



Mutual Funds

**NOTICE OF**  
**ANNUAL AND SPECIAL MEETING OF INVESTORS OF**  
**BMO MONTHLY DIVIDEND FUND LTD.**  
  
**AND**  
**SPECIAL MEETING OF INVESTORS OF**  
**BMO FLOATING RATE INCOME FUND**  
**(collectively with BMO Monthly Dividend Fund Ltd., the “Funds” and individually a “Fund”)**

Dear Investor,

This is notice that an annual and special meeting of the investors of BMO Monthly Dividend Fund Ltd. and a special meeting of the investors of BMO Floating Rate Income Fund will be held concurrently at 10:00 a.m. (Toronto time) (collectively, the “**Meeting**”) solely as a virtual (online) meeting by way of live video webcast and teleconference (after first registering through the link [meet.secureonlinevote.com](https://meet.secureonlinevote.com) beginning 30 minutes before the Meeting commences) on Friday, June 18, 2021, with securityholders of each Fund voting together as a fund. Quorum for the Meeting of each Fund is two securityholders present virtually or represented by proxy and entitled to vote at the Meeting.

If the Meeting in respect of BMO Monthly Dividend Fund Ltd. is adjourned, this notice shall constitute notice of the adjourned meeting, which will be held virtually using the same link as above on June 21, 2021 commencing at 10:00 a.m. (Toronto time). Quorum for an adjourned meeting of BMO Monthly Dividend Fund Ltd. will be two securityholders present virtually or represented by proxy and entitled to vote at the adjourned meeting.

If quorum is not obtained for the Meeting in respect of BMO Floating Rate Income Fund, such Meeting shall be adjourned, with the consent of a majority of securityholders of the Fund present virtually or represented by proxy at the Meeting, to June 21, 2021 at 10:00 a.m. (Toronto time) using the same link as above. Quorum for an adjourned meeting of BMO Floating Rate Income Fund will be the number of securityholders present virtually or represented by proxy and entitled to vote at the adjourned meeting.

The purpose of the Meeting is to consider and, if advisable, pass resolutions to approve the following:

1. For **BMO Floating Rate Income Fund** only,
  - (a) The merger of BMO Floating Rate Income Fund into BMO U.S. High Yield Bond Fund, and the matters related thereto described in the resolution attached to the management information circular. See the section titled “Merger of BMO Floating Rate Income Fund into BMO U.S. High Yield Bond Fund” in the management information circular for the particulars of this matter.
  - (b) The termination of BMO Floating Rate Income Fund if the merger of BMO Floating Rate Income Fund into BMO U.S. High Yield Bond Fund is not approved and the matters related thereto described in the resolution attached to the management information circular. See the section titled “Termination of BMO Floating Rate Income Fund” in the management information circular for the particulars of this matter.
2. For **BMO Monthly Dividend Fund Ltd.** only,
  - (a) Receipt of the annual financial statements of BMO Monthly Dividend Fund Ltd. for the twelve month period ending December 31, 2020 together with the auditor’s report thereon. See the section titled “Matters to be Considered at the Meeting – Receipt of the 2020 Annual Financial Statements” in the management information circular for the particulars of this matter.
  - (b) Election of the directors of BMO Monthly Dividend Fund Ltd. See the section titled “Matters to be Considered at the Meeting – Election of Directors” in the management information circular for the particulars of this matter.

- (c) Appointment of PricewaterhouseCoopers LLP as auditor of BMO Monthly Dividend Fund Ltd. for the ensuing year and authorizing the board of directors to fix the auditor's remuneration. See the section titled "Matters to be Considered at the Meeting – Appointment and Remuneration of Auditor" in the management information circular for the particulars of this matter.
- (d) The merger of BMO Monthly Dividend Fund Ltd. into BMO Dividend Fund and the subsequent dissolution of BMO Monthly Dividend Fund Ltd., along with the matters related thereto, including the amendment of the articles of BMO Monthly Dividend Fund Ltd. to effect the merger, all as described in the resolution attached to the management information circular. See the section titled "Merger of BMO Monthly Dividend Fund Ltd. into BMO Dividend Fund" in the management information circular for the particulars of this matter.

3. For each of the Funds, to transact such other business as may properly come before the Meeting.

***There will be no presentation of the annual financial statements of BMO Monthly Dividend Fund Ltd., and no discussion of the investment portfolio and performance, of the Funds at the Meeting.***

A complete description of the matters to be considered at the Meeting are set out in the management information circular. The text of each resolution authorizing the matters referred to in paragraphs 1(a), 1(b) and 2(d) is set out in Schedule "A" to the management information circular.

#### **Websites Where Meeting Materials are Posted**

We remind you to review the management information circular available on our website at [www.bmo.com/gam/ca](http://www.bmo.com/gam/ca), at [www.SecureOnlineVote.com](http://www.SecureOnlineVote.com) and at the website of the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com) before voting. The materials will remain available on our website for one year after the date of this notice.

#### **Voting**

You may vote your securities of the Funds by mail, fax, online or by attending the Meeting virtually via the live video webcast and teleconference. Please refer to the directions on your proxy form for instructions on how to vote using these methods. **Securityholders are strongly encouraged to submit their votes or proxy forms ahead of the Meeting.**

Securityholders who are entitled to vote, but are unable to attend the Meeting virtually via the live video webcast and teleconference, are requested to exercise their right to vote by completing, dating, signing and returning the enclosed form of proxy in the enclosed envelope or by fax to 1-888-496-1548 so that it arrives at least 48 hours (excluding Saturdays, Sundays and holidays) before the start of the Meeting or any adjournment. An addressed prepaid envelope has been provided for your use. Alternatively, securityholders may vote online at [www.SecureOnlineVote.com](http://www.SecureOnlineVote.com) using the control number listed on the accompanying form of proxy.

#### **Notice and Access**

Pursuant to exemptive relief, we have opted to use a notice-and-access procedure to reduce the volume of paper in the materials distributed for the Meeting. Instead of receiving a printed copy of the management information circular with the enclosed form of proxy, you have received this notice outlining the procedures for accessing the management information circular online or requesting a paper or electronic copy to be sent to you free of charge. For more information about the notice-and-access procedure, please contact us toll-free at 1-800-668-7327.

#### **How to Obtain a Copy of the Meeting Materials**

You can request that we send you a copy of the management information circular:

- by e-mailing us at [clientservices.mutualfunds@bmo.com](mailto:clientservices.mutualfunds@bmo.com);
- by calling us toll-free at 1-800-668-7327; or
- by writing to us at BMO Investments Inc., 250 Yonge Street, 7th Floor, Toronto, Ontario M5B 2M8.

If we receive your request for a copy of the management information circular before June 11, 2021, being 5 business days before the Meeting date, the material will be sent to you within 3 business days of receipt of your request. If we receive your request on or after June 11, 2021 but before the date of the Meeting (or any adjournment), then the management information circular will be sent to you within 3 business days of receipt of your request, but you may not receive the materials prior to the date upon which you must return your form of proxy.

You can also request a copy of the management information circular on or after the Meeting date for a period of one year after the date of this notice and, in which case, we will send it to you within 10 calendar days after receipt of your request.

**BMO Investments Inc. (the “Manager”), as manager of the Funds, recommends that securityholders of the Funds vote FOR the mergers.**

The Independent Review Committee of each of the Funds has reviewed the potential conflict of interest matters related to each of the proposed mergers and has provided the Manager with a positive recommendation having determined that the proposed mergers, if implemented, achieve a fair and reasonable result for each of the Funds.

DATED at Toronto, Ontario this 17th day of May, 2021.

**By Order of the Board of Directors of BMO Investments Inc., as trustee of BMO Floating Rate Income Fund and as manager of the Funds**

*(signed) “Benjamin Iraya”* \_\_\_\_\_

Benjamin Iraya  
Corporate Secretary

**By Order of the Board of Directors of BMO Monthly Dividend Fund Ltd.**

*(signed) “Benjamin Iraya”* \_\_\_\_\_

Benjamin Iraya  
Corporate Secretary