

**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 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"). 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 has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA 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 January 20, 2020

Bank of Montreal  
(the "Issuer")

LEI: NQQ6HPCNCCU6TUTQYE16

Issue of USD50,000,000 Zero Coupon Callable Notes due January 22, 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 11, 2019 and the supplements thereto dated August 28, 2019 and December 5, 2019, including all documents incorporated by reference (the “**Prospectus**”) which constitutes a base prospectus for the purposes of the Prospectus Directive. As used herein, “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measures in a Member State of the European Economic Area. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus has been published on the website of the National Storage Mechanism at <http://www.morningstar.co.uk/uk/NSM> under “Bank of Montreal”.

1.	(i) Series Number:	205
	(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 (“ <b>USD</b> ”)
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:	January 22, 2020
	(ii) Interest Commencement Date:	Issue Date
7.	Maturity Date:	January 22, 2060
8.	Interest Basis:	Zero Coupon (further particulars specified in paragraph 17 below)

9.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 444.5229 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**

14.	<b>Fixed Rate Note Provisions</b>	Not Applicable
15.	<b>Fixed Rate Reset Note Provisions</b>	Not Applicable
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provisions</b>	Applicable
	(i) Accrual Method:	Compounding Accrual
	(ii) Compounding basis:	Annual
	(iii) Accrual Yield:	3.80 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. <b>Bank Call Option</b>	Applicable		
(i) Optional Redemption Date(s):	January 22 in each year, commencing on January 22, 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
22 January 2021	103.8000	207,600.00	51,900,000.00
22 January 2022	107.7444	215,488.80	53,872,200.00
22 January 2023	111.8387	223,677.40	55,919,350.00
22 January 2024	116.0886	232,177.20	58,044,300.00
22 January 2025	120.4999	240,999.80	60,249,950.00
22 January 2026	125.0789	250,157.80	62,539,450.00
22 January 2027	129.8319	259,663.80	64,915,950.00
22 January 2028	134.7655	269,531.00	67,382,750.00
22 January 2029	139.8866	279,773.20	69,943,300.00
22 January 2030	145.2023	290,404.60	72,601,150.00
22 January 2031	150.7200	301,440.00	75,360,000.00
22 January 2032	156.4474	312,894.80	78,223,700.00
22 January 2033	162.3924	324,784.80	81,196,200.00
22 January 2034	168.5633	337,126.60	84,281,650.00
22 January 2035	174.9687	349,937.40	87,484,350.00
22 January 2036	181.6175	363,235.00	90,808,750.00
22 January 2037	188.5189	377,037.80	94,259,450.00
22 January 2038	195.6827	391,365.40	97,841,350.00
22 January 2039	203.1186	406,237.20	101,559,300.00
22 January 2040	210.8371	421,674.20	105,418,550.00
22 January 2041	218.8489	437,697.80	109,424,450.00
22 January 2042	227.1652	454,330.40	113,582,600.00
22 January 2043	235.7975	471,595.00	117,898,750.00
22 January 2044	244.7578	489,515.60	122,378,900.00
22 January 2045	254.0586	508,117.20	127,029,300.00
22 January 2046	263.7128	527,425.60	131,856,400.00
22 January 2047	273.7339	547,467.80	136,866,950.00
22 January 2048	284.1358	568,271.60	142,067,900.00
22 January 2049	294.9329	589,865.80	147,466,450.00
22 January 2050	306.1404	612,280.80	153,070,200.00
22 January 2051	317.7737	635,547.40	158,886,850.00
22 January 2052	329.8491	659,698.20	164,924,550.00
22 January 2053	342.3834	684,766.80	171,191,700.00
22 January 2054	355.3939	710,787.80	177,696,950.00
22 January 2055	368.8989	737,797.80	184,449,450.00
22 January 2056	382.9171	765,834.20	191,458,550.00
22 January 2057	397.4679	794,935.80	198,733,950.00
22 January 2058	412.5717	825,143.40	206,285,850.00
22 January 2059	428.2494	856,498.80	214,124,700.00
22 January 2060	444.5229	889,045.80	222,261,450.00

(iii)	Redeemable in part:	No
(iv)	If redeemable in part:	Not Applicable
(v)	Notice period:	Minimum period: 5 Business Days
19.	<b>Noteholder Put Option</b>	Not Applicable
20.	<b>Early Redemption for Illegality (Range Accrual Notes)</b>	Not Applicable
21.	<b>Bail-inable Notes - TLAC Disqualification Event Call:</b>	Not Applicable
22.	<b>Final Redemption Amount:</b>	USD 889,045.80 per Calculation Amount
23.	<b>Early Redemption Amount</b>	

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**

24.	Form of Notes:	<b>Bearer Notes</b>
		Temporary global Note exchangeable on or after March 2, 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:

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By: Robert Yeung

Title: Managing Director, Head of Global FICC

## 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: January 22, 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: XS2106580413

Common Code: 210658041

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 Retail Investors: Applicable

## 6. USE OF PROCEEDS

As specified in the Prospectus

## 7. BENCHMARKS

Not Applicable