

Final Term Sheet

Issuer:	Bank of Montreal (the “Bank”).
Issue:	Fixed Rate Senior Notes (the “Senior Notes”).
Principal Amount:	\$1,750,000,000.
Pricing Date:	July 25, 2019.
Settlement Date:	July 29, 2019 (T+2).
Maturity Date:	July 29, 2024.
Credit Spread:	92.2 basis points (credit 92 bps, curve 0.2 bps).
Benchmark Bond:	GoC 1.50% September 1, 2024. Interpolated Curve: GoC 2.50% June 1, 2024 and GoC 1.50% September 1, 2024.
Benchmark Yield:	1.367% (GoC 1.50% September 1, 2024 priced at \$100.65).
Issue Price:	\$99.958.
Issue Yield:	2.289%.
Coupon:	2.28%.
Coupon Payment Dates:	Interest will be paid in equal payments semi-annually in arrears, on January 29 and July 29, commencing January 29, 2020.
Redemption:	<p>The Bank may, at its option, on not less than 30 days’ and not more than 60 days’ prior notice to the registered holders of the Senior Notes, redeem the Senior Notes, in whole or in part, at a redemption price equal to the greater of: (1) the Canada Yield Price (as defined therein) and (2) 100% of the principal amount thereof, plus any accrued and unpaid interest to, but excluding, the date of redemption.</p> <p>“Canada Yield Price” means a price equal to the price of the Senior Notes calculated to provide a yield to maturity equal to the Government of Canada Yield plus 23 bps on the business day preceding the date of the announcement of the redemption.</p> <p>“Government of Canada Yield” means the average of the yields determined by two registered Canadian investment dealers, selected by the Bank, (assuming semi-annual compounding) which a non-callable Government of Canada bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount with a term to maturity approximately equal to the remaining term to the Maturity Date.</p> <p>Redemption for any reason (including, without limitation, on any maturity date other than the final maturity date) will be subject to the prior approval of the Superintendent of Financial Institutions (the “Superintendent”) if such redemption would lead to a breach of the Bank’s Total Loss Absorbing Capacity (“TLAC”) requirements.</p>
Open Market Purchases:	The Issuer may purchase Senior Notes in the market or by tender or by private contract at any price.

Expected Ratings:	DBRS: AA(low) Moody's: A2
Form and Denomination:	Book entry only through participants in CDS. Minimum Denomination: \$1,000.
Rank:	The Senior Notes are senior indebtedness and will be direct unsecured obligations of the Bank ranking <i>pari passu</i> with all other unsecured and unsubordinated indebtedness and obligations of the Bank outstanding from time to time.
Distribution:	Not for distribution outside of Canada.
CDIC Insurance:	The Senior Note does not constitute a deposit that is insured under the Canadian Deposit Insurance Corporation Act.
Bail-inable:	The Senior Notes are bail-inable notes subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Senior Notes. For a description of Canadian bank resolution powers and the consequent risk factors attaching to the Senior Notes reference is made to Bail In TLAC Disclosure , which information is hereby incorporated by reference.
Subsequent Holders:	Each holder or beneficial owner of a Senior Note that acquires an interest in the Senior Note in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such holder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified in the Senior Note to the same extent as the holders or beneficial owners that acquire an interest in the Senior Note upon its initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Senior Note related to the bail-in regime.
CUSIP/ISIN:	06368B5B0 / CA06368B5B08
Events of Default:	Non-payment of principal and interest when due for a period of 30 business days and acts of insolvency. Default rights may not be exercised where an order has been made pursuant to s. 39.13(1) of the CDIC Act in respect of the Bank. The Senior Notes will remain subject to bail-in conversion until repaid in full.
Set-Off:	The holders and beneficial owners of the Senior Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to the Senior Notes.
Documentation:	No offering memorandum, prospectus, sales or advertising literature, or any other document describing or purporting to describe the business and affairs of the Bank has been prepared or is being provided to prospective purchasers in order to assist them in making an investment decision in respect of the Senior Notes.
Governing Law:	Ontario and the federal laws of Canada applicable therein.
Attornment:	Courts of the Province of Ontario.
Agent:	BMO Nesbitt Burns Inc.