

BANK OF MONTREAL

MINUTES OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Tuesday, April 4, 2017

The Annual and Special Meeting of Shareholders of Bank of Montreal (the “Bank”) was held in the Presentation Hall of BMO’s Institute for Learning (“IFL”), Toronto, Ontario, Tuesday, April 4, 2017 commencing at 9:30 a.m. (Eastern 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 extended a warm welcome to shareholders and guests and introduced the Bank executives on stage: Mr. William Downe, Chief Executive Officer (CEO); Mr. Tom Flynn, Chief Financial Officer; Mr. Simon Fish, General Counsel; and Ms. Muir.

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. The Chair then advised that notice of the meeting had been duly given and a quorum was present. He declared the meeting properly constituted for the transaction of such business.

The Chair appointed Mr. Steve Gilbert and Ms. Sonia Ciavaglia, representatives of Computershare Trust Company of Canada, as Scrutineers for the meeting. The Chair also noted that the following representatives of the shareholders’ auditors, KPMG LLP, were in attendance: Mr. Elio Luongo (CEO), Mr. Jim Newton (lead audit partner); and Mr. Naveen Kalia.

PROCEDURES

The Chair outlined certain procedures to be followed in the conduct of the meeting. 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.

CHAIRMAN’S GENERAL COMMENTS

The Chair commented on the Bank’s 200th anniversary and remarked on the bank’s performance in the last fiscal year, which built on the success of earlier years.

CHIEF EXECUTIVE OFFICER REMARKS

In his address to shareholders, Mr. Downe discussed the bank’s bicentenary year and the bank’s 2016 financial results. Mr. Downe spoke about strategic priorities, the importance of digital technology, and the Bank’s commitment to understanding the needs of our customers. Mr Downe also commented on the investment being made in the development of employees’ knowledge and skills as traditional roles change and new ones emerge.

ADDITIONAL PROCEDURES

The Chair reviewed additional procedures for the meeting and noted that voting on all matters of business requiring a vote by shareholders would be conducted by paper ballot.

2016 ANNUAL FINANCIAL STATEMENTS AND AUDITORS' REPORT TO SHAREHOLDERS

The Chair referred to the Annual Report for the financial year ended October 31, 2016, a copy of which was forwarded to shareholders in advance of the meeting. He noted that the Annual Financial Statements were included in the Annual Report.

The Chair advised that the Auditors' Report contained in the Bank's 2016 Annual Report would be taken as read. He then invited questions on the financial statements. There being none, he proceeded to the next items of business.

ELECTION OF THE BOARD OF DIRECTORS

The Chair introduced the twelve nominees standing for re-election as Directors and introduced a new nominee, Linda Huber, standing for election the first time. He thanked the Directors for their service to the Bank, and noted the contributions of the four Committee Chairs (Christine Edwards, Ron Farmer, Philip Orsino and Don Wilson III).

The following thirteen 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:

Janice M. Babiak	Eric La Flèche
Sophie Brochu	Linda Huber
George A. Cope	Lorraine Mitchelmore
William A. Downe	Philip S. Orsino
Martin S. Eichenbaum	J. Robert S. Prichard
Christine Edwards	Don M. Wilson III
Ronald H. Farmer	

The Chair called for discussion on the motion and, there being none, asked the shareholders and proxyholders present 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, there being none, asked the shareholders and proxyholders present to cast their votes.

SPECIAL RESOLUTION AMENDING BY-LAW NUMBER 8 REGARDING DIRECTORS' AGGREGATE COMPENSATION AND REMOVAL OF REFERENCE TO NON-OFFICER DIRECTOR STOCK OPTION PLAN

The Chair introduced the next item of business, a special resolution amending By-Law number 8 regarding directors' aggregate compensation and removal of reference to non-officer director stock option

plan, details of which were set out on pages six and seven of the Management Proxy Circular.

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

RESOLVED, that the amendments to By-Law No. Eight, removing the reference to a Non-Officer Director Stock Option Plan and adding “In each fiscal year after October 31, 2016, the total of all amounts that may be paid by the Bank to all directors of the Bank as remuneration for their services as directors shall not exceed \$5,000,000.” are confirmed.

The Chair called for discussion on the motion and, there being none, asked the shareholders and proxyholders present to cast their votes.

SPECIAL RESOLUTION TO ENABLE THE BANK TO IMPLEMENT CHANGES TO VARIABLE COMPENSATION FOR CERTAIN EUROPEAN UNION STAFF TO COMPLY WITH REGULATORY REQUIREMENTS

The Chair introduced the next item of business which was the approval of a special resolution to enable the bank to implement changes to variable compensation for certain European Union staff to comply with regulatory requirements, details of which were set out on page seven of the Management Proxy Circular.

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

RESOLVED that BMO, in determining the variable compensation of individuals classified as Material Risk Takers in affected EU BMO institutions in accordance with the relevant provisions of CRD IV and the CDR in each EU Member State, is authorised to apply a ratio between the fixed and variable components of total compensation for such Material Risk Takers that exceeds 1:1, so long as the ratio does not exceed 1:2 for such Material Risk Takers.

The Chair called for discussion on the motion and, there being none, asked the shareholders and proxyholders present 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 pages 7 and 8 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 the Management Proxy Circular delivered in advance of the 2017 Annual and Special Meeting of Shareholders of the Bank.

The Chair opened the floor for discussion and M. Felix Pinel, from Mouvement d’Éducation et de Défense des Actionnaires (“MÉDAC”), commented on executive compensation. The Chair thanked M. Pinel for his comments and then asked the shareholders and proxyholders present to cast their votes.

COLLECTION AND TABULATION OF BALLOTS

The Chair declared the polls closed with respect to all items of business and the scrutineers left the

meeting to tabulate the ballots.

During the ballot tabulation period, the Chair recognized M. Pinel from MÉDAC who commented on two shareholder proposals that MÉDAC submitted and subsequently withdrew following discussion with the Bank.

VOTING RESULTS

Following collection and tabulation of the ballots cast at the meeting, the Chair called upon the Scrutineers to report the results of the voting. Mr. Gilbert announced the preliminary results of the voting, a final copy of which is appended to and forms 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 special resolution amending By-Law number 8, the special resolution on variable compensation for certain European Union staff, and the advisory resolution on the Bank's approach to executive compensation were approved.

SHAREHOLDERS' QUESTIONS

The Chair then declared the meeting open for shareholder questions. Comments and questions were received from various shareholders or proxyholders in person and via webcast and were addressed, with respect to: auditor independence, the Bank's disciplined approach to ensure the integrity of sales practices, pensions, share buy-back and share splits, plans for future acquisitions, growing the U.S. business and the board's commitment to diversity.

TERMINATION OF MEETING

The Chair thanked all those who attended the meeting. With there being no further business, the Chair declared the meeting terminated at 10:37 a.m.

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 and Special Meeting of Shareholders of Bank of Montreal (the “Bank”) held on April 4, 2017 and, as such votes were conducted by ballot, the number and percentage of votes cast for, against/withheld from each vote. Each of the matters set out below is described in greater detail in the Notice of Annual and Special Meeting of Shareholders and Management Proxy Circular which was mailed to shareholders prior to the Annual and Special 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 special resolution amending By-Law No. Eight, FOR a special resolution to enable the Bank to implement changes to variable compensation for certain European staff, and FOR the advisory resolution on the Bank’s approach to executive compensation.

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	
	Count	Percentage	Count	Percentage
Janice M. Babiak	291,033,842	99.55%	1,317,948	0.45%
Sophie Brochu	290,575,847	99.39%	1,775,925	0.61%
George A. Cope	286,869,445	98.12%	5,481,876	1.88%
William A. Downe	290,591,790	99.40%	1,761,530	0.60%
Christine A. Edwards	290,889,665	99.50%	1,460,526	0.50%
Martin S. Eichenbaum	290,869,806	99.49%	1,481,977	0.51%
Ronald H. Farmer	285,542,296	97.67%	6,809,495	2.33%
Linda Huber	290,925,108	99.51%	1,427,845	0.49%
Eric R. La Flèche	290,936,455	99.52%	1,416,563	0.48%
Lorraine Mitchelmore	290,822,247	99.48%	1,529,170	0.52%
Philip S. Orsino	285,937,830	97.81%	6,413,960	2.19%
J. Robert S. Prichard	279,773,150	95.70%	12,578,640	4.30%
Don M. Wilson III	290,542,474	99.38%	1,808,561	0.62%

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 2017 fiscal year and the outcome was as follows:

Votes For		Votes Withheld	
299,745,823	97.31%	8,273,730	2.69%

3. Special Resolution to amend the Bank's By-Law No. Eight regarding director's aggregate compensation and removal of reference to Non-Officer Director Stock Option Plan

A ballot was conducted to vote on the Amendments to the Bank's By-Law No. Eight regarding director's aggregate compensation and removal of reference to Non-Officer Director Stock Option Plan and the outcome was as follows:

Votes For		Votes Against	
285,979,100	97.82%	6,366,616	2.18%

4. Special Resolution to enable the Bank to implement changes to variable compensation for certain European staff

A ballot was conducted to vote on the Special Resolution to enable the Bank to implement changes to variable compensation for certain European staff and the outcome was as follows:

Votes For		Votes Against	
284,232,918	97.22%	8,120,057	2.78%

5. Advisory Resolution on the Bank's approach to Executive Compensation

A ballot was conducted to vote for the Advisory Resolution on the Bank's approach to Executive Compensation and the outcome was as follows:

Votes For		Votes Against	
271,244,720	92.78%	21,105,758	7.22%

Dated this 4th day of April, 2017.

Bank of Montreal

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