

MIFID II PRODUCT GOVERNANCE / TARGET MARKET - Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPS REGULATION PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended including by Directive 2010/73/EU, the "Prospectus Directive"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

THESE SENIOR NOTES ARE 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 BANK OF MONTREAL OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT (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 NOTES.

Final Terms dated July 23, 2020

**Bank of Montreal
(the "Issuer")**

LEI: NQQ6HPCNCCU6TUTQYE16

Issue of USD 50,000,000 Zero Coupon Callable Notes due July 27, 2060

Senior Notes

under the U.S.\$20,000,000,000 Note Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Prospectus dated July 16, 2020, including all documents incorporated by reference (the "**Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Regulation. As used herein, "**Prospectus Regulation**" means Regulation (EU) 2017/1129. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Prospectus in order to obtain all the relevant information. The Prospectus has been published on the website of the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> under "Bank of Montreal".

1.
 - (i) Series Number: 223
 - (ii) Tranche Number: 1
 - (iii) Date on which the Notes will be consolidated and form a single Series: Not Applicable.
2. Specified Currency or Currencies: United States Dollars ("**USD**")
3. Aggregate Nominal Amount:
 - (i) Series: USD 50,000,000
 - (ii) Tranche: USD 50,000,000
4. Issue Price: 100 per cent. of the Aggregate Nominal Amount
5.
 - (i) Specified Denomination(s): USD 200,000
 - (ii) Calculation Amount: USD 200,000
6.
 - (i) Issue Date: July 27, 2020
 - (ii) Interest Commencement Date: Issue Date
7. Maturity Date: July 27, 2060
8. Interest Basis: Zero Coupon
(further particulars specified in paragraph 17 below)

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| 9. | Redemption Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 330.03 per cent. of their Nominal Amount |
| 10. | Change of Interest: | Not Applicable |
| 11. | Put/Call Options: | Bank Call Option

(further particulars specified in paragraph 18) |
| 12. | Date(s) of Board approval for issuance of Notes obtained: | Not Applicable |
| 13. | Bail-inable Notes: | Yes |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions | Not Applicable |
| 15. | Fixed Rate Reset Note Provisions | Not Applicable |
| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Applicable |
| | (i) Accrual Method: | Compounding Accrual |
| | (ii) Compounding basis: | Annual |
| | (iii) Accrual Yield: | 3.03 per cent. per annum |
| | (iv) Reference Price: | 100 per cent. |
| | (v) Day Count Fraction in relation to Early Redemption Amounts and late payment: | 30/360 |
| | (vi) Determination Dates: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

18. **Bank Call Option** Applicable
- (i) Optional Redemption Date(s): July 27 in each year, commencing on July 27, 2021 up to and excluding the maturity date, subject to adjustment in accordance with the Following Business Day Convention
- (ii) Optional Redemption Amount(s) of each Note:

Optional Redemption Date	Optional Redemption Price (per cent.)	Optional Redemption Amount (/USD per Calculation Amount)	Optional Redemption Amount
27 July 2021	103.03	206,060.00	51,515,000
27 July 2022	106.15	212,303.60	53,075,900
27 July 2023	109.37	218,736.40	54,684,100
27 July 2024	112.68	225,364.20	56,341,050
27 July 2025	116.10	232,192.60	58,048,150
27 July 2026	119.61	239,228.20	59,807,050
27 July 2027	123.24	246,476.80	61,619,200
27 July 2028	126.97	253,945.00	63,486,250
27 July 2029	130.82	261,639.40	65,409,850
27 July 2030	134.78	269,567.20	67,391,800
27 July 2031	138.87	277,735.00	69,433,750
27 July 2032	143.08	286,150.40	71,537,600
27 July 2033	147.41	294,820.80	73,705,200
27 July 2034	151.88	303,753.80	75,938,450
27 July 2035	156.48	312,957.60	78,239,400
27 July 2036	161.22	322,440.20	80,610,050
27 July 2037	166.11	332,210.20	83,052,550
27 July 2038	171.14	342,276.20	85,569,050
27 July 2039	176.32	352,647.00	88,161,750
27 July 2040	181.67	363,332.20	90,833,050
27 July 2041	187.17	374,341.20	93,585,300
27 July 2042	192.84	385,683.80	96,420,950
27 July 2043	198.69	397,370.00	99,342,500
27 July 2044	204.71	409,410.40	102,352,600
27 July 2045	210.91	421,815.40	105,453,850
27 July 2046	217.30	434,596.40	108,649,100
27 July 2047	223.88	447,764.80	111,941,200
27 July 2048	230.67	461,332.00	115,333,000
27 July 2049	237.66	475,310.40	118,827,600
27 July 2050	244.86	489,712.20	122,428,050
27 July 2051	252.28	504,550.60	126,137,650
27 July 2052	259.92	519,838.40	129,959,600
27 July 2053	267.79	535,589.60	133,897,400
27 July 2054	275.91	551,818.00	137,954,500
27 July 2055	284.27	568,538.00	142,134,500
27 July 2056	292.88	585,764.60	146,441,150
27 July 2057	301.76	603,513.40	150,878,350
27 July 2058	310.90	621,799.80	155,449,950
27 July 2059	320.32	640,640.40	160,160,100
27 July 2060	330.03	660,051.80	165,012,950

- (iii) Redeemable in part: No
- (iv) If redeemable in part: Not Applicable
- (v) Notice period: Minimum period: 5 Business Days

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| 19. | Noteholder Put Option | Not Applicable |
| 20. | Early Redemption for Illegality (Range Accrual Notes) | Not Applicable |
| 21. | Bail-inable Notes - TLAC Disqualification Event Call: | Not Applicable |
| 22. | Final Redemption Amount: | USD 660,051.80 per Calculation Amount |
| 23. | Early Redemption Amount | |

Early Redemption Amount(s) payable on Condition 5(g)(iii) applies redemption for taxation reasons, on event of default or, if applicable, for illegality:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | Bearer Notes |
| | | Temporary global Note exchangeable on or after September 7, 2020 for a permanent global Note which is exchangeable for Definitive Notes in the limited circumstances specified in Condition 2. |
| 25. | New Global Note or Classic Global Note: | Classic Global Note |
| 26. | Additional Financial Centre(s): | London, New York, Toronto |
| 27. | Talons for future Coupons to be attached to Definitive Notes: | No |
| 28. | Branch of Account: | Toronto |
| 29. | Calculation Agent for purposes of Condition 6(f) (if other than the Agent): | Not Applicable |
| 30. | Calculation Agent for purposes of Condition 6(h) (RMB Notes) (if other than the Agent): | Not Applicable |
| 31. | RMB Settlement Centre: | Not Applicable |
| 32. | Relevant Valuation Time for RMB Notes: | Not Applicable |
| 33. | Alternative Currency Payment: | Not Applicable |

Signed on behalf of Bank of Montreal:

A handwritten signature in black ink, appearing to read "D. P. Ly", is written over a solid horizontal line.

By: Deland Kamanga
Managing Director and Head, Global Markets

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing/Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange
- Date from which admission is expected to be effective: July 27, 2020
- (ii) Estimate of total expenses related to admission: GBP 4,500

2. RATINGS

Ratings: The Notes have not been specifically rated.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Purchaser, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Purchaser and its affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. OPERATIONAL INFORMATION

ISIN: XS2209342091

Common Code: 220934209

CFI Code: DTZXFB, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

FISN: BK OF MONTREAL /ZERO CPN MTN, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable

Names and addresses of additional Paying Agent(s) (if any) and if applicable a statement that it or they should be sole Paying Agent(s) for the Series: Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

5. DISTRIBUTION

- (i) United States of America selling restrictions: Regulation S, Category 2, TEFRA D
- (ii) Canadian selling restriction: Canadian Sales Not Permitted.
- (iii) Prohibition of Sales to EEA and UK Retail Investors: Applicable
- (iv) Prohibition of Sales to Belgian Consumers: Applicable

6. REASONS FOR OFFER AND ESTIMATED NET PROCEEDS

- (i) Use of proceeds: As specified in the Prospectus
- (ii) Estimated net proceeds: USD 50,000,000

7. BENCHMARKS

Not Applicable