The BMO Legacy
Two Centuries of Commitment to Customers
The Montreal Bank’s Articles of Association not only represent the formation of the bank, they also outlined the principles that molded the future of Canadian banking.

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Articles of Association of the Montreal Bank.

To all to whom these Presents shall come, by it is known and made manifest, that we the Subscribers have formed an Association or limited co-partnership, and do hereby agree with each other, to conduct Banking Business in the manner herein after specified, and so described, by and under the name or Style of The Montreal Bank.

...
A Rich Tradition

At 10:00 a.m. on Monday, November 3, 1817, the Montreal Bank opened its doors for the first time and has been open for business ever since.

From modest beginnings – a single branch in a rented house – we now serve banking, investing and institutional clients across North America and around the world.

Our founding group of nine merchants has evolved into a team of 36,000* talented and committed employees.

And from an initial capital base of £250,000, we now manage assets of $367 billion*.

Our progress has been unrelenting. Yet many essential pillars remain. In our early days, we were instrumental in providing capital to new businesses across the continent, financing the building of Canada’s infrastructure, and developing the economy. Almost two centuries later, we are still playing a critical role in the financial affairs and success of our clients, working to understand and meet their evolving needs.

Today, BMO Financial Group is a leader in the North American financial services business:

- In Canada, BMO provides a broad range of retail banking, wealth management and investment banking products and solutions, serving clients through BMO Bank of Montreal® and our wealth management businesses – BMO Nesbitt Burns**, BMO InvestorLine®, and BMO Harris Private Banking.
- In the United States, BMO serves clients through Chicago-based Harris, an integrated financial services organization that provides banking and investment services to more than one million personal and business clients.
- Our North American investment and corporate banking division, BMO Capital Markets™, provides a full suite of financial products and services to our North American and international clients.

As we have throughout our 190-plus years, BMO continues to evolve and meet new opportunities to give clients the products, services and expertise they need to meet and exceed their financial goals. It has been an exciting journey. We’re proud to honour our past by retelling it – and to build on our rich tradition of excellence.

* At October 31, 2007.

From modest beginnings, we now serve banking, investing and institutional clients across North America and around the world.
An Enduring Institution

Open up the newspaper archives from 1817, and consider some headlines. As the year dawned in January, reports came of stagecoach service being inaugurated in Upper Canada between Kingston and York, later to become Toronto. In April, the British and U.S. governments signed an agreement to limit the number of battleships on the Great Lakes. And in December, Mississippi was admitted as the 20th U.S. state.

The news of the year reminds us how much the world has changed since then. But a few developments have stood the test of time, including the establishment of the Montreal Bank.

This was half a century before the Confederation of Canada. Few probably figured that Canada’s first bank would become one of its most enduring institutions – one that would rank among the largest in North America, and be known and respected around the world.

In 1817, Upper and Lower Canada (now the provinces of Ontario and Quebec) were still British colonies. Since 1791 they had possessed elected legislatures, but government was controlled by the governors and ultimately by the British Parliament in London.

The population was thinly scattered over the 1,800 km distance from Windsor in the far west to Gaspé in the far east. The domestic economies were based on the fur trade, and the production of export staples such as wheat, flour, timber and potash. Imports were made up largely of dry goods and other manufactured goods.

Neither Upper nor Lower Canada had a currency of its own, and cash was chronically in short supply. Most transactions in the domestic market were conducted under a system of barter, and foreign trade was financed by bills of exchange.

The project of establishing a bank in Lower Canada had been a quarter-century in the making. The founders of Montreal Bank, a determined group of nine merchants, were men of serious intention who had accumulated sufficient personal funds to start the business. Now that their bank was a reality, it was ready to make an immediate and vital contribution to the economic life of the Canadian provinces.

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Serving a Growing Nation

From the start, the Montreal Bank played a central role in Canada’s development, and its greater efficiency in foreign and domestic trade.

The bank provided its own bank notes, served as a source of commercial loans, was a safe repository for people’s funds, and became a place to purchase foreign bills of exchange and other commercial paper.

In 1822, recognizing the bank’s value to the commercial community, the Legislature of Lower Canada granted it a charter under the name Bank of Montreal. The bank continued to contribute to building the country’s fledgling infrastructure.

With the virtual disappearance of the fur trade from the St. Lawrence Valley in the early 1820s, the country opened up to trade and settlement through the development of water and rail transport.

The bank’s early history was a story of firsts, funding the building of Canada’s first major canal (Lachine, 1821-1825) and first railway (Champlain and St. Lawrence, 1832-36). As well, the bank became involved in construction to improve the St. Lawrence-Great Lakes navigation, and provided financing in the 1850s to build the Grand Trunk Railway from Quebec to Sarnia. The bank was a key partner in other infrastructure milestones, like helping to finance the first telegraph service linking Upper and Lower Canada in 1840.

Naturally enough, the bank’s geographic expansion followed the paths of Canadian trade and investment. Within a month of our founding, Bank of Montreal opened a substantial agency in Quebec, followed by a presence in Upper Canada in Toronto (then called York), Kingston, Queenston, Perth and Amherstburg. Agents were also appointed in 1818 in New York and London, England.

The offices in Upper Canada were closed, however, following legislation in 1824 outlawing branches of banks with head offices outside the province. It wasn’t until 1842 that banks could freely establish branches in both halves of the newly united Province of Canada. As a result, offices opened in Cobourg, Belleville, Brockville and Bytown (now Ottawa), paralleling the growth of Canada’s transportation networks and the development of its natural resources, notably timber.

These offices initially had their own presidents and boards, due to the difficulty of communication and transport in the early decades of the bank. The introduction of the telegraph in the mid-1840s along the Quebec-Montreal-Toronto corridor brought rapid communications, eliminating local boards and allowing for a centralized branch network.

By 1859, only 37 years after its charter, Bank of Montreal was the largest financial institution in Canada, and the third largest in North America.

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North American Expansion

The bank’s expansion was not limited to Canada. In 1859, the year a rail link between Montreal and New York was completed, the bank established a permanent office in Manhattan’s bustling financial district, 41 years after establishing its first agency there.

In Chicago, meanwhile, merchants had begun shipping grain to Montreal in the 1840s, most of which the Molson family bought for their brewery. In 1861, at the invitation of a group of Chicago grain merchants, Bank of Montreal set up a permanent agency in the city. This step was warmly received. The Chicago Tribune observed that it “will afford proper and much needed facilities to our large and rapidly increasing Canadian trade.”

In a city that already had 50 banks, Bank of Montreal soon emerged as the leading source of finance for Chicago’s export trade. A charter member of the Chicago Clearing House Association, it was described by a local newspaper as “one of the most reliable banking institutions in the U.S.”

With the end of the American Civil War and the subsequent termination of trade reciprocity between Canada and the United States, the bank was obliged to suspend its Chicago operations temporarily. It returned to the city after the Great Fire of 1871 and donated the then substantial sum of $5,000 to the Fire Relief Fund, making it one of the major corporate contributors.

The bank’s early involvement in Chicago foreshadowed the critical importance that this market would have for BMO. Just over a decade after the Great Fire, Norman Wait Harris came to Chicago to found what would become a leading investment bank. More than a century later, Bank of Montreal would acquire Harris Bank (today known as Harris), significantly expanding its North American footprint.

For now, however, Bank of Montreal was occupied helping to serve and finance the new country of Canada.

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Financing the New Dominion

In the late 1850s, economic depression put pressure not only on a number of Canada’s financial institutions, but on the financial position of the Province of Canada itself. Bank of Montreal, which had remained sound throughout the crisis, was appointed fiscal agent of Canada on January 1, 1864. For the next 3½ years, bank advances helped meet the Government’s obligations during a critical period in Canadian history.

Bank of Montreal strongly supported the movement for union of the British North American provinces. When Confederation was finally achieved in 1867, finance minister Alexander Galt called on the bank to become the new federal government’s banker. Even as the Dominion of Canada officially came into being on July 1, bank representatives were on their way to open branches in Halifax and Saint John.

When British Columbia joined Confederation in 1871, one of the conditions was that a railway be built from Eastern Canada to the Pacific Coast within 10 years. The next decade saw a number of false starts, with construction limited to several widely separated sections of track in British Columbia and Manitoba. But in 1881, a new charter was granted to the Canadian Pacific Railway Company – the CPR.

Bank of Montreal became the CPR’s major source of Canadian financing. Four of the railway’s principals were closely connected with the bank, including Donald A. Smith (who later became Lord Strathcona).

The CPR was remarkable for its vast geographical scope, enormous cost and impact on Canada’s prosperity. It was the backbone of the new Confederation. Track-laying broke all construction records through the boreal wilderness of Lake Superior, across the Prairies and over the high passes of the Rocky Mountains to the Pacific coast. Fittingly, on November 7, 1885, Donald A. Smith drove home the last spike of the CPR.

Donald A. Smith, driving in the final iron spike of the Canadian Pacific Railway at Craigellachie, B.C, west of the Eagle Pass, November 7, 1885.
Building a National Network

During this period, Bank of Montreal expanded its branch network to meet the commercial needs of the growing nation. As the CPR track sped westward, trade and settlement – and bank branches – kept pace.

When the first Canadian Pacific train reached Winnipeg in 1880 – at the time described as a “muddy, generally disreputable village” – a Bank of Montreal representative was on the platform to greet it: the bank’s office had been open in Winnipeg since 1877.

The bank established branches along the way in Regina and Calgary to accommodate the needs of the railway construction teams. Shortly after the tracks reached Vancouver in 1887, the bank’s branch network extended coast to coast.

Bank of Montreal also expanded in the eastern and central part of the continent. It opened its first branch in the then British colony of Newfoundland in 1894, providing substantial credits to the fishing industry and for railway construction, and taking over the account of the Newfoundland government.

The history of new offices was intertwined with the young country’s growing economic capabilities. In the 1890s, for instance, C.C. Abott, manager of the bank’s office at Fort William, Ontario (now Thunder Bay), reported growing grain shipments across the Great Lakes to meet the demands of an industrialized U.S. and Europe. The new Bank of Montreal branch in Windsor in 1912 coincided with the emergence of the Canadian automobile manufacturing industry. That same year, new branches in Granby and Magog in Quebec’s Eastern Townships matched the growth of the textile industry.

To serve the new towns springing up throughout Canada, bank personnel often dealt with challenging conditions. The perseverance of Bank of Montreal staff was certainly exemplified by Arthur H. Buchanan, who in early 1892 was charged with opening a branch in the gold mining centre of Nelson, B.C., high in the Selkirk Mountains.

Travelling west by rail, Buchanan arrived at the last stop and discovered that no form of transportation existed to carry him the last 50 miles through the wilderness to his destination. Undeterred, he strapped on snowshoes and covered the distance on foot. On reaching Nelson, he learned that his operating funds hadn’t arrived. So he borrowed $13.50 from a local private banker and real estate agent, added $2.50 from his own pocket, and opened the Nelson branch in an abandoned barber shop on Main Street.

Along with opening branches across the country, the bank also expanded through mergers and acquisitions. This was nothing new. Back in 1840, the bank had purchased the Toronto-based Bank of the People. But into the 1900s, Bank of Montreal greatly added to its network and capabilities.

When the first Canadian Pacific train reached Winnipeg in 1880, a Bank of Montreal representative was on the platform to greet it.

The original Regina branch, circa 1884. The bank’s expansion followed and helped spur that of the country.
It started early in the twentieth century, when Bank of Montreal amalgamated with the Exchange Bank of Yarmouth in 1903, the People’s Bank of Halifax in 1905, The Ontario Bank in 1906 and the People’s Bank of New Brunswick in 1907. This brought in important outlets in the Maritimes and Quebec.

The bank further enlarged its operations through mergers with the Bank of British North America in 1918 and the Merchants Bank of Canada in 1922. The former, founded in 1836, had 79 branches. The latter, established in 1861, had more than 400 branches, extending from the Maritimes to Vancouver Island.

Bank of Montreal’s branch network was strengthened yet again in 1925 by a merger with Montreal-based Molsons Bank, founded in 1853, whose 125 branches were mostly in rural Ontario and Quebec.

The ties between Bank of Montreal and the Molsons were close. The Molson family had been shareholders of Bank of Montreal since 1823. John Molson, founder of Canada’s oldest brewery, was President of Bank of Montreal in 1826, and family members had always served on the bank’s board. When the Molsons Bank recorded a severe decline in profits in the early 1920s, its then President, Fred Molson, initiated negotiations with his cousin, Col. Herbert Molson, a director of Bank of Montreal. All Molsons employees were given either employment or life pensions.

Bank of Montreal’s branch network was characteristic of the major Canadian banks, though it contrasted sharply with the state banking system in the U.S. The geographical reach of the Canadian system allowed funds to be channeled across Canada wherever there was demand, and helped to assure the supply of credit to all regions.

The broad deposit base also enhanced the stability of the banks and the safety of depositors’ funds. From the beginning, the full resources of Bank of Montreal stood behind all its branches, enabling a local office to withstand a poor fishing season or a crop failure.

Keeping pace with Canada’s own progress, Bank of Montreal grew in size, assets and business and personal customers. Its pivotal role in the economy can be summed up by a comment in a study by the U.S. National Monetary Commission, following the U.S. banking crisis of 1907. Sir Edward Clouston, the bank’s then Vice-President, was asked if Bank of Montreal really did act as the central bank in Canada. “We do not wish to claim the position,” he replied, “but we are forced into it very often.”

While the bank ceded its role of central bank in 1934 to the newly formed Bank of Canada, it has continued to provide a broad array of services to the federal, provincial and municipal governments in Canada to this day. These services include: capital raising, advisory, research, trading and treasury and market risk management services.
Meeting the Challenges of War and Peace

Bank of Montreal’s support for national efforts was evident during the First World War, when it established temporary branches to pay troops at various encampments throughout Canada.

Overseas, meanwhile, all Canadian officers were paid through accounts at the bank’s Waterloo Place Branch in London, which also served as a meeting place for Canadian troops of all ranks because mail from home could be picked up there.

More critical assistance came when the bank successfully promoted Canadian Victory Loans. Commenting on this role years later, Sir Thomas White said: “I discovered when I was Minister of Finance that the Canadian banking system is the most perfect instrument that a Minister of Finance could have at his hand in floating a national loan.” The bank also aided the government by raising funds in New York’s capital markets.

The end of the war brought both peace and economic disruption. The economy recovered by the mid-1920s, by which time Canada had 11 chartered banks, but the Great Depression and the “Dirty Thirties” soon followed. The bank trimmed its branch network and its total assets, but, with its broad customer base, weathered the downturn.

In July 1933, the federal government appointed the Macmillan Commission, headed by the distinguished British jurist Lord Macmillan, to investigate the country’s financial system. The Commission’s findings led to the creation of a separate central bank to regulate credit and control the national currency.

With its establishment the following year, the Bank of Canada gradually assumed the exclusive right to issue currency. Bank of Montreal banknotes, first issued in 1817, were phased out over a period of 15 years. Bank of Montreal was warmly praised by the Macmillan Commission as “a ready source of skilled and impartial financial advice at the disposal of the administration of the day.”

The Second World War brought new challenges. Bank president George Spinney headed the National War Finance Committee, which oversaw the sale of Victory Loan bonds. The pace of economic activity was heightened by Canada’s role in providing equipment and supplies abroad. Canadian bankers were
recruited by the government to help manage the wartime effort at home, and 23 senior officers of the bank took leaves of absence to assume administrative and advisory roles in government.

The service and sacrifice of bank staff is commemorated to this day. In front of the bank’s main office in Winnipeg stands a nine-foot statue of a soldier. It was modeled after BMO employee Captain Wynn Bagnall of the 58th Field Artillery Battalion, who served in the Great War and was awarded the Military Cross. Captain Bagnall survived the war; 25 employees of his branch did not. Another statue, an allegorical figure of Victory, stands in the atrium of Montreal Main Branch to honour all BMO employees who died in the Great War. In all, 314 employees fell in combat in the two World Wars.

Canada’s three post-war decades were marked by rapid development in the industrial and service sectors. Bank of Montreal’s growth mirrored the country’s post-war expansion, as its services and expertise helped to support that expansion.

At home, Bank of Montreal was “My Bank®” to a million Canadians at war’s end, at a time when the population stood at just over 12 million. Along with meeting the personal banking needs of an expanding customer base, the bank made important contributions to the country’s growing foreign trade, and to its emerging political and economic role on the world stage.

The bank increased its presence abroad too. European offices served firms and individuals who were looking to Canada for business expansion, and served the banking needs of Canadians abroad as well. Continuing this tradition, Bank of Montreal also opened branches in the mid-1950s at Canadian Air Force and Army bases in France and Germany.

As new opportunities emerged during the post-war decades, Bank of Montreal was at the forefront, always mindful of customers’ changing requirements and desires. A prime example came in 1954, when approval came for chartered banks to engage in mortgage lending. Bank of Montreal was the first chartered bank in Canada to grant a mortgage loan in accordance with the new legislation, and in the next five years its advances quickly grew to $227 million.

Just as in its early years, when it facilitated canal and railway construction, Bank of Montreal was a major player in infrastructure efforts. For example, the bank took the lead in financing massive hydroelectric projects, such as Churchill Falls in the late 1960s, and La Grande at James Bay in the late 1970s. At the time, these projects involved the largest credit facilities ever offered to any company, public or private, in the world.

The bank’s support often enabled Canadian firms to compete successfully in world markets in the post-war period. The bank has financed shipments of aircraft to the Pacific Region; logging equipment to Eastern Europe; the international sale of CANDU nuclear power reactors; and real estate and energy projects in the U.S. and Australia.

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The Harris Heritage

While Bank of Montreal was making its mark in Canada, Harris Bankcorp was doing the same in the Chicago area. In 1984, the institutions came together when, under the leadership of CEO William Mulholland, Bank of Montreal acquired Harris.

The Harris story started in 1882, when Norman Wait Harris, a 35-year-old life insurance executive, moved to Chicago and opened N.W. Harris and Company. The firm started off selling municipal bonds to fund the building of roads, schools, waterworks, and other such necessities, and became a leading investment bank. By 1907, so many customers were leaving uninvested cash on deposit that the time had come to charter the company as Harris Trust and Savings Bank.

N.W. Harris’ impact was felt for generations. His son Albert, who served as the first office boy at Harris, assumed the presidency of the bank in 1913, and became chairman in 1923. He stepped down in 1943, but remained influential in bank affairs until his death in 1958. Stanley G. Harris, Jr., N.W.’s grandson, also led the bank, retiring as chairman in 1980.

Over the years, Harris became a leading retail bank in Chicago, and developed strength in the commercial middle market. The bank uses the lion as a symbol of its pride in serving customers’ financial needs, and later introduced a friendly lion mascot, Hubert, to show its approachability as a financial provider.

The second century of Harris essentially began in 1984, when it was purchased by Bank of Montreal. Though Bank of Montreal had been active in the U.S., the acquisition created a significant American footprint. Bank of Montreal’s growth strategy meshed well with that of Harris.

Ten years later, in 1994, Bank of Montreal became the first Canadian bank to be listed on the New York Stock Exchange – a further sign of the commitment to the U.S. market.


Today, Harris employs nearly 6,500 people across a branch network 15 times larger than in 1984, when it was acquired by Bank of Montreal. Harris operates in Chicago, its suburbs, and Central and Northwest Indiana; over 40 full-service locations in Wisconsin; and additional affiliated locations in nine other states (Arizona, California, Florida, Georgia, New Jersey, New York, Texas, Virginia and Washington).

The network of community banks established Harris deeply in the areas where it does business. In an effort to boost customer service, and create a stronger framework for future growth, Harris consolidated all of its banking charters into one in 2005.

Still operating from the same block where it built its first bank, Harris continues to live up to the values it has built over more than a century.
Exploring New Frontiers

Bank of Montreal was the first North American bank to provide full service in both Canada and the United States. This positioned the bank to serve North American clients in their international business, as well as clients based abroad who traded or invested in North America.

Beyond North America, BMO has a strong global presence. China is a prime example. In fact, Bank of Montreal’s very first foreign exchange transaction in 1818 helped the U.S. to finance its growing trade with China; a bank vice-president took the silver coins himself, via stagecoach, from Montreal to Boston. With Canada’s first major wheat sales to China in 1961, Bank of Montreal became one of the first western banks to have direct business ties with the head office of the Bank of China. Today, no Canadian bank is more entrenched in China. BMO has been:

- The first Canadian bank to receive a license for a full-service branch in Beijing (1996). That came a year after BMO established a branch in Guangzhou. There are now BMO branches in Beijing, Guangzhou, Hong Kong, and Shanghai.
- The first Canadian bank to participate as a market maker in China’s foreign exchange market (2002).
- The first foreign company to acquire an interest in an established fund management firm in China, when the bank received approval from the China Securities Regulatory Commission to acquire an interest in Fullgoal Fund Management Company Ltd. (2003).
- The first Canadian bank to be granted a derivatives license in China (2004).
- The first Canadian bank to open an investment banking representative office in China (Beijing in 2006).
- A pioneer in the Chinese foreign exchange market, consistently ranked among the top 10 banks in this area in China – whether domestic or foreign.

In addition to this deep commitment to China, BMO has long had a significant impact internationally. Bank of Montreal was the first Canadian bank to establish branches abroad, and today is represented directly in Europe, Asia, South America and Australia, and by a network of correspondents around the globe.

Today, BMO has a presence in London, England; Dublin, Ireland; Lugano and Zurich, Switzerland; Munich, Germany; Hong Kong SAR; Beijing, Guangzhou and Shanghai, China; Taipei, Taiwan; Mexico City, Mexico; Bridgetown, Barbados; Rio de Janeiro, Brazil; and Melbourne, Australia.

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Adding Investment Capabilities

Beyond geography, BMO has crossed many other frontiers in the financial services industry, whether in internal practices, improved service, or capabilities. These pioneering efforts show BMO’s ability to change with the times.

When Canadian regulations were liberalized to enable banks to own investment firms, BMO was quick off the mark. In 1987, BMO acquired the securities dealer Nesbitt Thomson, Inc. – the first of what would become many broker/bank mergers in the Canadian financial services sector.

Nesbitt Thomson was one of Canada’s oldest and most respected investment houses, founded in 1912 by A.J. Nesbitt of Montreal and P.A. Thomson of Hamilton, Ontario. The firm became a household name in Canada for its role in some of the world’s largest mining, resources, and hydroelectric power projects.

After World War II, Nesbitt Thomson expanded its operations to include such diverse sectors as chemicals and salt, steel and ships, farm machinery and retail, and a transcontinental natural gas pipeline.

The firm’s traditionally strong performance in retail distribution, institutional sales and research considerably broadened the range of services available to bank customers and signified important new opportunities.

In 1994, Nesbitt Thomson merged with Burns Fry Limited to create Nesbitt Burns. Burns Fry brought its own rich history in securities, dating back to its roots as Burns Bros. and Denton Ltd. (created 1932, known for equity trading and underwriting capabilities), and Fry Mills Spence (created 1925, known for strong debt trading and underwriting). Nesbitt Burns resulted in a large capital base and a strong branch-office system.

Further evolution occurred five years later when the corporate banking arm of Harris Bank merged with the U.S. investment banking capabilities of Nesbitt Burns. The new firm, Harris Nesbitt®, focused on the middle market of the U.S. Midwest. The year 2000 saw the creation of BMO Nesbitt Burns, as the BMO brand was added to the Nesbitt Burns name in order to link the firm’s corporate identity with BMO Financial Group.

More recently, in 2003, BMO acquired Gerard Klauer Mattison & Co. (GKM), providing Harris Nesbitt with a U.S.-based equity research and institutional sales and trading platform. GKM was founded in 1989 in New York as a boutique equity research and investment banking firm serving the institutional marketplace.

With roots dating back nearly a century, a team of advisors who offer a customized approach to investing, and top-ranked research (rated #1 by Brendan Wood International every year since 1981), BMO Nesbitt Burns stands as one of North America’s leading full-service investment firms.
Spirit of Technology Innovation

BMO’s spirit of innovation can be seen through the introduction of technology that has transformed banking and service to customers.

In 1963, for instance, Bank of Montreal installed a system to sort cheques and provide branches with daily print-outs of customer accounts – a modest achievement by today’s standards, but a technological breakthrough for the day.

Over the years, the bank has been a technological pioneer. Between 1975 and 1980, for instance, the bank became the first Canadian financial institution to go “online,” connecting all of its branches, stretching across six time zones, in real-time, to a central computer in Scarborough, Ontario. Eventually more than 20,000 terminals were linked to a single mainframe in one of the largest electronic networks in North America.

Continuous massive investments in computer hardware and software have enabled the bank to introduce innovative services, including cash management and nationwide processing of payrolls for businesses, and greatly improved convenience and choice for individual customers. Consider these milestones:

- Bank of Montreal was a leader in installing its first automated banking machines in Calgary, Alberta in 1980.
- In 1996, Bank of Montreal was the first Canadian bank to offer full-service banking across North America on the Internet. The online capabilities for retail customers coupled with the ABMs enabled BMO’s customers to conduct their business anywhere, anytime.
- The bank was the first in North America to introduce online mortgage adjudication in 1997.
- Online pioneering continued, with the bank being the first to offer a full-service online brokerage (2000), followed by online fixed income trading and a comprehensive online retirement management tool (both in 2001).
- In 2005, BMO was the first bank in Canada to build a Level 4 data centre, meaning it has the most advanced safety and business continuity features available for a data centre environment to support BMO’s operational resiliency.

Investments like these promise to continue to improve service and make the bank even more efficient and responsive to customers.

The IBM electronic cheque sorter at the Montreal Genie Centre, 1963. The machine could process up to 1,600 cheques per minute.

The Scarborough Computing Centre in Ontario, 1981. As one of the largest electronic networks in North America, it demonstrated the bank’s leadership in technology.

Instabank® machines in Ottawa, 2008. From early ABM installations to online banking, BMO has always looked to make it easier for customers to do business.
Achieving Prosperity Through Our People

The bank has demonstrated leadership in reaching other frontiers. That was certainly true during World War II, for instance, when the large-scale enlistment of bank employees created a demand for new workers. The bank responded by, for the first time, hiring women in significant numbers. By the war’s end, more than 40% of the bank’s employees were women.

In the years that followed, the bank maintained its tradition of firsts by appointing, in 1957, the first two female assistant managers of banks in Canada (Mary Pollock and Irene Reynolds); in 1963, the first female branch manager in Canada (Rebecca Watson); and, in 1967, the first female bank director (Pauline Vanier).

While women worked in the bank in ever greater numbers, they were underrepresented in management. To accelerate progress, the bank created a Task Force on the Advancement of Women in 1991. It listed barriers to advancement and recommendations to overcome them (such as providing better information on career-enhancing opportunities, and support balancing work and family).

Just three years later, the bank became the first Canadian company – and the first bank in North America – to win the high-profile Catalyst Award. The award is given to companies that show bold initiatives in promoting career and leadership development for women.

Today, the progress continues. Almost two thirds of the bank’s employees and more than one third of its executives are women. Women hold leadership positions in every area of operations including representation on the Management Committee – BMO’s most senior leaders – and on BMO’s Board of Directors.

Both BMO and Harris have won numerous awards since the 1990s for advancing women, in particular, and for workplace diversity, in general. BMO continues to be an employer of choice, one that reflects the diversity of the communities we serve, and draws strength from that diversity.

BMO recruits talented individuals, and gives them the opportunities and support required to succeed. A key objective is to be an equitable and inclusive workplace, one where all employees can bring their full potential to serve our clients and meet our business goals. In fact, in 2005 the bank was awarded the Best in Class Diversity Program Award by the International Quality & Productivity Center. The next year, Harris was recognized by Diversity Inc. as one of the 50 best companies for diversity.

Part of BMO’s corporate culture is a focus on ongoing learning and professional development. A dramatic sign of this longstanding commitment was the creation in 1993 of BMO Institute for Learning (IFL) in Toronto, a corporate university which BMO launched with a $50 million investment.

Today, two IFL campuses (one in Toronto and one in Chicago) offer a comprehensive array of learning solutions and tools, which enable employees to develop their professional knowledge and skills, and execute BMO’s business strategies. Beyond the physical classroom, the IFL provides a wide range of electronic learning programming to support the growth of employees – in every role and every location – from across the organization.

Learning is key to delivering continually higher business performance. One of the latest additions to BMO Institute for Learning’s curriculum is an advanced leadership program to help senior personnel to drive change, create an even more customer-focused culture, and effectively lead in today’s complex, competitive world.

BMO has earned many awards for its commitment to its people and learning, including the prestigious Optimas Award in 1997 for general excellence – the first time a Canadian organization of any type won this award, given for workforce management initiatives that achieve positive business results for the organization.
Investing in Our Communities

To succeed, companies must reflect the values of the customers and communities they serve and ensure they deliver both business and societal value. Good corporate citizenship is central to BMO – and always has been.

You can see this deeply rooted commitment starting with the £100 the bank gave the Montreal General Hospital in 1835 (our first recorded charitable donation), and extending to the three $2 million donations given in 2008 to Toronto’s Hospital for Sick Children and St. Michael’s Hospital and Vancouver’s B.C. Children’s Hospital.

You see the commitment in the $10,000 donation to McGill University in Montreal in 1911, and the $3 million donation to University of Toronto to establish the BMO National Scholarship Program in 1996.

You see it in the $2,000 the bank donated in 1891 to victims of the Springhill, Nova Scotia, mine fire, and the millions more donated in recent years through organizations like the Canadian Red Cross for natural disasters overseas (the earthquake in Sichuan province of China in 2008), in the U.S. (Hurricane Katrina, in 2005) and in Canada (the New Brunswick flood of 2008).

BMO’s community involvement has only strengthened over time. As one of Canada’s largest corporate benefactors, BMO supports causes that create better communities everywhere it does business.

In 2007, BMO contributed $50.4 million in donations, sponsorships and events to support charities, not-for-profit organizations and programs (85% of that amount in Canada, the rest in the U.S.). These investments benefit a broad range of areas, including education (the core of our charitable giving program), health, arts and culture, community development, and sports and athletics.

In the U.S., Harris has its own long history of involvement in the community. The Harris Bank Foundation, founded in 1953, awards grants focused on education and community development. The bank has also partnered with the United Way of Metropolitan Chicago for over 50 years, and is considered one of their top corporate citizens.

BMO’s people believe strongly in the need to improve the communities where they work and live. Employees generously donate their time, talents and dollars to countless causes. Since 2000 alone, staff have raised more than $50 million for over 3,300 charities through the BMO Employee Charitable Foundation. BMO encourages employee volunteerism through Volunteer Grants and Matching Gift programs, giving employees time off to give back to their own communities, and staffing and funding all of the administrative costs of the BMO Employee Charitable Foundation.

BMO’s corporate citizenship has been recognized in many ways. In 2005, we were one of the first Canadian companies on the new Dow Jones Sustainability North American Index, which lists companies with best practices in corporate social responsibility (CSR). That same year, BMO was named Best Corporate Citizen by Corporate Knights, and the magazine (which focuses on CSR) has put BMO near the top of this list every year.

More progress was seen in 2006 with the introduction of the BMO Corporate Responsibility Policy, which combined our Environmental Policy and Social Responsibility Corporate Standard. BMO reports on its social, economic and environmental activities by publishing an annual Corporate Responsibility Report.

When communities thrive, life is better for its citizens – as well as for BMO’s customers, employees, and business. BMO will continue to build on the longstanding tradition of contributing to organizations and programs that help build and sustain resilient, vital and healthy communities.
Building on Our Foundations

Few institutions, public or private, have played a more central role in the development of Canada than Bank of Montreal.

Many of its premises are an important part of Canada’s architectural heritage, from the stately classical offices in Montreal, Winnipeg and Victoria, to the reassuringly solid, two-storey buildings on the main streets of so many Canadian towns. In brick and stone, they embody an important part of Canada’s story.

In the U.S., Harris laid important foundations too. First in Chicago and later through an ever-expanding network of locations, Harris has had a significant impact on the financial services landscape – and within the BMO family.

Those nine Montreal merchants who founded Bank of Montreal were also builders, creating the pillars on which BMO still stands.

The bank’s founders were men of vision, who stood for integrity and fairness, believed in the prudential management of funds entrusted to them, placed a priority on service, and understood the vital role that financial institutions play in the economy. All are basic principles that remain as true today as they were in 1817.

Today, BMO represents excellence in financial services in every area where it has chosen to compete, throughout North America and around the world. The 36,000* BMO employees offer more services, in more places, in more currencies, than the founders could ever have imagined.

Just as it did in the 19th and 20th centuries, and now does into the 21st century, BMO will continue to build on its foundations to reach new and greater heights.

* At October 31, 2007.
Fast Facts


Total assets of $367 billion (as of October 2007).

In Canada, BMO Bank of Montreal has over 7 million customers

The initials “BMO” (pronounced bee-mo) link the member companies, and are also the stock ticker symbol on the Toronto and New York Stock Exchanges.

The “m-bar” logo has been in use since 1967. It was updated in 2002 with a red roundel.

Operates a network of almost 2,000 ABMs in Canada, and over 600 in the U.S.

Artifacts from BMO’s history are found at the museum located next to the Main Branch in Montreal, at 129 rue St. Jacques. The bank built the branch in 1847, and its neoclassical façade has barely been altered since its construction.

In 1973, BMO brought MasterCard®, then called Master Charge, into Canada.

Almost 36,000 employees

* Bank of Montreal uses a unified branding approach that links all of the organization’s member companies. In this document, the names BMO and BMO Financial Group mean Bank of Montreal, together with its subsidiaries.