

BANK OF MONTREAL
MINUTES OF ANNUAL MEETING OF SHAREHOLDERS

Tuesday, April 1, 2014

The 196th Annual Meeting of Shareholders of Bank of Montreal (the “Bank”) was held in the Presentation Hall, BMO’s Institute for Learning (“IFL”), Toronto, Ontario, Tuesday, April 1, 2014 commencing at 9:30 a.m. (local time).

In accordance with the By-laws of the Bank, Robert Prichard, the Bank’s Chairman of the Board, acted as Chair of the meeting, and Barbara Muir, the Bank’s Corporate Secretary, acted as Secretary of the meeting.

The Chair introduced the Bank executives on the platform: Mr. William Downe, Chief Executive Officer; Mr. Tom Flynn, Chief Financial Officer; Mr. Simon Fish, General Counsel; and Ms. Barbara Muir. He extended a warm welcome to shareholders and noted that it was a pleasure to be holding the Annual Meeting of Shareholders at BMO’s IFL this year to mark the occasion of its 20th anniversary.

The Chair noted that members of the Board of Directors of Bank of Montreal and the Bank’s senior management team were seated in the audience. He then appointed Mr. Steve Gilbert and Ms. Sonia Ciavaglia, representatives of Computershare Trust Company of Canada, as Scrutineers for the meeting. The Chair advised that notice of the meeting had been duly given in accordance with the *Bank Act* and a quorum of shareholders was present in person or represented by proxy. Therefore, he declared the meeting to be properly constituted for the transaction of such business as may be properly brought before it. The Chair noted that the following representatives of the shareholders’ auditors, KPMG LLP, were in attendance: Mr. Reinhard Dotzlaw; Ms. Heather Kaine; and Mr. Bill Thomas.

PROCEDURES

The Chair outlined procedures to be followed in the conduct of the meeting and noted that voting on all matters of business would be conducted by electronic ballot. The Chair also advised that closed captioning was provided for the hearing impaired and that the meeting was being broadcast live on the Internet in both official languages. He then outlined the agenda for the meeting and made comments in respect of forward-looking statements and non-GAAP financial measures. In response to a question from the floor, the Chair confirmed that the question and answer period for this shareholders’ meeting would fall within the formal part of the meeting.

CHIEF EXECUTIVE OFFICER REMARKS

In his address to shareholders, Mr. Downe advised that, during the previous six years, the Bank had held its Annual Meeting of Shareholders in several markets across Canada and was returning to Toronto this year, both to celebrate the IFL’s 20th anniversary and to recognize the importance of the city to the Bank during the past two centuries. Mr. Downe then reviewed the Bank’s performance in fiscal 2013 and discussed three main areas of focus: (i) extending the digital experience across all channels; (ii) leveraging data to better serve customers and; (iii) the Bank’s human capital.

ADDITIONAL PROCEDURES

The Chair reviewed with those present additional procedures for the meeting, including electronic voting. For the electronic voting mechanism, the Chair took the meeting through a sample practice vote for the benefit of those shareholders and proxyholders present who were voting electronically.

2013 ANNUAL FINANCIAL STATEMENTS AND AUDITORS' REPORT TO SHAREHOLDERS

The Chair referred to the Annual Report for the financial year ended October 31, 2013, a copy of which was forwarded to shareholders in advance of the meeting. He noted that the Annual Financial Statements were included on pages 125 to 188 of the Annual Report. He invited questions on the financial statements. There were none.

The Chair advised that the Auditors' Report contained on page 123 of the Bank's 2013 Annual Report would be taken as read.

ELECTION OF THE BOARD OF DIRECTORS

The Chair introduced the nominees for re-election as Directors. He thanked the Directors for their service to the Bank, and noted the contributions of the four Committee Chairs (Philip Orsino, Robert Astley, Martha Piper and Don Wilson III) and the Chair of the Board of Directors of The Pension Fund Society of the Bank of Montreal (Ronald Farmer). The following 13 persons were then nominated (with such nomination seconded) to be elected as Directors of the Bank until the next succeeding Annual Meeting of Shareholders of the Bank, or until their successors are elected or appointed:

Robert M. Astley	Eric La Flèche
Janice M. Babiak	Bruce H. Mitchell
Sophie Brochu	Philip S. Orsino
George A. Cope	Martha C. Piper
William A. Downe	J. Robert S. Prichard
Christine Edwards	Don M. Wilson III
Ronald H. Farmer	

The Chair called for discussion on the motion and then asked the shareholders and proxyholders to cast their votes.

APPOINTMENT OF THE SHAREHOLDERS' AUDITORS

The following motion (duly made and seconded) was presented to the meeting:

THAT the firm of KPMG LLP be appointed as auditors of the Bank for the ensuing year.

The Chair called for discussion on the motion and then asked the shareholders and proxyholders to cast their votes.

ADVISORY RESOLUTION ON THE BANK'S APPROACH TO EXECUTIVE COMPENSATION

The Chair introduced the next item of business which was the approval of an advisory resolution on the Bank's approach to executive compensation, details of which were set out on page 6 of the management proxy circular for the meeting.

The following motion (duly made and seconded) was presented to the meeting:

RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the Shareholders accept the approach to executive compensation disclosed in this Management Proxy Circular delivered in advance of the 2014 Annual Meeting of Shareholders of the Bank.

The Chair called for discussion on the motion and then asked the shareholders and proxyholders to cast their votes. Before the vote, a brief discussion initiated from the floor took place regarding vertical benchmarking.

SHAREHOLDER PROPOSALS

The Chair advised that the next item of business was to consider the five Shareholder Proposals as set out on pages 46 to 50 of the management proxy circular. However, before proceeding to consideration of these proposals, the Chair invited Mr. William Davis, who had withdrawn a proposal the prior year that was co-filed with NEI Investments relating to the merits of horizontal benchmarking for senior executive compensation (as noted on page 51 of the management proxy circular), to address the meeting. Mr. Davis spoke briefly about the withdrawn proposal and his views on the benefits of vertical rather than horizontal benchmarking.

The Chair next referred to the five proposals submitted and reminded shareholders that the Board's position and recommendation on each of the five proposals was stated in the management proxy circular and that for ease of reference, an extract containing the proposals and the Bank's responses was provided to those in attendance.

The following motions (duly made and seconded) on the five proposals, submitted by the Mouvement d'Éducation et de Défense des Actionnaires ("MÉDAC"), were presented to the meeting by its representative, Mr. Willie Gagnon, who also made supporting comments at the meeting in respect of each:

Proposal No. 1

THAT the Bank agree to phase out stock options as a form of variable compensation for its executives.

Proposal No. 2

THAT the Bank inform its shareholders and stakeholders of the action taken following a significant vote against the executive compensation policy.

Proposal No. 3

THAT the Bank adopt, with regards to the status of the pension plans it administers, a more transparent reporting process focusing, in plain language, on the issues faced by such pension plans.

Proposal No. 4

THAT the Bank issue a request for proposals every five years to retain auditor services.

Proposal No. 5

THAT the Bank disclose, at the next annual meeting, the actions it intends to take to conform to the plan filed by the OECD on July 20 with regards to the non-payment by multinationals of

their fair share of taxes.

Following the presentation of each motion, the Chair called for discussion and then asked the shareholders and proxyholders to cast their votes. In respect of Shareholder Proposal No. 4, a question from the floor was asked in relation to how long the Bank proposed to keep the same shareholders' auditors – in response, it was noted that a rigorous review of the auditors' performance was undertaken every year, with a comprehensive review being done every 5 years.

The votes cast were then tabulated electronically.

SHAREHOLDERS' QUESTIONS

The Chair then declared the meeting open for shareholder questions. Comments and questions were received from various shareholders or proxyholders and were addressed, with respect to: the Bank's contractual obligations with respect to BMO Field, as well as Super Bowl advertising; the three biggest areas of opportunity for the Bank; the availability of shareholders' meeting minutes; the Bank's credit card business; the impact, if any, to the Bank of a slowdown in China's economy; and measuring customer service experience.

VOTING RESULTS

The Chair called upon the Scrutineers to report the results of the voting. Mr. Gilbert announced the results of the voting which are appended to and form part of these minutes as Appendix A.

The Chair declared that: the thirteen nominees proposed for election as directors of the Bank were elected; the audit firm of KPMG LLP was appointed as the Shareholders' Auditors of the Bank for the ensuing year; the advisory resolution on the Bank's approach to executive compensation was approved; and shareholder proposals 1, 2, 3, 4 and 5 were defeated.

TERMINATION OF MEETING

The Chair thanked all those who attended the meeting. With there being no further business, the Chair declared the meeting terminated.

Confirmed

Chair

Verified

Secretary

LIST OF APPENDICES

Appendix A Voting Results

**REPORT UNDER
NATIONAL INSTRUMENT 51-102
REPORT OF VOTING RESULTS**

To: Canadian Securities Administrators

In accordance with section 11.3 of National Instrument 51-102 – Continuous Disclosure Obligations, the following sets out the matters voted on at the Annual Meeting of Shareholders of Bank of Montreal (the “Bank”) held on April 1, 2014 and as such votes were conducted by ballot, the number and percentage of votes cast for, against/withheld or abstentions from each vote. Each of the matters set out below is described in greater detail in the Notice of Annual Meeting of Shareholders and Management Proxy Circular which was mailed to shareholders prior to the Annual Meeting and is available at www.bmo.com/investorrelations.

The Board of Directors and management of the Bank recommended that shareholders vote FOR the election as director of each of the 13 nominees listed in the Management Proxy Circular, FOR the appointment of KPMG LLP as Auditors of the Bank, FOR the advisory resolution on the Bank’s approach to executive compensation and AGAINST Shareholder Proposals 1 through 5.

1. Election of Directors

A ballot was conducted to vote on each resolution to appoint each of the following 13 nominees as a Director of the Bank to serve until the next Annual Meeting of Shareholders of the Bank or until their resignation or their successor is elected or appointed, and the outcome was as follows:

Nominee	Votes For		Votes Withheld	
Robert M. Astley	266,033,749	99.29%	1,891,379	0.71%
Janice M. Babiak	265,690,744	99.17%	2,233,755	0.83%
Sophie Brochu	260,326,338	97.16%	7,597,536	2.84%
George A. Cope	258,873,435	96.62%	9,050,439	3.38%
William A. Downe	266,265,294	99.38%	1,657,214	0.62%
Christine A. Edwards	266,747,430	99.56%	1,174,893	0.44%
Ronald H. Farmer	265,892,493	99.24%	2,030,014	0.76%
Eric La Flèche	266,197,496	99.36%	1,724,412	0.64%
Bruce H. Mitchell	266,302,313	99.40%	1,615,484	0.60%
Philip S. Orsino	266,199,435	99.36%	1,718,456	0.64%
Martha C. Piper	266,085,342	99.32%	1,832,503	0.68%
J. Robert S. Prichard	264,794,328	98.83%	3,123,562	1.17%
Don M. Wilson III	266,613,428	99.51%	1,305,073	0.49%

2. Appointment of Shareholders' Auditors

A ballot was conducted to vote on the resolution to appoint the firm of KPMG LLP as the auditors of the Bank for the 2014 fiscal year and the outcome was as follows:

Votes For		Votes Withheld	
276,993,558	97.49%	7,131,966	2.51%

3. Advisory Resolution on Executive Compensation

A ballot was conducted to vote on the advisory resolution on the Bank's approach to executive compensation as outlined in the Management Proxy Circular and the outcome was as follows:

Votes For		Votes Against	
250,528,007	93.51%	17,379,383	6.49%

4. Shareholder Proposal No. 1

A ballot was conducted to vote on a shareholder proposal regarding 'Phasing Out Stock Options as a Form of Compensation' as follows:

Votes For		Votes Against		Abstentions
11,128,551	4.21%	253,287,864	95.79%	3,492,022

5. Shareholder Proposal No. 2

A ballot was conducted to vote on a shareholder proposal regarding 'Say on Pay on Executive Compensation: Addressing Dissatisfaction' and the outcome was as follows:

Votes For		Votes Against		Abstentions
12,693,907	4.80%	251,583,337	95.20%	3,631,506

6. Shareholder Proposal No. 3

A ballot was conducted to vote on a shareholder proposal regarding 'Pension Plans and Transparency' and the outcome was as follows:

Votes For		Votes Against		Abstentions
8,427,311	3.18%	256,211,534	96.82%	3,280,469

7. Shareholder Proposal No. 4

A ballot was conducted to vote on a shareholder proposal regarding 'Request for Proposals for Auditors' and the outcome was as follows:

Votes For		Votes Against		Abstentions
9,571,059	3.62%	254,467,039	96.38%	3,889,570

8. Shareholder Proposal No. 5

A ballot was conducted to vote on a shareholder proposal regarding 'Pay its Fair Share of Taxes' and the outcome was as follows:

Votes For		Votes Against		Abstentions
4,746,716	1.80%	259,424,540	98.20%	3,755,936

Dated this 1st day of April, 2014.

Bank of Montreal

By: /s/ Barbara M. Muir
Barbara M. Muir
Corporate Secretary