase in charges to the series or to securityholders of these series or if a fee or expense, to be charged directly to securityholders of these series by the fund or by us in connection with the holding of securities of such series of the fund, is introduced, and if this fee or expense is charged by an entity that is at arm's length to the fund, then the approval of securityholders of such series will not be obtained. In the cases above, securityholders of such series will be sent a written notice of the change at least 60 days prior to the effective date.

If a fund holds securities of an underlying fund, fees and expenses are payable by the underlying fund in addition to the fees and expenses payable by the fund. No management fees or incentive fees are payable by a fund that, to a reasonable person, would duplicate a fee payable by an underlying fund for the same service. No sales fees or redemption fees are payable by the fund in relation to its purchases or redemptions of the underlying fund that, to a reasonable person, would duplicate a fee payable by an investor in the fund. Further, except in cases where we have obtained exemptive relief, no sales or redemption fees are payable by a fund in relation to its purchases or redemptions of the securities of an underlying fund if we or one of our affiliates or associates manage the underlying fund. See *Additional information* for more details.

Fees and expenses payable by the funds

Management fees	<p>Each fund pays us a fee for our management services. For this management fee, various services are provided to the funds such as investment management and advisory services, sales and trailing commissions to registered dealers on the distribution of the funds' securities, and other services that include, but are not limited to, advertising and promotional services, office overhead expenses related to the manager's activities, and all other services necessary or desirable to conduct and operate the funds' business in an efficient manner.</p> <p>The management fee for each series is expressed as a percentage of the daily NAV of the series and varies by fund and series. This fee is calculated daily and payable monthly. Management fees are subject to applicable taxes. You'll find the management fee that we may charge for the series of securities of each fund in the <i>Fund details</i> section.</p> <p>Series F securities have lower management fees than other series since we do not pay trailing commissions on Series F securities. Series D securities have lower management fees than other series since we pay reduced trailing commissions on Series D securities.</p>
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Fees and expenses payable by the funds (continued)

Management fees (continued)	<p>For Series I securities, separate fees are negotiated and paid by each Series I investor. The combined management and administration fees for Series I will not exceed the rate charged on Series A or Advisor Series and where no Series A or Advisor Series exists, 2.50%.</p> <p>For ETF Series securities, we do not pay trailing commissions on this series. However, ETF Series securities of a fund have higher management fees than Series F securities of the same fund since we are responsible for payment of the costs related to the Administration Expenses and other operating expenses of the fund which are allocated to the ETF Series, other than the Fund Expenses described below.</p> <p>For each series, we may, at our discretion, waive a portion or the entire amount of the management fee chargeable at any given time.</p> <p>Depending on several factors, we may reduce or rebate all or a portion of the management fee for certain investors in a fund. These factors include the value of an investment in the fund and the nature of an investment, such as large investments by institutional investors. See <i>Fees and Expenses</i> in the funds' annual information form.</p>
Operating expenses	<p>All funds</p> <p>Except as described below under the sub-headings <i>Series I</i> and <i>ETF Series</i>, each fund pays all of its operating expenses directly. These operating expenses include Administration Expenses and Fund Expenses. The funds allocate these operating expenses proportionately among their series. Operating expenses that are specific to a series are allocated to that series. For each series of a fund, we may, at our discretion, absorb all or a portion of these operating expenses at any given time.</p> <p>Certain operating expenses are subject to applicable taxes. The operating expenses paid by the funds are included in the management expense ratios of the funds.</p> <p>“Administration Expenses” include audit and legal fees and expenses; custodian and transfer agency fees; costs attributable to the issue, redemption and change of securities, including the cost of the securityholder record keeping system; expenses incurred in respect of preparing and distributing prospectuses, financial reports and other types of reports, statements and communications to securityholders; fund accounting and valuation costs; and filing fees, including those incurred by the manager.</p> <p>“Fund Expenses” include expenses incurred in respect of preparing and distributing fund facts and ETF facts; interest or other borrowing expenses; all reasonable costs and expenses incurred in relation to compliance with NI 81-107, including compensation and expenses payable to IRC members and any independent counsel or other advisors employed by the IRC, the costs of the orientation and continuing education of IRC members and the costs and expenses associated with IRC meetings; taxes of all kinds to which the fund is or might be subject; and costs associated with compliance with any new governmental or regulatory requirement introduced after December 1, 2007 (or after May 4, 2018, in respect of expenses that affect the ETF Series).</p> <p>Series I</p> <p>For Series I securities of the funds, separate fee and expense arrangements are negotiated with each Series I investor.</p>

Fees and expenses payable by the funds *(continued)*

Operating expenses *(continued)*

ETF Series

As described above under *Management fees*, we are responsible for payment of the Administration Expenses and other operating expenses of a fund which are allocated to the ETF Series of the fund, other than the Fund Expenses.

IRC fees and expenses

Each IRC member receives compensation for the duties he or she performs as an IRC member. The annual retainer for each IRC member (other than the Chair) in respect of all of the BMO Mutual Funds is \$44,140 and the annual retainer for the Chair is \$63,451. In addition, each IRC member is entitled to the reimbursement of all reasonable expenses in connection with his or her duties as an IRC member.

The manager will not reimburse the funds for any costs incurred in relation to compliance with NI 81-107.

Fees and expenses payable directly by you

For fees and expenses payable directly by you, the applicable rate of GST, HST or QST, as applicable, will be determined based on your province or territory of residence.

Sales charges	For securities purchased under the Sales Charge option: 0-5% of the amount you invest For securities purchased under the Low Load Deferred Charge option: None	
Switch fees	0-2% of the amount you switch	
Redemption fees	For securities purchased under the Sales Charge option: None For securities purchased under the Low Load Deferred Charge option: You pay a redemption fee at the following rates if you redeem your Advisor Series securities during the time periods specified. The redemption fee is a percentage of the original cost of the Advisor Series securities you are redeeming.	
Low Load Deferred Charge schedule	During the following periods after purchase	Redemption fee
	First year	3.0%
	Second year	2.0%
	Third year	1.0%
	Thereafter	Nil
Series I fees	For Series I securities, separate fee and expense arrangements are negotiated and paid by each Series I investor.	

Fees and expenses payable directly by you (continued)

Short-term trading fee	Short-term trading by investors may adversely affect all investors in a fund. To discourage short-term trading, a fund may, at our sole discretion, charge a short-term trading fee of up to 2% of the amount that you redeem or switch if you buy or switch and then redeem or switch securities of the fund within 30 days of purchasing or switching them. This fee will be paid directly to the fund. While this fee generally will be paid out of the redemption proceeds of the fund in question, we have the right to redeem such other funds in any of your accounts without further notice to pay this fee. We may in our sole discretion decide which securities will be redeemed in such manner as we may determine. You will be responsible for any costs and expenses, as well as any tax consequences, resulting from the collection of this fee. We may waive this fee at any time. The manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Series at this time since such series are primarily traded in the secondary market. See <i>Short-term trading</i> on page 26.
DB/ETF Dealer fee	An amount may be charged to a Designated Broker or an ETF Dealer to offset certain transaction and other costs associated with the listing, issue, exchange and/or redemption of ETF Series securities of a fund. This charge, which is payable to the applicable fund, does not apply to securityholders who buy and sell their ETF Series securities through the facilities of the TSX or another exchange or marketplace.
ETF administrative fee	The manager may charge to securityholders, in its discretion, an administrative fee of up to 0.05% of the exchange or redemption proceeds of the ETF Series securities of a fund to offset certain transaction costs associated with the exchange or redemption of ETF Series securities of the fund.
ETF brokerage commissions	Investors are able to buy or sell ETF Series securities through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling ETF Series securities. The applicable funds issue ETF Series securities directly to the Designated Brokers and the ETF Dealers.
Registered plan fees	An annual administration fee of \$10 (plus applicable taxes) is charged for each RRSP and RESP account. This fee may be different if you invest through a dealer other than us. A fee of \$50 (plus applicable taxes) may be applied to a registered plan account if and at such time as you transfer it, in whole or in part, to another institution. This fee may be different if you invest through a dealer other than us.
Other fees and expenses	Continuous Savings Plan – None Systematic Withdrawal Plan – None BMO MatchMaker® Investment Service – None BMO Intuition® Investment Service – None BMO Distribution Transfer Program – None Your dealer may charge a fee for similar services Dishonoured payments – \$25 (plus applicable taxes)

Impact of sales charges

Certain series of the funds, including the No Load Series, are no load. That means you pay no sales or redemption charges on these transactions.

The following table shows the maximum amount of fees that you would have to pay if you made an investment of \$1,000 in the No Load Series securities of a fund, held that investment for one, three, five or ten years and redeemed immediately before the end of the period.

The following table also shows the maximum amount of fees that you would have to pay under the different purchase options available to you if you made an investment of \$1,000 in Advisor Series securities of a fund, if you held that investment for one, three, five or ten years and redeemed immediately before the end of that period. The fees under the Sales Charge option are negotiable with your dealer.

	At time of purchase	One Year	Three Years	Five Years	Ten Years
No Load option ⁽¹⁾	none	none	none	none	none
Sales Charge option	\$50.00	n/a	n/a	n/a	n/a
Low Load Deferred Charge option ⁽²⁾	n/a	\$30.00	\$10.00	n/a	n/a

⁽¹⁾ Applicable to the No Load Series.

⁽²⁾ Redemption fees may apply if you redeem your Advisor Series securities within three years of purchase under the Low Load Deferred Charge option. See *Fees and expenses payable directly by you – Redemption fees*. The redemption fee is based upon the original cost of your investment. For purposes of the table, no reinvestments of income or capital gains distributions have been assumed.

Dealer compensation

Sales commissions

If you buy Advisor Series securities under the Sales Charge option, you pay your dealer a sales commission at the time of purchase. The maximum amount of the commission is 5% of the amount you invest in the funds. The sales commission is negotiable between you and your dealer.

If you buy Advisor Series securities under the Low Load Deferred Charge option, we pay your dealer a commission of 2% of the amount you invest. The commission we pay to your dealer for securities purchased under the Low Load Deferred Charge option is not negotiable.

Sales commissions are not paid when you switch between funds, but a switch fee of up to 2% may be charged by your dealer. This fee may be negotiated between you and your dealer. No commissions are paid when you receive securities from reinvested distributions.

Trailing commissions

For Series A, Series D and Advisor Series securities of the funds, out of the management fees that we receive, we pay your registered dealer (including discount brokers for securities you purchase through your discount brokerage account) a trailing commission, calculated daily and paid monthly or quarterly at the option of the dealer. The trailing commission is a percentage of the average daily value of the securities you hold. The trailing commission varies by fund and by purchase option. We do not pay trailing commissions on Series F, Series I or ETF Series securities. The following table provides a summary of the annual trailing commission we pay to your dealer on Series A, Series D and Advisor Series securities.

We also pay a trailing commission to Bank of Montreal to cover the cost of distributing Series A securities sold through the BMO Bank of Montreal branch network.

Fund	Annual Trailing Commission (%) (as applicable)			
	No Load		Sales Charge option	Low Load Deferred Charge option
	Series A	Series D	Advisor Series	Advisor Series
BMO SIA Focused Canadian Equity Fund	1.00	0.25	1.00	1.00
BMO SIA Focused North American Equity Fund	1.00	0.25	1.00	1.00

Buying and Selling ETF Series

Investors are able to buy or sell ETF Series securities through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling ETF Series securities. The funds issue ETF Series securities directly to the Designated Brokers and ETF Dealers.

Other sales incentives

We'll pay for any new compensation programs that we may introduce as well as a portion of marketing and educational programs. Neither the funds nor their securityholders pay for any compensation programs.

Sales incentive programs

We pay for marketing materials we give to dealers to help support their sales efforts. We may also share with dealers up to 50% of their costs in marketing the funds.

We may pay up to 10% of the costs of some dealers to hold educational seminars or conferences for their representatives to teach them about, among other things, new developments in the mutual fund industry, financial planning or new financial products. The dealer makes all decisions about where and when the conference is held and who can attend.

We may arrange seminars for representatives of the dealers where we inform them about new developments in our mutual funds, our products and services and mutual fund industry matters. We invite dealers to send their representatives to our seminars and we do not decide who attends. The representatives must pay their own travel, accommodation and personal expenses in connection with attending our seminars.

Equity interests

Bank of Montreal Holding Inc. owns 100% of the issued shares of the manager. Bank of Montreal Holding Inc. is a wholly-owned subsidiary of Bank of Montreal. BMO Nesbitt Burns Inc. and BMO InvestorLine Inc., both wholly-owned, indirect subsidiaries of Bank of Montreal, may sell securities of the funds. Such sales are made on the same basis as those made by other dealers, with no preferential compensation.

Dealer compensation from management fees

During the manager's financial year ended October 31, 2017, we paid approximately 53.61% of total management fees we received to registered dealers and to the Bank of Montreal in sales and trailing commissions for selling BMO Mutual Funds (other than the funds).

Income tax considerations for investors

This is a general summary of the current Canadian federal income tax rules applicable to you as an investor in the funds. This summary assumes that you are a Canadian resident individual (other than a trust) who holds securities of the funds directly as capital property or in a registered plan. This summary is not intended to be legal or tax advice. More information is contained in the funds' annual information form.

We have tried to make this summary easy to understand. As a result, we cannot be technically precise, or cover all the tax consequences that may apply. We suggest that you consult your tax advisor for details about your situation.

How the funds make money

Mutual funds make money in a number of ways, including:

- earning income in the form of interest, dividends, income distributions from a trust, gains and losses from certain derivatives and other types of returns from investment
- realizing capital gains when they sell an investment for more than its ACB. Mutual funds can also realize a capital loss when they sell an investment for less than its ACB.

A mutual fund is required to calculate its income and capital gains in Canadian dollars. So, when a mutual fund sells a foreign denominated security or when that security matures, the mutual fund may realize a capital gain or capital loss as a result of a change in the value of the foreign currency relative to the Canadian dollar.

The funds treat gains and losses realized on futures, forward contracts, options and other derivatives as ordinary income and losses or as capital gains and capital losses, depending on the circumstances.

Capital losses may be denied or suspended and, therefore, unavailable to shelter capital gains in certain circumstances. For example, a capital loss may be suspended if it is realized on the sale of an investment and an identical investment is acquired within a period that begins 30 days before and ends 30 days after the day that the loss was realized. There are other loss restriction rules that may prevent a fund from deducting losses.

Each year, each fund will distribute enough of its net income and net realized capital gains so that the fund will not be subject to normal income tax. Investors are generally taxed on their share of this income as if they earned it directly.

Portfolio turnover

In general, the higher a fund's portfolio turnover rate, the greater the chance that it will realize capital gains and that you will receive a capital gains distribution or capital gains dividend. Any capital gains realized would be offset by any capital losses realized on portfolio transactions. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

How your investment is taxed

How you are taxed on your investment in the funds depends on whether you hold securities of a fund in your registered plan or your non-registered account.

Registered plans

The securities of each fund are expected to be qualified investments for registered plans. Generally, neither you nor your registered plan is subject to tax on distributions paid on those securities or on capital gains realized when those securities are redeemed or switched. However, even if securities of a fund are a qualified investment for your registered plan, you may be subject to tax if a security held in your RRSP, RRIF, RDSP, RESP or TFSA is a "**prohibited investment**" for such registered plan.

Generally, units of a fund will not be a prohibited investment for your RRSP, RRIF, RDSP, RESP or TFSA if you deal at arm's length with the fund and you, your family (including your parents, spouse, children, siblings and in-laws) and other persons or partnerships that do not deal at arm's length with you, in total, own less than 10% of the value of the fund whether directly or indirectly. Even if a unit of a fund would otherwise be a prohibited investment for your RRSP, RRIF, RDSP, RESP or TFSA it will not be a prohibited investment if it qualifies as

“excluded property”. You should consult your tax advisor about the special rules that apply to each particular registered plan, including whether or not an investment in a fund would be a prohibited investment for your registered plan.

Non-registered accounts

If securities are held in your non-registered account, you must include in your income for a taxation year, the taxable portion of all distributions (including management fee distributions) paid or payable to you by a fund during the year, whether you received them in cash or invested them in additional securities. U.S. dollar distributions must be converted into Canadian dollars. The amount of reinvested distributions is added to the ACB of your securities. This ensures that you do not pay tax on the amount again at a later date.

Distributions paid by a fund may consist of capital gains, dividends, foreign source income, other income and/or ROC.

One-half of a capital gain distribution from a fund is a **“taxable capital gain”** and included in your income. You may be eligible for foreign tax credits in respect of any foreign taxes paid by a fund.

ROC is not immediately taxable to you but will reduce the ACB of the securities on which it was paid. As a result, the amount of any capital gain that you realize when you redeem your securities will be larger (or the capital loss will be smaller), unless the ROC was reinvested in additional securities. If the ACB of your securities is reduced to less than zero while you continue to hold them, you will be deemed to realize an immediate capital gain equal to the negative amount and your ACB will be increased to zero.

Management fees paid directly by you are generally not deductible in computing your income. You should consult with your tax advisor about the tax treatment of fees payable directly to us, your dealer or any other fees payable directly by you.

Buying securities before a distribution date

You must include in your income the taxable portion of a distribution received from a fund even though the fund may have earned the income or realized the capital gains that gave rise to the distribution before you owned your securities. If you invest in a fund late in the year, you may have to pay tax on its earnings for the whole year.

Sales Charge and Fees

Sales charges paid on the purchase of securities are not deductible in computing your income but are added to the ACB of your securities.

Switching your securities

If you switch your securities of a fund for securities of another series of the same fund, the switch is made as a redesignation of your securities. In other words, the switch should occur on a tax-deferred basis so that you do not realize a capital gain or capital loss on your switched securities. The cost of your new securities will generally be equal to the ACB of the switched securities. As part of a tax-deferred switch, some securities may be redeemed to pay fees.

Any other type of switch involves the redemption of your securities, which is a disposition for income tax purposes.

Redeeming your securities

You will realize a capital gain or capital loss when you redeem or otherwise dispose of your securities. The capital gain (or capital loss) will be the amount by which your proceeds of disposition exceed (or are exceeded by) the aggregate of the ACB of the security and any reasonable costs of disposition. If you purchase and redeem securities in U.S. dollars, the cost and proceeds of disposition must be converted into Canadian dollars at the exchange rate on the date of purchase and redemption, as applicable.

In general, you must include one-half of any capital gain (**“taxable capital gain”**) in computing your income for tax purposes and must deduct one-half of any capital loss (**“allowable capital loss”**) to offset taxable capital gains. Allowable capital losses in excess of taxable capital gains in the year may be carried back three years or forward indefinitely for deduction against taxable capital gains realized in those years.

We will provide you with details of your proceeds of redemption. However, in order to calculate your gain or loss you will need to know the ACB of your securities on the date of the redemption.

How to calculate ACB

For most situations, here's how the total ACB of your securities of a series of a particular fund is calculated. If you purchase your securities in U.S. dollars, you must convert the purchase price into Canadian dollars at the exchange rate in effect at the time of purchase, including reinvestment of distributions in additional securities.

- Start with the cost of your initial investment, including any sales charges you paid.
- Add the cost of any additional investments, including any sales charges you paid.
- Add the amount of any distributions that were reinvested (including ROC and management fee distributions).
- Subtract the amount of any ROC.
- For a tax-deferred switch into the series, add the ACB of switched securities.
- For a tax-deferred switch out of the series, subtract the ACB of the switched securities.
- Subtract the ACB of any previously redeemed securities.

The ACB of a single security is the average of the ACB of all the identical securities.

Tax reporting

Each year we will send you a tax slip with detailed information about the distributions paid to you on securities held in a non-registered account. To calculate your ACB, you will need to keep detailed records of the cost of all purchases and the amount of all distributions paid to you, as well as exchange rates where relevant.

Exchange of tax information

As a result of due diligence and reporting obligations in the Tax Act, securityholders may be asked to provide their dealer with information about their citizenship and tax residence. If a securityholder is identified as a U.S. citizen (including a U.S. citizen living in Canada) and/or a foreign tax resident, information about the securityholder and their investment in the funds will be reported to the Canada Revenue Agency, unless units of the funds are held in a registered plan. The Canada Revenue Agency is expected to provide that information to the applicable foreign tax authorities if the applicable foreign government has entered into an exchange of information agreement with Canada.

What are your legal rights?

Mutual Fund Series

Under securities law in some provinces and territories, you have the right to:

- withdraw from your agreement to buy mutual funds within two business days of receiving the simplified prospectus or fund facts,
- cancel your purchase within 48 hours of receiving confirmation of your order, or
- cancel your purchase agreement and get your money back if the simplified prospectus, annual information form, fund facts or financial statements misrepresent any facts about the fund. You may also be entitled to get your money back or make a claim for damages if you have suffered a loss.

The time limit to exercise these rights depends on the governing legislation in your province or territory.

ETF Series

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF Series securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or non-delivery of the ETF facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

We have obtained relief from the requirement in securities legislation to include an underwriter's certificate in the prospectus under a decision pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*. As such, purchasers of ETF Series securities will not be able to rely on the inclusion of an underwriter's certificate in the prospectus or any amendment for the statutory rights and remedies that would otherwise have been available against an underwriter that would have been required to sign an underwriter's certificate.

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

Additional information

We have received an exemption from the Canadian securities regulatory authorities to enable the BMO Mutual Funds that are dealer managed funds, subject to certain conditions imposed by the regulators, including the prior approval of the funds' IRC, to purchase equity securities of a reporting issuer during the period of distribution (the "Distribution") of the issuer's securities pursuant to a private placement offering and for the 60-day period following the completion of the Distribution notwithstanding that the manager or the associates or affiliates thereof act or have acted as underwriter in connection with the Distribution.

We have also received an exemption from the Canadian securities regulatory authorities to enable the BMO Mutual Funds, subject to certain conditions imposed by the regulators, including the prior approval of the funds' IRC, to purchase debt securities in the secondary market from, or sell debt securities in the secondary market to, an associate or affiliate of the manager that is a principal dealer in the Canadian debt securities markets, acting as principal.

Subject to certain conditions imposed by the regulators, including the prior approval of the funds' IRC, the funds may:

- invest in or continue to invest in securities of Bank of Montreal or another related issuer; and
- invest in equity and/or corporate debt securities of a reporting issuer during the Distribution of the issuer's securities and for the 60-day period following the completion of the Distribution, notwithstanding that the manager or an associate or affiliate thereof acts or has acted as underwriter in connection with the Distribution.

We, and all of the BMO Mutual Funds, have also obtained exemptive relief, subject to certain conditions, to permit the BMO Mutual Funds:

1. to invest in Bank of Montreal debt securities in the secondary market and to invest in Bank of Montreal debt securities, other than asset-backed commercial paper securities, with a term of maturity of 365 days or more in a primary offering;
2. to purchase mortgages from and/or sell mortgages to certain associates or affiliates of the manager;
3. to purchase securities of exchange traded funds managed by us, or one of our affiliates or associates, and to pay the applicable brokerage commissions associated with such purchases in the secondary market;

4. to invest in securities of certain exchange traded funds managed by us that are not considered "index participation units" under NI 81-102, subject to certain conditions;
5. to invest in debt securities of an issuer during the Distribution or during the period of 60 days after the Distribution, notwithstanding that the manager, or an associate or affiliate of the manager, acts or has acted as an underwriter in the Distribution and notwithstanding that the debt securities do not have a designated rating by a designated rating organization as contemplated by clause 4.1(4)(b) of NI 81-102;
6. to invest in cleared swaps; and
7. to purchase and hold securities of certain Hong Kong exchange traded funds and certain United Kingdom exchange traded funds managed by our affiliates

We, and the applicable BMO Mutual Funds, have also obtained exemptive relief in connection with the offering of ETF Series securities to:

1. relieve the BMO Mutual Fund from the requirement to prepare and file a long form prospectus for the ETF Series securities in accordance with National Instrument 41-101 – *General Prospectus Requirements* in the form prescribed by Form 41-101F2 *Information Required in an Investment Fund Prospectus*, subject to the terms of the relief, provided that the BMO Mutual Fund files a prospectus for the ETF Series securities in accordance with the provisions of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure*, other than the requirements pertaining to the filing of a fund facts document;
2. relieve the BMO Mutual Fund from the requirement that a prospectus offering ETF Series securities contain a certificate of the underwriters;
3. relieve a person or company purchasing ETF Series securities in the normal course through the facilities of the TSX or another exchange from the take-over bid requirements of Canadian securities legislation;
4. permit the BMO Mutual Fund to borrow cash from the custodian of the BMO Mutual Fund and, if required by the custodian of the BMO Mutual Fund, to provide a security interest over any of its portfolio assets as a temporary measure to fund the portion of any distribution payable to investors that represents, in the aggregate, amounts that are owing to, but not yet been received by, the BMO Mutual Fund; and

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5. treat the ETF Series and the Mutual Fund Series of the BMO Mutual Fund as if such series were two separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of NI 81-102.

In connection with the foregoing, we, and all of the BMO Mutual Funds (including exchange-traded mutual funds), have obtained exemptive relief, subject to certain conditions, to permit the BMO Mutual Funds (referred to herein as “**Top Funds**”) to:

1. purchase an ETF Series security of, or enter into a specified derivatives transaction with respect to, a BMO Mutual Fund, the ETF Series securities of which are not “**index participation unit**” under NI 81-102 even though, immediately after the transaction, more than 10% of the NAV of the Top Fund would be invested, directly or indirectly, in ETF Series securities of the BMO Mutual Fund;
2. purchase an ETF Series security of a BMO Mutual Fund, the ETF Series securities of which are not “**index participation units**” under NI 81-102 such that, after the purchase, the Top Fund would hold ETF Series securities representing more than 10% of:
 - i. the votes attaching to the outstanding voting securities of the BMO Mutual Fund; or
 - ii. the outstanding equity securities of the BMO Mutual Fund; and
3. pay brokerage commissions in relation to its purchase and sale on the TSX or another exchange or marketplace of ETF Series securities.

For more detailed information on these exemptions, see the funds’ annual information form.

Prior to seeking IRC approval, the manager is required to refer its written policies and procedures relating to the above mentioned investments for the funds, as applicable, to the IRC for the IRC’s review. The policies and procedures are designed to ensure, among other things, that each such transaction (i) is consistent with, or is necessary to meet, the investment objectives of the funds (ii) is free from any influence by the manager or any associates or affiliates thereof and does not take into account any consideration relevant to the manager or any associates or affiliates thereof (iii) represents the manager’s business judgment uninfluenced by considerations other than the best interests of the funds, and (iv) achieves a fair and reasonable result for the funds. In the event an investment for a fund is not made in accordance with the conditions imposed by the securities regulatory authorities and/or the IRC, the manager is required to notify

the IRC and the IRC, as soon as practicable, is required to notify the securities regulatory authorities. This information is also included in the annual report to securityholders prepared by the IRC.

Additional information about exemptive relief decisions received by the BMO Mutual Funds and the mandate and responsibilities of the IRC is disclosed in the funds’ annual information form.

Registration and transfer through CDS

Registration of interests in, and transfers of, the ETF Series securities will be made only through CDS. ETF Series securities must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of ETF Series securities must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such ETF Series securities. Upon purchase of any ETF Series securities, the owner will receive only the customary confirmation; physical certificates evidencing ownership will not be issued. References in this simplified prospectus to a holder of ETF Series securities mean, unless the context otherwise requires, the owner of the beneficial interest in such ETF Series securities.

Neither the funds nor we will have any liability for:

- (i) records maintained by CDS relating to the beneficial interests in the ETF Series securities or the book entry accounts maintained by CDS;
- (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or
- (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of ETF Series securities to pledge such ETF Series securities or otherwise take action with respect to such owner’s interest in such ETF Series securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The funds have the option to terminate registration of the ETF Series securities through the book-based system in which case certificates for ETF Series securities in fully registered form will be issued to beneficial owners of such ETF Series securities or to their nominees.

BMO Growth Funds

BMO SIA Focused Canadian Equity Fund
(series A, F, D, I, ETF Series and Advisor Series)
BMO SIA Focused North American Equity Fund
(series A, F, D, I, ETF Series and Advisor Series)

Offering series A securities, series F securities, series D securities, series I securities, ETF Series securities and Advisor Series securities.

You'll find more information about each fund in the funds' annual information form, fund facts or ETF facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this simplified prospectus just as if they were printed in it.

BMO Mutual Funds are offered by BMO Investments Inc. If you would like a copy of these documents and you purchased your securities at a BMO Bank of Montreal branch or through the BMO Investment Centre, call us toll free at 1-800-665-7700 or email us at mutualfunds@bmo.com. If you would like a copy of these documents and you purchased your securities through a dealer, call us toll free at 1-800-668-7327, write to BMO Investments Inc. at 250 Yonge Street, 7th Floor, Toronto, Ontario M5B 2M8 or email us at clientservices.mutualfunds@bmo.com or bmo.etfs@bmo.com.

There's no charge for these documents. You'll also find copies of them, and other information about the funds, such as information circulars and material contracts, on the internet at www.bmo.com/mutualfunds, www.bmo.com/gam/ca, www.bmoetfs.com or www.sedar.com.

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Mutual Funds