Prospectus Supplement
To Short Form Base Shelf Prospectus dated March 11, 2022

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement, together with the short form base shelf prospectus dated March 11, 2022 to which it relates, as amended or supplemented, and each document incorporated by reference into this prospectus supplement or the accompanying short form base shelf prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered, sold or delivered, directly or indirectly, in the United States (as defined in Regulation S under the U.S. Securities Act) except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary, Bank of Montreal, 100 King St. W., 1 First Canadian Place, 21st Floor, Toronto, Ontario, M5X 1A1, telephone: (416) 867-6785, and are also available electronically at www.sedar.com.*

New Issue July 22, 2022

BMO Bank of Montreal

Bank of Montreal
$500,000,000
500,000 Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 50
(Non-Viability Contingent Capital (NVCC))

The holders of Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 50 (Non-Viability Contingent Capital (NVCC)) (the "**Preferred Shares Series 50**") of Bank of Montreal (the "**Bank**") will be entitled to receive fixed rate non-cumulative preferential cash dividends, as and when declared by the board of directors of the Bank (the "**Board of Directors**"), subject to the provisions of the *Bank Act* (Canada) (the "**Bank Act**"), for the initial period from and including the closing date to, but excluding, November 26, 2027 (the "**Initial Fixed Rate Period**"), payable semi-annually on the 26th day of May and November in each year, or if such day is not a business day, on the next business day, at a rate per annum equal to 7.373% or $73.73 per Preferred Share Series 50 per annum. The initial dividend, if declared, shall be payable on November 26, 2022 and shall be $24.64400000 per share, based on the anticipated closing date of July 27, 2022. See "Details of the Offering".

For each five-year period after the Initial Fixed Rate Period (each a "**Subsequent Fixed Rate Period**"), the holders of Preferred Shares Series 50 will be entitled to receive fixed rate non-cumulative preferential cash dividends, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable semi-annually on the 26th day of May and November in each year, in an amount per Preferred Share Series 50 per annum determined by multiplying the Annual Fixed Dividend Rate (as defined herein) applicable to such Subsequent Fixed Rate Period by $1,000.00. The Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period will be determined by the Bank on the Fixed Rate Calculation Date (as defined herein) and will be equal to the sum of the Government of Canada Yield (as defined herein) on the Fixed Rate Calculation Date plus 4.250%. See "Details of the Offering".

Upon the occurrence of a Trigger Event (as defined herein), each outstanding Preferred Share Series 50 will automatically and immediately be converted, on a full and permanent basis, without any action on the part of the holder thereof, into that number of fully-paid and freely tradable common shares of the Bank (the "Common Shares") determined by dividing the Share Value (as defined herein) in respect of such Preferred Shares Series 50 by the Conversion Price (as defined herein) (rounding down, if necessary, to the nearest whole number of Common Shares). Investors should therefore carefully consider the disclosure with respect to the Bank, the Preferred Shares Series 50, the Common Shares and the consequences of a Trigger Event included and incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus of the Bank dated March 11, 2022 (the "Prospectus"). See "Details of the Offering".

Subject to the provisions of the Bank Act, the prior consent of the Superintendent of Financial Institutions (Canada) (the "**Superintendent**") and to the provisions of the Preferred Shares Series 50, the Bank may redeem all or any part of the then outstanding Preferred Shares Series 50, at the Bank's option and without the consent of the holder, during the period from October 26, 2027 to and including November 26, 2027 and during the period from October 26 to and including November 26 every fifth year thereafter, on not less than 15 nor more than 60 days' notice, by the payment of an amount in cash for each share redeemed equal to $1,000.00 per Preferred Share Series 50, together with all declared and unpaid dividends, if any, up to, but excluding, the date fixed for redemption. Upon the occurrence of a Regulatory Event Date (as defined herein), subject to the provisions of the Bank Act, the prior consent of the Superintendent and to the provisions of the Preferred Shares Series 50, the Bank may, at its option and without the consent of the holder, at any time following a Regulatory Event Date, redeem the Preferred Shares Series 50, in whole but not in part, by the payment of an amount in cash for each share redeemed equal to $1,000.00 per Preferred Share Series 50, together with all declared and unpaid dividends, if any, up to, but excluding, the date fixed for redemption. Notice of any redemption upon the occurrence of Regulatory Event Date will be given by the Bank to registered holders not more than 60 days and not less than 30 days prior to the redemption date. See "Details of the Offering".

The Preferred Shares Series 50 do not have a fixed maturity date and are not redeemable at the option of the holders of Preferred Shares Series 50. See "Risk Factors".

The Toronto Stock Exchange (the "**TSX**") has conditionally approved the listing of the Common Shares issuable upon the occurrence of a Trigger Event (as defined herein) subject to the Bank fulfilling all of the requirements of the TSX on or before October 21, 2022. The Bank has applied to list the Common Shares issuable upon the occurrence of a Trigger Event on the New York Stock Exchange ("**NYSE**"). Listing is subject to the Bank fulfilling all of the listing requirements of the NYSE and final approval is expected to be received prior to the anticipated closing date of July 27, 2022.

PRICE: $1,000.00 per Preferred Share Series 50 to yield initially 7.373% per annum

	Price to the Public	Agents' Fee	Net Proceeds to the Bank[(1)]
Per Preferred Share Series 50[(2)]	$1,000.00	$10.00	$990.00
Total	$500,000,000.00	$5,000,000.00	$495,000,000.00

(1) Before deduction of expenses of this offering, estimated at $500,000 which, together with the Agents' fee, are payable by the Bank.

(2) Subscriptions for Preferred Shares Series 50 must be for a minimum of 200 shares for a minimum aggregate subscription price of $200,000.

BMO Nesbitt Burns Inc., TD Securities Inc., Morgan Stanley Canada Limited, Desjardins Securities Inc., Laurentian Bank Securities Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., iA Private Wealth Inc., Manulife Securities Incorporated and Merrill Lynch Canada Inc. (collectively, the "**Agents**" and individually, an "**Agent**"), as agents, conditionally offer the Preferred Shares Series 50, subject to prior sale, on a best efforts basis, if, as and when issued by the Bank and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Bank by Osler, Hoskin & Harcourt LLP and on behalf of the Agents by McCarthy Tétrault LLP. See "Plan of Distribution".

BMO Nesbitt Burns Inc., one of the Agents, is a wholly-owned subsidiary of the Bank. As a result, the Bank is a related and connected issuer of BMO Nesbitt Burns Inc. under applicable securities legislation. See "Plan of Distribution". The decision to distribute the Preferred Shares Series 50 and the determination of the terms of the distribution were made through negotiations between the Bank on the one hand and the Agents on the other hand. TD Securities Inc., a dealer in respect of which the Bank is not a related or connected issuer, has participated in the structuring and pricing of this offering, and in the due diligence activities performed by the Agents for this offering. BMO Nesbitt Burns Inc. will not receive any benefit in connection with this offering other than a portion of the Agents' fee payable by the Bank.

In connection with this offering, the Agents may, subject to applicable law, over-allot or effect transactions which stabilize or maintain the market price of the Preferred Shares Series 50 at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

There is no market through which the Preferred Shares Series 50 may be sold and purchasers of such securities may not be able to resell the Preferred Shares Series 50 purchased under this prospectus supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors".

The Preferred Shares Series 50 may only be offered and sold in Canada to "accredited investors" (as such term is defined in National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**") or section 73.3 of the *Securities Act* (Ontario), as applicable) who are not individuals unless they are also "permitted clients" (as such term is defined in National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI **31- 103**"). Each Agent will represent and covenant, severally and not on a joint and several basis, to the Bank that it will only sell the Preferred Shares Series 50 to such purchasers in Canada. **By purchasing Preferred Shares Series 50 in Canada and accepting delivery of a purchase confirmation such purchaser will be deemed to represent to the Bank and the Agent from whom the purchase confirmation is received that such purchaser is an "accredited investor" (as such term is defined in NI 45-106 or section 73.3 of the *Securities Act* (Ontario), as applicable) who is not an individual unless such purchaser is also a "permitted client" (as such term is defined in NI 31-103).**

The Preferred Shares Series 50 are intended to qualify as additional Tier 1 capital within the meaning of the regulatory capital adequacy requirements to which the Bank is subject. The Preferred Shares Series 50 are targeted to institutional investors and as such: (i) they have a minimum par or stated value of $1,000, (ii) they will be traded on institutional desks and will not be listed on any exchange, (iii) they may only be issued to institutional investors in the primary distribution as described above, and (iv) subscriptions for Preferred Shares Series 50 must be for a minimum of 200 shares for a minimum aggregate subscription price of $200,000.

Subscriptions for Preferred Shares Series 50 received will be subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing will take place on July 27, 2022, or such later date as the Bank and the Agents may agree. The Preferred Shares Series 50 will be issued in "book-entry only" form. The Preferred Shares Series 50 will be issued in certificated or uncertificated form and registered in the name of CDS Clearing & Depository Services Inc. ("**CDS**") or its nominee and will be deposited with CDS or its nominee on the closing date. No physical certificates evidencing the Preferred Shares Series 50 will be issued to purchasers, except in certain limited circumstances, and registration will be made in the depository service of CDS. Purchasers of Preferred Shares Series 50 will receive only a customer confirmation from the Agent or other registered dealer who is a participant in the depository service of CDS and from or through whom a beneficial interest in the Preferred Shares Series 50 is purchased. See "Book-Entry Only Securities" in the Prospectus.

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Unless otherwise indicated, all dollar amounts appearing in this prospectus supplement are stated in Canadian dollars.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The Bank's public communications often include written or oral forward-looking statements. Statements of this type are included in this prospectus supplement and in the Prospectus (including documents incorporated by reference), and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States *Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. Forward-looking statements contained or incorporated by reference in this prospectus supplement and in the Prospectus may include, but are not limited to, statements with respect to the Bank's objectives and priorities for fiscal 2022 and beyond, the Bank's strategies or future actions, the Bank's targets and commitments (including with respect to net zero emissions), expectations for the Bank's financial condition, capital position or share price, the regulatory environment in which the Bank operates, the results of, or outlook for, the Bank's operations or for the Canadian, U.S. and international economies, the closing of the Bank's proposed acquisition of Bank of the West, including plans for the combined operations of the Bank and Bank of the West, the financial, operational and capital impacts of the transaction, and the COVID-19 pandemic, and include statements made by the Bank's management. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "goal", "commit", "target", "may", "might", "forecast" and "could" or negative or grammatical variations thereof.

By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the Bank's assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. The uncertainty created by the COVID-19 pandemic has heightened this risk, given the increased challenge in making assumptions, predictions, forecasts, conclusions or projections. The Bank cautions readers of this prospectus supplement and the Prospectus (including the documents incorporated by reference) not to place undue reliance on its forward-looking statements, as a number of factors – many of which are beyond the Bank's control and the effects of which can be difficult to predict – could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including, but not limited to: general economic and market conditions in the countries in which the Bank operates, including labour challenges; the severity, duration and spread of the COVID-19 pandemic, and possibly other outbreaks of disease or illness, and its impact on local, national or international economies, as well as its heightening of certain risks that may affect the Bank's future results; information, privacy and cyber security, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; benchmark interest rate reforms; technological changes and technology resiliency; political conditions, including changes relating to, or affecting, economic or trade matters; climate change and other environmental and social risk; the Canadian housing market and consumer leverage; inflationary pressures; global supply-chain disruptions; changes in monetary, fiscal, or economic policy; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which the Bank operates; judicial or regulatory proceedings; the accuracy and completeness of the information the Bank obtains with respect to its customers and counterparties; failure of third parties to comply with their obligations to the Bank; the Bank's ability to execute its strategic plans and to complete proposed acquisitions or dispositions, including obtaining regulatory approvals; critical accounting estimates and the effects of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; the possibility that the Bank's proposed acquisition of Bank of the West does not close when expected or at all because required regulatory approvals and other conditions to closing are not received or satisfied on a timely basis or at all or are received subject to adverse conditions or requirements; the anticipated benefits from the proposed acquisition of Bank of the West, such as it creating synergies and operational efficiencies, are not realized; the Bank's ability to perform effective fair value management actions and unforeseen consequences arising from such actions; changes to the Bank's credit ratings; global capital markets activities; the possible effects on the Bank's business of war or terrorist activities; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; and the Bank's ability to anticipate and effectively manage risks arising from all of the foregoing factors.

The Bank cautions that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect the Bank's results. For more information, please refer to the discussion in the "Risks That May Affect Future Results" section, and the sections related to credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, environmental and social, and reputation risk, in the "Enterprise-Wide Risk Management" section of the Bank's 2021 Annual Report (as defined herein), as updated by quarterly reports, all of which outline certain key factors and risks that may affect the Bank's future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law. The forward-looking information contained or incorporated by reference in this prospectus supplement and in the Prospectus is presented for the purpose of assisting prospective purchasers of the Bank's securities in understanding the Bank's financial position as at and for the periods ended on the dates presented, as well as its strategic priorities and objectives, and may not be appropriate for other purposes.

Material economic assumptions underlying the forward-looking statements contained or incorporated by reference in this prospectus supplement and in the Prospectus are set out in the "Economic Developments and Outlook" section of the Bank's 2021 Annual Report, as updated by quarterly reports, as well as in the "Allowance for Credit Losses" section of the Bank's 2021 Annual Report, as updated by quarterly reports. Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on the Bank's business, are material factors the Bank considers when determining its strategic priorities, objectives and expectations for its business. In determining the Bank's expectations for economic growth, the Bank primarily considers historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the offering of the Preferred Shares Series 50. Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus and reference should be made to the Prospectus for full particulars. In addition, the following documents have been filed by the Bank with the Superintendent and the various securities commissions or similar authorities in Canada (the "**Commissions**") and are specifically incorporated by reference into the Prospectus as of the date of this prospectus supplement:

(a) the annual information form dated December 3, 2021 for the year ended October 31, 2021;

(b) the audited consolidated financial statements as at and for the year ended October 31, 2021 with comparative consolidated financial statements as at and for the year ended October 31, 2020, together with the auditors' reports thereon and the auditors' report on the effectiveness of internal control over financial reporting as of October 31, 2021 under the standards of the Public Company Accounting Oversight Board (United States) (the "**2021 Audited Consolidated Financial Statements**");

(c) management's discussion and analysis as contained in the Bank's annual report (the "**2021 Annual Report**") as of October 31, 2021 (the "**2021 Management's Discussion and Analysis**");

(d) the management proxy circular dated March 1, 2022 in connection with the annual meeting of shareholders of the Bank held on April 13, 2022;

(e) the unaudited consolidated interim financial statements as at and for the three and six months ended April 30, 2022 (the "**Q2 2022 Interim Condensed Consolidated Financial Statements**");

(f) management's discussion and analysis for the three and six months ended April 30, 2022 (the "**Q2 2022 Management's Discussion and Analysis**");

(g) the material change report dated December 20, 2021 relating to a definitive agreement entered into on December 18, 2021 by the Bank and its indirect wholly-owned Chicago-based subsidiary BMO Harris Bank N.A. with BNP Paribas S.A. to acquire Bank of the West and its subsidiaries; and

(h) the template version (as defined in National Instrument 41-101 ─ *General Prospectus Requirements* ("**NI 41-101**")) of the indicative term sheet dated July 20, 2022 (the "**Indicative Term Sheet**"), and the final term sheet dated July 20, 2022 (the "**Final Term Sheet**"), in each case filed on SEDAR in connection with this offering of Preferred Shares Series 50.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus Distributions* filed by the Bank with the Commissions after the date of this prospectus supplement but prior to the termination of the distribution of the Preferred Shares Series 50 under this prospectus supplement are deemed to be incorporated by reference herein.

Any statement contained in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference herein or in the Prospectus for the purposes of this offering shall be deemed to be modified or superseded for the purposes of this prospectus supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

MARKETING MATERIALS

The Indicative Term Sheet and the Final Term Sheet, in each case filed with the Commissions, are specifically incorporated by reference into this prospectus supplement, solely for the purpose of the Preferred Shares Series 50 offered hereunder. Any additional "marketing materials" (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed with the Commissions in connection with the offering of the Preferred Shares Series 50 under this prospectus supplement on or after the date of this prospectus supplement but prior to the termination of the distribution of the Preferred Shares Series 50 under this prospectus supplement (including any amendments to, or an amended version of, the marketing materials) are deemed to be incorporated by reference herein. Any marketing materials, including the Indicative Term Sheet and the Final Term Sheet, are not part of this prospectus supplement to the extent that the contents thereof have been modified or superseded by a statement contained in this prospectus supplement or any amendment to this prospectus supplement. Copies of the Indicative Term Sheet and the Final Term Sheet can be found under the Bank's profile at www.sedar.com.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to the Bank, and in the opinion of McCarthy Tétrault LLP, counsel to the Agents, the Preferred Shares Series 50 offered hereby, if issued on the date of this prospectus supplement, would be, at that time, qualified investments under the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**") for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered education savings plan ("**RESP**"), deferred profit sharing plan, registered disability savings plan ("**RDSP**") or tax-free savings account (a "**TFSA**"), each as defined in the Tax Act.

Notwithstanding the foregoing, if the Preferred Shares Series 50 held by a trust governed by a TFSA, RRSP, RESP, RDSP or RRIF are a "prohibited investment" under the Tax Act, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF, or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. On such date the Preferred Shares Series 50 will not be prohibited investments for trusts governed by a TFSA, RDSP, RESP, RRSP or RRIF provided that, for purposes of the Tax Act, the holder of the TFSA or RDSP, subscriber of the RESP, or the annuitant of the RRSP or RRIF, as applicable, deals at arm's length with the Bank for purposes of the Tax Act and does not have a "significant interest" (within the meaning of subsection 207.01(4) of the Tax Act) in the Bank. Purchasers of Preferred Shares Series 50 who intend to hold Preferred Shares Series 50 in a TFSA, RDSP, RESP, RRSP or RRIF, should consult their own tax advisors in this regard.

BANK OF MONTREAL

Bank of Montreal started business in Montreal in 1817 and was incorporated in 1821 by an Act of Lower Canada as the first Canadian chartered bank. Since 1871, the Bank has been a chartered bank under the Bank Act, and is named in Schedule I of the Bank Act. The Bank Act is the charter of the Bank and governs its operations.

The Bank's head and registered office is 129 rue Saint Jacques, Montreal, Quebec, H2Y 1L6. Its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1.

The Bank provides a broad range of products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2021, the Bank had over 12 million customers and approximately 44,000 full-time equivalent employees. As at October 31, 2021 the Bank had approximately 1,400 bank branches and more than 4,800 automated banking machines, as well as online and mobile digital banking platforms in Canada and the United States. It operates internationally in major financial markets and trading areas through its offices in a number of jurisdictions around the world. BMO Financial Corp. is based in Chicago and is wholly-owned by Bank of Montreal. BMO Financial Corp. operates primarily through its subsidiary BMO Harris Bank N.A., which provides banking, financing, investing, and cash management services in the United States. The Bank provides a full range of investment dealer services through entities, including BMO Nesbitt Burns Inc., a major fully integrated Canadian investment dealer, and BMO Capital Markets Corp., the Bank's wholly-owned registered broker dealer in the United States.

RECENT DEVELOPMENTS

On December 20, 2021, the Bank announced the signing of a definitive agreement with BNP Paribas S.A. to acquire (the "**Acquisition**") Bank of the West and its subsidiaries. Under the terms of the agreement the Bank will pay a cash purchase price of US$16.3 billion, or US$13.4 billion net of an estimated US$2.9 billion of excess capital (at closing) at Bank of the West. The transaction, which is expected to close by the end of calendar 2022, is subject to customary closing conditions, including regulatory approvals.

On closing, the Acquisition is expected to add approximately US$95 billion assets, US$58 billion of loans and US$80 billion of deposits to the Bank's consolidated balance sheet. These amounts are based on the financial position and results of Bank of the West as at the period ended March 31, 2022. The Bank expects to fund the transaction primarily with excess capital, reflecting the Bank's strong capital position and anticipated capital generation.

On March 29, 2022, the Bank issued 20,843,750 common shares for $3,106 million to finance a portion of the purchase price.

The Acquisition aligns with the Bank's strategic, financial, and cultural objectives, and meaningfully accelerates the Bank's U.S. growth. Building on the strength of the Bank's performance and its integrated North American foundation, the Acquisition will bring nearly 1.8 million customers to the Bank and will further extend its banking presence through an additional 514 branches and commercial and wealth offices in key U.S. growth markets. Post-closing, the Bank's footprint will expand to 32 states, including an immediate scaled entry into the attractive California market, where the Bank expects to deliver a highly competitive offering to new growth markets, combining the strength of its digital banking platform and its strong banking team to generate good customer growth.

For further information with respect to the Acquisition, see the Bank's material change report dated December 20, 2021 and the Q2 2022 Management's Discussion and Analysis, each of which is incorporated by reference into this prospectus supplement.

DETAILS OF THE OFFERING

The Preferred Shares Series 50 will be issued as a series of preferred shares of the Bank. See the description of the preferred shares of the Bank as a class under the heading "Description of Preferred Shares" in the Prospectus. The following is a summary of the rights, privileges, restrictions and conditions of or attaching to the Preferred Shares Series 50 as a series.

Certain Provisions of the Preferred Shares Series 50 as a Series

Definition of Terms

The following definitions are relevant to the Preferred Shares Series 50.

"**Annual Fixed Dividend Rate**" means, for any Subsequent Fixed Rate Period, the rate (expressed as a percentage rounded to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 4.250%.

"**Bloomberg Screen GCAN5YR Page**" means the display designated as page "GCAN5YR<INDEX>" on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service for purposes of displaying Government of Canada bond yields).

"**business day**" means any day, other than a Saturday or Sunday, that is not a day on which banking institutions are authorized or required by law or regulation to be closed in Toronto, Ontario, Canada.

"**Fixed Period End Date**" means November 26, 2027 and each November 26 every fifth year thereafter.

"**Fixed Rate Calculation Date**" means, for any Subsequent Fixed Rate Period, the business day prior to the first day of such Subsequent Fixed Rate Period.

"**Government of Canada Yield**" means, as at any Fixed Rate Calculation Date, the bid yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date; provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, the Government of Canada Yield will mean the bid yield to maturity on such date, compounded semi-annually, which a non-callable Government of Canada nominal bond would be expected to carry if issued, in Canadian dollars in Canada, at 100% of its principal amount on such date with a term to maturity equal to the related Subsequent Fixed Rate Period, as determined by two independent Canadian investment dealers (each of which is a member of the Investment Industry Regulatory Organization of Canada or any successor to or of the Investment Industry Regulatory Organization of Canada) selected by the Bank, and based on a linear interpolation of the yields represented by the arithmetic average of bids observed in the market at or about 10:00 a.m. (Toronto time) on the relevant date for each of the two outstanding non-callable Government of Canada nominal bonds which have the terms to maturity which most closely span such Subsequent Fixed Rate Period on such Fixed Rate Calculation Date, where such arithmetic average is based in each case on the bids quoted by such independent investment dealers.

"**Initial Fixed Rate Period**" means the period from and including the date of issue of the Preferred Shares Series 50 to, but excluding, November 26, 2027.

"**Initial Reset Date**" means November 26, 2027.

"**Subsequent Fixed Rate Period**" means the period from and including the Initial Reset Date to, but excluding, the next Fixed Period End Date and each five year period thereafter from and including such Fixed Period End Date to, but excluding, the next Fixed Period End Date.

Issue Price

The Preferred Shares Series 50 will have an issue price of $1,000.00 per share.

Maturity

The Preferred Shares Series 50 are perpetual and do not have a fixed maturity date.

Dividends

During the Initial Fixed Rate Period, the holders of the Preferred Shares Series 50 will be entitled to receive fixed rate non-cumulative preferential cash dividends, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable semi-annually on the 26th day of May and November in each year (each, a "**Semi-Annual Dividend Payment Date**"), at a rate per annum equal to 7.373% or $73.73 per Preferred Share Series 50 per annum; provided that, whenever it is necessary to compute any dividend amount in respect of the Preferred Shares Series 50 for a period of less than one full semi-annual dividend period, such dividend amount shall be calculated on the basis of the actual number of days in the period and a year of 365 days. The initial dividend, if declared, shall be payable on November 26, 2022 and shall be $24.64400000 per share, based on the anticipated closing date of July 27, 2022.

During each Subsequent Fixed Rate Period, the holders of the Preferred Shares Series 50 will be entitled to receive fixed rate non-cumulative preferential cash dividends, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable semi-annually on each Semi-Annual Dividend Payment Date, in an amount per Preferred Share Series 50 per annum determined by multiplying the Annual Fixed Dividend Rate applicable to such Subsequent Fixed Rate Period by $1,000.00.

The Bank will determine the Annual Fixed Dividend Rate applicable to a Subsequent Fixed Rate Period on the Fixed Rate Calculation Date. Such determination will, in the absence of manifest error, be final and binding upon the Bank and all holders of Preferred Shares Series 50. The Bank will, on the relevant Fixed Rate Calculation Date, give notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of Preferred Shares Series 50.

If the Board of Directors does not declare dividends, or any part thereof, on the Preferred Shares Series 50 on or before the Semi-Annual Dividend Payment Date for a particular semi-annual period, then the entitlement of the holders of Preferred Shares Series 50 to receive such dividends, or to any part thereof, for such semi-annual period shall be forever extinguished.

The Bank may also be restricted under the Bank Act from paying dividends on the Preferred Shares Series 50 in certain circumstances. See "Bank Act Restrictions and Approvals" in the Prospectus and "Restrictions on Dividends and Retirement of Shares" in this prospectus supplement.

Redemptions

Except as noted below, the Preferred Shares Series 50 will not be redeemable by the Bank prior to October 26, 2027. Subject to the provisions of the Bank Act (see "Bank Act Restrictions and Approvals" in the Prospectus), the prior consent of the Superintendent and to the provisions of the Preferred Shares Series 50 described below under "Restrictions on Dividends and Retirement of Shares", the Preferred Shares Series 50 are redeemable, in whole or in part, at the Bank's option and without the consent of the holder, during the period from October 26, 2027 to and including November 26, 2027 and during the period from October 26 to and including November 26 every fifth year thereafter, by the payment of an amount in cash for each share redeemed equal to $1,000.00 per Preferred Share Series 50, together with all declared and unpaid dividends, if any, to, but excluding, the date fixed for redemption.

Upon the occurrence of a Regulatory Event Date (as defined herein), subject to the provisions of the Bank Act, the prior consent of the Superintendent and to the provisions of the Preferred Shares Series 50 described below under "Restrictions on Dividends and Retirement of Shares", the Bank may, at its option and without the consent of the holder, at any time following a Regulatory Event Date, redeem the Preferred Shares Series 50, in whole but not in part, by the payment of an amount in cash for each share redeemed equal to $1,000.00 per Preferred Share Series 50, together with all declared and unpaid dividends, if any, up to, but excluding, the date fixed for redemption.

"**Regulatory Event Date**" means the date specified in a letter from the Superintendent to the Bank on which the Preferred Shares Series 50 will no longer be recognized in full as eligible "Additional Tier 1 Capital" or will no longer be eligible to be included in full as risk-based "Total Capital" on a consolidated basis under the guidelines for capital adequacy requirements for banks as interpreted by the Superintendent.

The Bank will give notice of any redemption (other than a redemption upon the occurrence of a Regulatory Event Date) to registered holders not more than 60 days and not less than 15 days prior to the redemption date. The Bank will give notice of any redemption upon the occurrence of a Regulatory Event Date to registered holders not more than 60 and not less than 30 days prior to the redemption date.

Where a part only of the then outstanding Preferred Shares Series 50 is at any time to be redeemed, the Preferred Shares Series 50 will be redeemed *pro rata* disregarding fractions, or in such other manner as the Board of Directors determines, subject to the prior written approval of the Superintendent.

Purchase for Cancellation

Subject to the provisions of the Bank Act, the provisions of the Preferred Shares Series 50 described below under "Restrictions on Dividends and Retirement of Shares" and the prior consent of the Superintendent, the Bank may at any time purchase for cancellation any of the Preferred Shares Series 50 in the open market (including by private contracts) or by tender at the lowest price or prices at which in the opinion of the Board of Directors such shares are obtainable.

NVCC Automatic Conversion

Upon the occurrence of a Trigger Event (as defined herein), each outstanding Preferred Share Series 50 will automatically and immediately be converted, on a full and permanent basis, without any action on the part of the holder thereof, into a number of fully-paid and freely tradable Common Shares equal to (Multiplier x Share Value) ÷ Conversion Price (an "**NVCC Automatic Conversion**"). For the purposes of the foregoing:

"**Conversion Price**" means the greater of (i) the Floor Price (as defined herein), and (ii) the Current Market Price.

"**Current Market Price**" means the volume weighted average trading price of the Common Shares on the TSX or, if not then listed on the TSX, on another exchange or market chosen by the board of directors of the Bank on which the Common Shares are then traded, for the 10 consecutive trading days ending on the trading day immediately prior to the date on which the Trigger Event occurs (with the conversion occurring as of the start of business on the date on which the Trigger Event occurs). If no such trading prices are available, "Current Market Price" shall be the Floor Price.

"**Floor Price**" means $5.00 subject to adjustment in the event of (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend, (ii) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares, or (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares. The adjustment shall be calculated to the nearest one-tenth of one cent provided that no adjustment of the Conversion Price shall be required unless such adjustment would require an increase or decrease of at least 1% of the Conversion Price then in effect; provided, however, that in such case any adjustment that would otherwise be required to be made will be carried forward and will be made at the time of and together with the next subsequent adjustment which, together with any adjustments so carried forward, will amount to at least 1% of $5.00.

"**Multiplier**" means 1.0.

"**Share Value**" means $1,000.00 plus declared and unpaid dividends, if any, up to, but excluding, the date of the Trigger Event.

"**Trigger Event**" has the meaning set out in the Office of the Superintendent of Financial Institutions Canada ("**OSFI**") Capital Adequacy Requirements (CAR) Guideline, Chapter 2 – Definition of Capital, effective November 2018 (the "OSFI Capital Adequacy Requirements (CAR) Guideline", as such term may be amended or superseded by OSFI from time to time, which term currently provides that each of the following constitutes a Trigger Event:

- the Superintendent publicly announces that the Bank has been advised, in writing, that the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and that, after the conversion or write-off, as applicable, of all contingent instruments and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Bank will be restored or maintained; or

- a federal or provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision or agent or agency thereof without which the Bank would have been determined by the Superintendent to be non-viable.

In any case where the aggregate number of Common Shares to be issued to a holder of Preferred Shares Series 50 pursuant to an NVCC Automatic Conversion includes a fraction of a Common Share, such number of Common Shares to be issued to such holder shall be rounded down to the nearest whole number of Common Shares and no cash payment shall be made in lieu of such fractional Common Share.

In the event of a capital reorganization, consolidation, merger or amalgamation of the Bank or comparable transaction affecting the Common Shares, the Bank will take necessary action to ensure that holders of Preferred Shares Series 50 receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such holders would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event.

Right Not to Deliver Common Shares upon NVCC Automatic Conversion

Upon an NVCC Automatic Conversion, the Bank reserves the right not to deliver some or all, as applicable, of the Common Shares issuable thereupon to any Ineligible Person or any person who, by virtue of the operation of the NVCC Automatic Conversion, would become a Significant Shareholder through the acquisition of Common Shares. In such circumstances, the Bank will hold, as agent for such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Bank and its affiliates on behalf of such persons through a registered dealer to be retained by the Bank on behalf of such persons. Those sales (if any) may be made at any time and at any price. The Bank will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day. The net proceeds received by the Bank from the sale of any such Common Shares will be divided among the applicable persons in proportion to the number of Common Shares that would otherwise have been delivered to them upon the NVCC Automatic Conversion after deducting the costs of sale and any applicable withholding taxes. For the purposes of the foregoing:

"**Ineligible Person**" means (a) any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada to the extent that the issuance by the Bank or delivery by its transfer agent to that person, of Preferred Shares Series 50 or, pursuant to an NVCC Automatic Conversion, of Common Shares would require the Bank to take any action to comply with securities, banking or analogous laws of that jurisdiction, and (b) any person to the extent that the issuance by the Bank or delivery by its transfer agent to that person, of Preferred Shares Series 50 or, pursuant to an NVCC Automatic Conversion, of Common Shares would, at the time of the Trigger Event, cause the Bank to be in violation of any law to which the Bank is subject.

"**Significant Shareholder**" means any person who beneficially owns directly, or indirectly through entities controlled by such person or persons associated with or acting jointly or in concert with such person, a percentage of the total number of outstanding shares of a class of the Bank that is in excess of that permitted by the Bank Act.

Conversion into Another Series of Preferred Shares

The Bank may, at any time, subject to the prior consent of the Superintendent, give the holders of Preferred Shares Series 50 the right, at such holder's option, to convert such Preferred Shares Series 50 into a new series of additional Tier 1 capital preferred shares of the Bank on a share-for-share basis.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of the Bank, where a Trigger Event has not occurred, the holders of Preferred Shares Series 50 will be entitled to receive $1,000.00 per Preferred Share Series 50 held, together with all dividends declared and unpaid, if any, to, but excluding, the date of payment, before any amount will be paid or any assets of the Bank distributed to the holders of any shares ranking junior to the Preferred Shares Series 50. The holders of the Preferred Shares Series 50 will not be entitled to share in any further distribution of the property or assets of the Bank. Upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event, these rights on liquidation will not be relevant since all Preferred Shares Series 50 will have been converted into Common Shares which will rank on parity with all other Common Shares.

Restrictions on Dividends and Retirement of Shares

So long as any Preferred Shares Series 50 are outstanding, the Bank will not, without the approval of holders of the Preferred Shares Series 50:

(a) declare, pay or set apart for payment any dividends on the Common Shares or any other shares of the Bank ranking junior to the Preferred Shares Series 50 (other than stock dividends on any shares of the Bank ranking junior to the Preferred Shares Series 50);

(b) redeem, purchase or otherwise retire any Common Shares or any other shares of the Bank ranking junior to the Preferred Shares Series 50 (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Preferred Shares Series 50);

(c) redeem, purchase or otherwise retire less than all the Preferred Shares Series 50; or

(d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of preferred shares of the Bank, redeem, purchase or otherwise retire any other shares ranking on a parity with the Preferred Shares Series 50,

unless, in each such case, all dividends up to and including the dividend payment date for the last completed period for which dividends will be payable will have been declared and paid or set apart for payment in respect of each series of cumulative Class B preferred shares of the Bank then issued and outstanding and on all other cumulative shares ranking on a parity with the Class B preferred shares of the Bank and there will have been paid or set apart for payment all declared dividends in respect of each series of non-cumulative Class B preferred shares of the Bank (including the Preferred Shares Series 50) then issued and outstanding and on all other non-cumulative shares ranking on a parity with the Class B preferred shares of the Bank.

Issue of Additional Series of Preferred Shares

The Bank may issue other series of Class B preferred shares ranking on a parity with the Preferred Shares Series 50 without the approval of holders of the Preferred Shares Series 50 as a series.

Amendments to Preferred Shares Series 50

The Bank will not, without the approval of the holders of Preferred Shares Series 50 given as specified below under “Shareholder Approvals” delete or vary any rights, privileges, restrictions and conditions attaching to the Preferred Shares Series 50. In addition to the aforementioned approval, the Bank will not without, but may from time to time with, the prior approval of the Superintendent, make any such deletion or variation which might affect the classification afforded the Preferred Shares Series 50 from time to time for capital adequacy requirements pursuant to the Bank Act and the regulations and guidelines thereunder and the OSFI Capital Adequacy Requirements (CAR) Guideline, as may be amended from time to time.

Shareholder Approvals

The approval of any amendments to the rights, privileges, restrictions and conditions attaching to the Preferred Shares Series 50 may be given by a resolution carried by the affirmative vote of not less than 66 2/3% of the votes cast at a meeting of holders of Preferred Shares Series 50, at which a majority of the outstanding Preferred Shares Series 50 is represented or, if no such quorum is present at the meeting, at a meeting following such adjourned meeting at which no quorum would apply.

In addition to the aforementioned approval, any amendments to the rights, privileges, restrictions and conditions attaching to the Preferred Shares Series 50 that affect the classification afforded to the Preferred Shares Series 50 from time to time for capital adequacy requirements pursuant to the Bank Act and the regulations and guidelines thereunder can only be made with the prior consent of the Superintendent.

Voting Rights

Subject to the provisions of the Bank Act, the holders of Preferred Shares Series 50 will not be entitled to receive notice of, attend, or vote at, any meeting of the shareholders of the Bank unless and until the first time at which the Board of Directors has not declared the whole dividend on the Preferred Shares Series 50 in respect of any semi-annual period to which holders are entitled. In the event that the Board of Directors has not declared the whole dividend on the Preferred Shares Series 50 in respect of any semi-annual period to which holders are entitled, the holders of Preferred Shares Series 50 will be entitled to receive notice of, and to attend, meetings of shareholders at which directors of the Bank are to be elected and will be entitled to one vote for each Preferred Shares Series 50 held. The voting rights of the holders of Preferred Shares Series 50 will forthwith cease upon payment by the Bank of the first dividend on the Preferred Shares Series 50 to which the holders are entitled subsequent to the time such voting rights first arose until such time as the Bank may again fail to declare the whole dividend on the shares of such series in respect of any semi-annual period, in which event such voting rights will become effective again and so on from time to time.

In connection with any action to be taken by the Bank which requires the approval of the holders of Preferred Shares Series 50 voting as a series or as part of the class, each such share will entitle the holder thereof to one vote.

Priority

The Preferred Shares Series 50 will rank on parity with all other series of Class B preferred shares authorized by the Bank and in priority to the Common Shares and over any other shares ranking junior to the Preferred Shares Series 50 as to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Bank.

Upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event, the priority of the Preferred Shares Series 50 described above will not be relevant since all Preferred Shares Series 50 will be converted into Common Shares which will rank on parity with all other issued and outstanding Common Shares.

Tax Election

The Preferred Shares Series 50 will be "taxable preferred shares" as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of such shares. The terms of the Preferred Shares Series 50 will require the Bank to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Preferred Shares Series 50. See "Certain Canadian Federal Income Tax Considerations".

Bank Act Restrictions

The Bank reserves the right not to issue shares, including Preferred Shares Series 50, to any person whose address is in, or whom the Bank or the Bank's transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require the Bank to take any action to comply with the securities, banking or analogous laws of such jurisdiction. See also "Bank Act Restrictions and Approvals" in the Prospectus.

Business Days

If any action is required to be taken by the Bank on a day that is not a business day, then such action will be taken on the next succeeding day that is a business day.

DESCRIPTION OF COMMON SHARES

For a description of the terms of the Common Shares of the Bank, see "Description of Common Shares" in the Prospectus.

CHANGES TO SHARE CAPITAL AND SUBORDINATED INDEBTEDNESS

As at July 21, 2022, the Bank had 674,509,372 Common Shares, 104,000,000 Class B Preferred Shares and no Class A Preferred Shares outstanding.

On May 25, 2022, the Bank redeemed all of its outstanding 20,000,000 Non-Cumulative 5-Year Rate Reset Class B Preferred Shares, Series 40 (Non-Viability Contingent Capital (NVCC)) for an aggregate redemption price of $500,000,000 (the "**Preferred Shares Series 40 Redemption**"). On June 1, 2022, the Bank redeemed $850,000,000 2.57% Series I Medium-Term Notes, Second Tranche (Non-Viability Contingent Capital (NVCC)) (the "**Series I Note Redemption**") for an aggregate redemption price of $850,000,000 plus accrued and unpaid interest to, but excluding, the redemption date.

On July 21, 2022, the Bank announced its intention to redeem all of its outstanding 16,000,000 Non-Cumulative 5-Year Rate Reset Class B Preferred Shares, Series 42 (Non-Viability Contingent Capital (NVCC)) for an aggregate redemption price of $400,000,000 (the "**Preferred Shares Series 42 Redemption**"), such redemption being expected to occur on August 25, 2022.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Bank as at April 30, 2022, before and after giving effect to the Preferred Shares Series 40 Redemption, the Series I Note Redemption, the Preferred Shares Series 42 Redemption and this offering (including issuance costs relating to this offering). The following table should be read together with the 2021 Audited Consolidated Financial Statements and the Q2 2022 Interim Condensed Consolidated Financial Statements, both of which are incorporated herein by reference.

	As at April 30, 2022	
	Actual	**Pro Forma As Adjusted(1)**
	(in millions of Canadian dollars)	
Subordinated Debt	$8,236	$7,386
Shareholders' Equity		
Common Shares and Contributed Surplus	$17,356	$17,356
Preferred Shares and Other Equity Instruments	$5,708	$5,308
Retained Earnings	$41,275	$41,270
Accumulated Other Comprehensive Income	$1,253	$1,253
Total Shareholders' Equity	$65,592	$65,187
Total Capitalization	$73,828	$72,573

Note:

(1) After giving effect to the Preferred Shares Series 40 Redemption, the Series I Note Redemption, the Preferred Shares Series 42 Redemption and this offering (including issuance costs relating to this offering).

EARNINGS COVERAGE RATIOS

The consolidated financial ratios for the Bank set forth in the table below calculated for the 12 months ended October 31, 2021 and April 30, 2022, respectively, are presented on a *pro forma* as adjusted basis, which gives effect to: (a) the issuance by the Bank of US$1,250,000,000 3.088% Subordinated Notes due 2037 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) on January 10, 2022 (the "**US Subordinated Note Issuance**"); (b) the redemption by the Bank of all of its outstanding 24,000,000 Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 38 (Non-Viability Contingent Capital (NVCC)) for an aggregate redemption price of $600,000,000 on February 25, 2022 (the "**Preferred Shares Series 38 Redemption**"); (c) the issuance by the Bank of $750,000,000 5.625% Limited Recourse Capital Notes, Series 2 (Non-Viability Contingent Capital (NVCC)) (subordinated indebtedness) on March 15, 2022 (the "**5.625% LRCN, Series 2 Issuance**"); (d) the Preferred Shares Series 40 Redemption; (e) the Series I Note Redemption; (f) the Preferred Shares Series 42 Redemption; and (g) this offering, as appropriate for each of the periods presented.

	12 Months Ended October 31, 2021(2)	12 Months Ended April 30, 2022(3)
Grossed up dividend coverage on Class B Preferred Shares, Series (27, 29, 31, 33, 44, 46 and 50) and other equity instruments(1)	31.11 times	54.89 times
Interest coverage on subordinated indebtedness	47.20 times	101.40 times
Interest and grossed up dividend coverage on subordinated indebtedness, preferred shares and other equity interests	18.75 times	35.61 times

Notes:

(1) As at October 31, 2021 and April 30, 2022, there were no Class A Preferred Shares outstanding.

(2) As adjusted to give effect to the US Subordinated Note Issuance, the Preferred Shares Series 38 Redemption, the 5.625% LRCN, Series 2 Issuance, the Preferred Shares Series 40 Redemption, the Series I Note Redemption, the Preferred Shares Series 42 Redemption and this offering.

(3) As adjusted to give effect to the Preferred Shares Series 40 Redemption, the Series I Note Redemption, the Preferred Shares Series 42 Redemption and this offering.

The Bank's dividend requirements on all of its preferred shares and other equity instruments amounted to (i) $336.0 million for the 12 months ended October 31, 2021 adjusted to a before-tax equivalent using an effective tax rate of 24.41%, and (ii) $295.2 million for the 12 months ended April 30, 2022, adjusted to a before-tax equivalent using an effective tax rate of 24.33%. The Bank's interest requirements for its long-term debt and grossed up dividends on its preferred shares and other equity interests for (i) the 12 months ended October 31, 2021 amounted to $557.5 million, and (ii) the 12 months ended April 30, 2022 amounted to $455.0 million. The Bank's earnings before interest and income tax for (i) the 12 months ended October 31, 2021 amounted to $10,453 million, which was 18.75 times the Bank's aggregate dividend and interest requirements for this period, and (ii) the 12 months ended April 30, 2022 amounted to $16,202 million, which was 35.61 times the Bank's aggregate dividend and interest requirements for this period. The foregoing figures have been calculated after giving effect to the US Subordinated Note Issuance, the Preferred Shares Series 38 Redemption, the 5.625% LRCN, Series 2 Issuance, the Preferred Shares Series 40 Redemption, the Series I Note Redemption, the Preferred Shares Series 42 Redemption and this offering, as appropriate for each of the periods presented.

In calculating the dividend and interest coverages, foreign currency amounts have been converted to Canadian dollars using rates of exchange as at the end of each month. For the 12 month period ended October 31, 2021, the average of such exchange rates was $1.2554 per US$1.00. For the 12 month period ended April 30, 2022, the average of such exchange rates was $1.2558 per US$1.00.

The information presented herein for the 12 months ended April 30, 2022 is based on unaudited financial information. The information in this "Earnings Coverage Ratios" section is disclosed in accordance with Item 6 of Form 44-101F1 – *Short Form Prospectus*.

TRADING PRICE AND VOLUME

The outstanding Common Shares are listed on the TSX under the trading symbol "BMO" and on the NYSE under the trading symbol "BMO". The outstanding preferred shares of the Bank are (or were) listed on the TSX with the following trading symbols: "BMO.PR.S" for the Class B Preferred Shares, Series 27; "BMO.PR.T" for the Class B Preferred Shares, Series 29; "BMO.PR.W" for the Class B Preferred Shares, Series 31; "BMO.PR.Y" for the Class B Preferred Shares, Series 33; "BMO.PR.B" for the Class B Preferred Shares, Series 38; "BMO.PR.C" for the Class B Preferred Shares, Series 40; "BMO.PR.D" for the Class B Preferred Shares, Series 42; "BMO.PR.E" for the Class B Preferred Shares, Series 44 and "BMO.PR.F" for the Class B Preferred Shares, Series 46. The following table sets forth the reported high and low trading prices in Canadian dollars and trading volumes of the Common Shares and the preferred shares of the Bank on the TSX for the periods indicated.

Common Shares (BMO)

Month	High ($)	Low ($)	Volume Traded
July 2021	$128.69	$121.76	52,376,621
August 2021	$132.35	$123.06	47,423,885
September 2021	$129.71	$123.85	28,128,541
October 2021	$138.67	$125.69	53,424,173
November 2021	$141.00	$132.83	40,771,978
December 2021	$141.37	$130.13	33,373,080
January 2022	$150.34	$138.40	63,118,101
February 2022	$152.87	$139.15	49,783,586
March 2022	$154.47	$141.13	50,757,219
April 2022	$148.96	$136.03	52,865,704
May 2022	$138.64	$129.25	45,442,172
June 2022	$138.85	$121.56	39,456,130
July 1 - 21, 2022	$126.95	$118.79	24,706,075

Class B Preferred Shares, Series 27 (BMO.PR.S)

Month	High ($)	Low ($)	Volume Traded
July 2021	$24.33	$23.75	334,085
August 2021	$24.65	$23.78	129,859
September 2021	$24.58	$24.19	202,619
October 2021	$25.00	$24.50	182,370
November 2021	$24.92	$24.57	220,834
December 2021	$24.70	$23.95	200,788
January 2022	$24.76	$24.26	700,842
February 2022	$24.39	$22.62	97,613
March 2022	$23.36	$22.64	205,712
April 2022	$23.04	$20.54	732,912
May 2022	$22.73	$21.06	227,379
June 2022	$22.83	$20.64	131,525
July 1 - 21, 2022	$22.01	$20.71	266,827

Class B Preferred Shares, Series 29 (BMO.PR.T)

Month	High ($)	Low ($)	Volume Traded
July 2021	$23.97	$23.25	150,474
August 2021	$24.27	$23.31	128,775
September 2021	$24.41	$24.03	146,422
October 2021	$24.60	$24.23	470,060
November 2021	$24.75	$24.40	254,432
December 2021	$24.51	$23.77	151,626
January 2022	$24.60	$24.17	245,368
February 2022	$24.25	$22.49	97,324
March 2022	$22.90	$22.11	158,515

Month	High ($)	Low ($)	Volume Traded
April 2022	$22.55	$19.87	194,517
May 2022	$22.14	$20.35	108,886
June 2022	$22.60	$20.21	369,236
July 1 - 21, 2022	$21.25	$19.88	100,614

Class B Preferred Shares, Series 31 (BMO.PR.W)

Month	High ($)	Low ($)	Volume Traded
July 2021	$24.12	$23.60	80,369
August 2021	$24.32	$23.54	162,610
September 2021	$24.37	$24.10	162,521
October 2021	$24.85	$24.35	111,819
November 2021	$24.70	$24.40	265,174
December 2021	$24.51	$23.78	70,426
January 2022	$24.71	$24.15	60,064
February 2022	$24.20	$22.48	297,739
March 2022	$23.17	$22.22	121,380
April 2022	$22.80	$20.00	473,117
May 2022	$22.30	$20.58	154,450
June 2022	$22.60	$20.36	101,495
July 1 - 21, 2022	$21.43	$20.25	39,712

Class B Preferred Shares, Series 33 (BMO.PR.Y)

Month	High ($)	Low ($)	Volume Traded
July 2021	$24.12	$23.60	80,369
August 2021	$24.32	$23.54	162,610
September 2021	$24.37	$24.10	162,521
October 2021	$24.85	$24.35	111,819
November 2021	$24.70	$24.40	265,174
December 2021	$24.51	$23.78	70,426
January 2022	$24.71	$24.15	60,064
February 2022	$24.89	$23.55	112,258
March 2022	$24.06	$23.30	103,555
April 2022	$23.95	$20.61	80,426
May 2022	$22.75	$20.94	76,857
June 2022	$22.73	$20.88	41,909
July 1 - 21, 2022	$21.75	$20.19	25,542

Class B Preferred Shares, Series 38 (BMO.PR.B)

Month	High ($)	Low ($)	Volume Traded
July 2021	$25.81	$25.51	176,737
August 2021	$25.50	$25.32	194,025
September 2021	$25.52	$25.36	96,594
October 2021	$25.59	$25.23	106,976
November 2021	$25.25	$25.17	258,063
December 2021	$25.27	$25.18	343,621
January 2022	$25.30	$24.98	645,906
February 1 - 25, 2022[(1)]	$25.00	$24.98	271,991

[(1)] The Class B Preferred Shares, Series 38 were redeemed on February 25, 2022.

Class B Preferred Shares, Series 40 (BMO.PR.C)

Month	High ($)	Low ($)	Volume Traded
July 2021	$25.89	$25.46	464,449
August 2021	$25.78	$25.40	453,712
September 2021	$25.74	$25.19	166,513

Month	High ($)	Low ($)	Volume Traded
October 2021	$25.65	$25.25	485,191
November 2021	$25.35	$25.21	619,422
December 2021	$25.48	$25.20	122,081
January 2022	$25.47	$25.12	199,157
February 2022	$25.18	$24.85	1,585,371
March 2022	$25.22	$25.00	495,008
April 2022	$25.25	$24.97	857,334
May 1 - 25, 2022[(1)]	$25.01	$24.97	172,788

[(1)] The Class B Preferred Shares, Series 40 were redeemed on May 25, 2022.

Class B Preferred Shares, Series 42 (BMO.PR.D)

Month	High ($)	Low ($)	Volume Traded
July 2021	$25.74	$25.00	108,891
August 2021	$25.89	$25.05	98,907
September 2021	$25.89	$25.30	120,139
October 2021	$25.82	$25.43	250,086
November 2021	$25.60	$25.04	72,794
December 2021	$25.48	$24.95	143,569
January 2022	$25.50	$25.23	169,134
February 2022	$25.29	$24.70	186,040
March 2022	$25.45	$24.98	224,424
April 2022	$25.25	$24.85	188,092
May 2022	$25.10	$24.60	254,892
June 2022	$25.20	$24.83	296,995
July 1 - 21, 2022	$25.14	$24.91	142,024

Class B Preferred Shares, Series 44 (BMO.PR.E)

Month	High ($)	Low ($)	Volume Traded
July 2021	$25.82	$25.22	140,568
August 2021	$26.01	$25.07	203,746
September 2021	$25.90	$25.39	181,285
October 2021	$25.98	$25.61	121,405
November 2021	$26.00	$25.22	151,484
December 2021	$25.94	$24.82	122,069
January 2022	$25.97	$25.35	202,135
February 2022	$25.75	$24.55	221,175
March 2022	$25.30	$24.35	142,851
April 2022	$24.95	$22.52	164,526
May 2022	$25.00	$23.20	145,381
June 2022	$24.97	$23.61	710,627
July 1 - 21, 2022	$24.10	$23.00	215,060

Class B Preferred Shares, Series 46 (BMO.PR.F)

Month	High ($)	Low ($)	Volume Traded
July 2021	$27.15	$26.01	103,504
August 2021	$27.40	$26.51	179,249
September 2021	$27.28	$26.00	187,069
October 2021	$27.10	$26.86	111,078
November 2021	$26.90	$26.23	91,097
December 2021	$26.80	$25.70	162,775
January 2022	$27.07	$25.41	174,899
February 2022	$26.50	$25.60	157,335
March 2022	$26.54	$25.99	210,759
April 2022	$26.30	$25.00	162,226
May 2022	$26.13	$24.67	73,826

Month	High ($)	Low ($)	Volume Traded
June 2022	$26.00	$24.99	171,330
July 1 - 21, 2022	$25.69	$25.03	116,489

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP and McCarthy Tétrault LLP, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act and the Regulations generally applicable to a purchaser who acquires Preferred Shares Series 50 pursuant to this prospectus supplement and Common Shares issuable on an NVCC Automatic Conversion, and who, for purposes of the Tax Act and the Regulations and at all relevant times, is or is deemed to be resident in Canada, deals at arm's length with the Bank and the Agents, is not affiliated with the Bank and holds the Preferred Shares Series 50 and will hold Common Shares as capital property (a "**Holder**"). Generally, the Preferred Shares Series 50 and Common Shares will be capital property to a Holder provided the Holder does not acquire or hold those Preferred Shares Series 50 or Common Shares in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Holders, whose Preferred Shares Series 50 or Common Shares might not otherwise be capital property, may, in certain circumstances, be entitled to have them and all other "Canadian securities", as defined in the Tax Act, owned by such Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is not applicable to a purchaser that is a "specified financial institution" as defined in the Tax Act, an interest in which is a "tax shelter investment", that is a "financial institution" for purposes of the "mark-to-market" rules in the Tax Act, to which the "functional currency" reporting rules in the Tax Act apply, that enters into, with respect to the Preferred Shares Series 50 or Common Shares, a "derivative forward agreement", "synthetic disposition arrangement" or "dividend rental arrangement", each as defined in the Tax Act, or that is a corporation that, or is a corporation that does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that, is or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Preferred Shares Series 50 or Common Shares, controlled by a non-resident corporation for the purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Such purchasers should consult their own tax advisors. This summary does not address the Canadian federal income tax considerations of the disposition of Preferred Shares Series 50 or the acquisition, holding or disposition of a new series of additional Tier 1 capital preferred shares of the Bank in the event that the Bank gives to the holder of Preferred Shares Series 50 the right to convert such Preferred Shares Series 50 into a new series of additional Tier 1 capital preferred shares of the Bank and such right of conversion is exercised.

This summary is based upon the current provisions of the Tax Act and the Regulations, and counsel's understanding of the current administrative and assessing practices and policies of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practices and policies of the Canada Revenue Agency, whether by legislative, governmental, administrative or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign tax considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed as, legal or tax advice to any particular purchaser. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers are urged to consult their own tax advisors with respect to their particular circumstances.

Dividends

A Holder will be required to include in computing its income for a taxation year the amount of any dividends (including deemed dividends) received on the Preferred Shares Series 50 or Common Shares. In case of a Holder that is an individual, such dividends will be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit rules in the Tax Act applicable to any dividends designated by the Bank as eligible dividends in accordance with the provisions of the Tax Act. Dividends (including deemed dividends) on the Preferred Shares Series 50 or Common Shares received by a Holder that is a corporation will be included in computing income and will generally be deductible in computing the taxable income of the Holder. In certain circumstances, however, all or part of a taxable dividend received (or deemed to be received) by a Holder that is a corporation will be deemed to be either proceeds of disposition or a gain from the disposition of a capital property. Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

The Preferred Shares Series 50 will be "taxable preferred shares" as defined in the Tax Act. The terms of the Preferred Shares Series 50 require the Bank to make the necessary election under Part VI.1 of the Tax Act so that corporate Holders will not be subject to tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Preferred Shares Series 50.

A Holder that is a "private corporation" or "subject corporation", each as defined in the Tax Act, will generally be liable to pay an additional refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Preferred Shares Series 50 or Common Shares to the extent such dividends are deductible in computing its taxable income for the taxation year.

Dispositions

Generally, on a disposition of a Preferred Share Series 50 or Common Share (which includes the redemption of the shares for cash but not a conversion), a Holder will realize a capital gain (or a capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Holder thereof immediately before the disposition or deemed disposition. The amount of any deemed dividend arising on the redemption, acquisition or cancellation by the Bank of a Preferred Share Series 50 or Common Share, as the case may be, will generally not be included in a Holder's proceeds of disposition for purposes of computing the capital gain or loss arising on the disposition of such share (see "Redemption or Purchase for Cancellation" below).

If the Holder is a corporation, the amount of any capital loss realized on a disposition of a Preferred Share Series 50 or a Common Share may in certain circumstances be reduced by the amount of any dividends, including deemed dividends, which have been received on such shares to the extent and in the manner provided for in the Tax Act. Similar rules may apply where a Preferred Share Series 50 or Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Holders should consult their own tax advisors.

Generally, one-half of any capital gain realized by a Holder in a taxation year will be included in computing the Holder's income in that taxation year as a taxable capital gain and one-half of any capital loss will be deducted from the Holder's net taxable capital gains in the taxation year. Any excess of allowable capital losses over taxable capital gains of the Holder may be carried back up to three taxation years and forward indefinitely and deducted against net taxable capital gains of the Holder in those other taxation years in accordance with the detailed rules in the Tax Act.

A Holder that is a "Canadian controlled private corporation" (as defined in the Tax Act) or a "substantive CCPC", as proposed to be defined in the Tax Act as announced in the Federal Budget released by the government of Canada on April 7, 2022, may be liable to pay an additional refundable tax on their "aggregate investment income" (which is defined in the Tax Act to include an amount in respect of taxable capital gains, but not dividends or deemed dividends that are deductible in computing taxable income).

Redemption or Purchase for Cancellation

If the Bank redeems for cash or otherwise acquires a Preferred Share Series 50 or Common Share (other than by a purchase in the open market in the manner in which shares are normally purchased by a member of the public in the open market), the Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Bank in excess of the paid-up capital of such share for purposes of the Tax Act at such time (see "Dividends" above). Generally, the difference between the amount paid by the Bank and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing the capital gain or capital loss arising on the disposition of such share (see "Dispositions" above).

NVCC Automatic Conversion

The conversion of a Preferred Share Series 50 into a Common Share on an NVCC Automatic Conversion will be deemed not to be a disposition of property and accordingly will not give rise to any capital gain or capital loss. The cost to a Holder of a Common Share received on an NVCC Automatic Conversion will be deemed to be equal to the Holder's adjusted cost base of the Preferred Share Series 50 immediately before the NVCC Automatic Conversion. The cost of a Common Share received on an NVCC Automatic Conversion will be averaged with the adjusted cost base of all other identical shares held by the Holder as capital property immediately before such time for the purpose of determining the adjusted cost base of each such share.

RATINGS

The Preferred Shares Series 50 are expected to be rated Pfd-2 by DBRS Limited ("**DBRS**"). The Pfd-2 rating expected to be assigned by DBRS is in the second highest of six categories available from DBRS for preferred shares. According to information made publicly available by DBRS, preferred shares rated Pfd-2 are generally of good credit quality and the protection of dividends and principal is still substantial, but earnings, the balance sheet, and coverage ratios are not as strong as higher rated companies. Each rating category is denoted by the subcategories "high" and "low", and the absence of either a "high" or "low" designation indicates the rating is in the middle of the category.

The Preferred Shares Series 50 are expected to be rated Baa3(hyb) by Moody's Canada Inc. ("**Moody's**"). A rating of Baa by Moody's is considered medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. The Baa rating expected to be assigned to the Preferred Shares Series 50 is the fourth highest of nine categories. The modifier "3" indicates a ranking in the lower end of the rating category. A "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms. By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Together with the hybrid indicator, the rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.

The Preferred Shares Series 50 are expected to have a rating of BBB- (global scale) by S&P Global Ratings, acting through Standard & Poor's Ratings Services (Canada), a business unit of S&P Global Canada Corp. ("**S&P**"). The BBB rating expected to be assigned by S&P using its global scale for preferred shares is the third highest of nine categories used by S&P on its global preferred share scale, which ranges from AA to D. According to information made publicly available by S&P, under the S&P rating system preferred shares rated BBB indicate an adequate capacity to meet financial commitments, but that the obligations are more subject to adverse economic conditions or changing circumstances than obligations in higher rated categories. Ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

The Bank has paid customary rating fees to DBRS, Moody's or S&P in connection with its issuer ratings, including the above-mentioned ratings. In addition, the Bank has made customary payments in respect of certain other services provided to the Bank by each of DBRS, Moody's or S&P during the last two years.

Prospective purchasers of Preferred Shares Series 50 should consult the relevant rating organization with respect to the interpretation and implications of the foregoing expected ratings. The credit ratings assigned to the Preferred Shares Series 50 are not recommendations to purchase, hold or sell the Preferred Shares Series 50. Ratings may be revised or withdrawn at any time by the respective rating organizations. The credit ratings do not address the market price or suitability of the Preferred Shares Series 50 for a particular investor. The credit ratings assigned to the Preferred Shares Series 50 may not reflect the potential impact of all risks on the value of the Preferred Shares Series 50. In addition, real or anticipated changes in the credit ratings assigned to the Preferred Shares Series 50 will generally affect the market value of the Preferred Shares Series 50. There can be no assurance that these ratings will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely in the future by DBRS, Moody's or S&P if in their judgment circumstances so warrant. Prospective investors should consult DBRS, Moody's or S&P with respect to the interpretation and implications of the ratings.

PLAN OF DISTRIBUTION

Pursuant to an agency agreement dated July 20, 2022 among the Bank and the Agents (the "**Agency Agreement**"), the Agents have agreed to act as the Bank's agents to offer the Preferred Shares Series 50 for sale to the public on a best efforts basis, if, as and when issued by the Bank, subject to compliance with all necessary legal requirements and in accordance with the terms and conditions of the Agency Agreement. The offering price of the Preferred Shares Series 50 was established by negotiation between the Bank and the Agents. The Agents will receive a fee equal to $10.00 for each $1,000 principal amount of Preferred Shares Series 50 sold.

The Preferred Shares Series 50 may only be offered and sold in Canada to "accredited investors" (as such term is defined in NI 45-106 or section 73.3 of the *Securities Act* (Ontario), as applicable) who are not individuals unless they are also "permitted clients" (as such term is defined in NI 31-103). Each Agent will represent and covenant, severally and not on a joint and several basis, to the Bank that it will only sell the Preferred Shares Series 50 to such purchasers in Canada. **By purchasing Preferred Shares Series 50 in Canada and accepting delivery of a purchase confirmation such purchaser will be deemed to represent to the Bank and the Agent from whom the purchase confirmation is received that such purchaser is an "accredited investor" (as such term is defined in NI 45-106 or section 73.3 of the *Securities Act* (Ontario), as applicable) who is not an individual unless such purchaser is also a "permitted client" (as such term is defined in NI 31-103)**.

Subscriptions for Preferred Shares Series 50 must be for a minimum of 200 shares for a minimum aggregate subscription price of $200,000.

The obligations of the Agents under the Agency Agreement may be terminated in their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. While the Agents have agreed to use their best efforts to sell the Preferred Shares Series 50 offered under this prospectus supplement, the Agents will not be obligated to purchase any Preferred Shares Series 50 which are not sold.

Neither the Preferred Shares Series 50 nor the Common Shares into which the Preferred Shares Series 50 may be converted have been, or will be, registered under the U.S. Securities Act or any state securities laws, and the Agents have agreed not to (i) buy or offer to buy, (ii) sell or offer to sell or (iii) solicit any offer to buy any Preferred Shares Series 50 as part of any distribution under this prospectus supplement in the United States, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. person.

In connection with this offering, the Agents may, subject to applicable law, over-allot or effect transactions which stabilize or maintain the market price of the Preferred Shares Series 50 at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Bank may withdraw, cancel or modify the offer made hereby without notice and may reject orders in whole or in part (whether placed directly with the Bank or through the Agents). Each Agent may, in its discretion reasonably exercised, reject in whole or in part any offer to purchase Preferred Shares Series 50 received by it.

The Preferred Shares Series 50 will not be listed on any securities exchange and do not have an established trading market. Each of the Agents may from time to time purchase and sell Preferred Shares Series 50 in the secondary market, but no Agent is obligated to do so, and there is no assurance that there will be a secondary market for the Preferred Shares Series 50 or liquidity in the secondary market if one develops. From time to time, each of the Agents may make a market in the Preferred Shares Series 50, but the Agents are not obligated to do so and may discontinue any market-making activity at any time.

The TSX has conditionally approved the listing of the Common Shares issuable upon a Trigger Event subject to the Bank fulfilling all of the requirements of the TSX on or before October 21, 2022. The Bank has applied to list the Common Shares issuable upon the occurrence of a Trigger Event on the NYSE. Listing is subject to the Bank fulfilling all of the listing requirements of the NYSE and final approval is expected to be received prior to the anticipated closing date of July 27, 2022.

BMO Nesbitt Burns Inc., one of the Agents, is a wholly-owned subsidiary of the Bank. As a result, the Bank is a related and connected issuer of BMO Nesbitt Burns Inc. under applicable securities legislation. The decision to distribute the Preferred Shares Series 50 and the determination of the terms of the distribution were made through negotiations between the Bank on the one hand and the Agents on the other hand. TD Securities Inc., a dealer in respect of which the Bank is not a related or connected issuer, has participated in the structuring and pricing of this offering, and in the due diligence activities performed by the Agents for this offering. BMO Nesbitt Burns Inc. will not receive any benefit in connection with this offering other than a portion of the Agents' fee payable by the Bank.

USE OF PROCEEDS

The net proceeds to the Bank from the sale of the Preferred Shares Series 50, after deducting estimated expenses of this offering and the Agents' fee, will amount to approximately $494,500,000. The net proceeds to the Bank from the sale of Preferred Shares Series 50 will be added to the general funds of the Bank and will be utilized for general banking purposes.

RISK FACTORS

An investment in the Preferred Shares Series 50 (and the Common Shares upon the occurrence of a Trigger Event) is subject to certain risks including those set out in this prospectus supplement and the Prospectus. Before deciding whether to invest in any Preferred Shares Series 50, potential investors should consider carefully the risks set out herein and incorporated by reference in this prospectus supplement and the Prospectus. Prospective investors should also consider the categories of risks identified and discussed in the Bank's 2021 Annual Information Form and 2021 Management's Discussion and Analysis, as updated by quarterly reports, which are incorporated herein by reference.

The Bank is subject to risks in connection with the pending Acquisition

The Bank is subject to several risks in connection with the pending Acquisition. See "Recent Developments". Such risks include, but are not limited to:

- the possibility that the announced Acquisition does not close when expected or at all because required regulatory approvals or other conditions to closing are not received or satisfied on a timely basis or at all, or regulatory approvals are received subject to adverse conditions or requirements;

- the risk that the Bank may be unable to realize, including in the time frame anticipated, the anticipated benefits from the proposed transaction, such as it being accretive to adjusted earnings per share of the Bank and creating synergy opportunities, as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations (including changes to capital requirements) and their enforcement, and the degree of competition in the geographic and business areas in which Bank of the West currently operates, as well as other risks identified below, including those related to the integration and post-closing performance of Bank of the West;

- the risk that the business of Bank of the West may not perform as expected or in a manner consistent with historical performance;

- the risk that the Bank may not be able to promptly and effectively integrate Bank of the West and that the costs for integration may be higher than expected;

- the risk that the sum of the Bank's existing excess capital, recent financing transaction and anticipated capital generation before close is not sufficient to maintain capital targets without raising capital in excess of anticipated levels at announcement. As such, the Bank may determine to issue additional common equity in the future;

- the risk that the Bank's fair value management actions are not effective or result in unforeseen consequences;

- reputational risks and the reaction of Bank of the West's customers and employees to the transaction;

- the risk of increased exposure to regional economic and other issues as a result of expanding the Bank's presence in the United States;

- risks relating to possible diversion of management time on transaction-related issues;

- risks relating to increased exposure to exchange rate fluctuations; and

- the risk that the Bank's predictions, forecasts, conclusions or projections in connection with the transaction will not prove to be accurate, that the Bank's assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

Any of these and other risks in connection with the pending Acquisition could adversely impact the Bank's financial results or strategic direction.

The COVID-19 pandemic has impacted the Bank's business, and the ultimate impact on the Bank's business and financial results will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities in response to the pandemic

The COVID-19 pandemic has negatively impacted the global economy and economic outlook, including with respect to the jurisdictions in which the Bank operates, disrupted global supply chains, lowered equity market valuations, lowered interest rates, created significant volatility and disruption in financial markets, and increased unemployment levels. In addition, governments and regulatory bodies have implemented a number of measures, including temporary closures of many businesses and the institution of social distancing and sheltering in place requirements in many of the jurisdictions in which the Bank operates. Governments, monetary authorities and regulators have also taken actions to support the economy and financial system, including taking fiscal and monetary measures to increase liquidity and support incomes, and regulatory actions in respect of financial institutions.

If the COVID-19 pandemic is prolonged, the negative impact on the global economy could deepen from what is now expected. It could continue to disrupt global supply chains, lower equity market valuations and interest rates, create significant volatility and disrupt financial markets, and further increase unemployment levels and business bankruptcy levels. The demand for the Bank's products and services may be significantly impacted, as could be the Bank's net interest income, due to the low interest rates. Given the impact from the pandemic, the Bank would expect to recognize elevated credit losses in its loan portfolios, including in those industries directly impacted by the pandemic, including, but not limited to, oil and gas, hospitality, retail services and transportation. In addition, the provision of various services to the Bank's customers results in the Bank carrying residual market risk exposures including, but not limited to, changes in price levels, interest rates, foreign exchange rates, credit spreads, volatility, counterparty credit quality, the correlation between various markets and assets and other risks, as outlined in the "Enterprise-Wide Risk Management" section of the Bank's 2021 Annual Report, as updated by quarterly reports. In addition, in certain businesses, including in the Bank's equity linked notes related businesses where the Bank sells investment products that have returns tied to equity securities, the Bank has exposure to the dividend policies of the companies that issue those underlying equity securities.

As a result of changing economic and market conditions, the Bank may be required to recognize impairments in future periods on the securities or other assets it holds. The Bank's business operations may also be disrupted if its key suppliers of goods and services are adversely impacted or significant portions of its workforce are unable to work effectively, including because of illness, quarantines, government actions, or other restrictions in connection with the pandemic. The pandemic may also impact the Bank's ability to access capital markets, its liquidity and capital position, or may result in downgrades in its credit ratings. The COVID-19 pandemic has resulted in an increase, and may result in further increases, in certain of the risks outlined in the "Enterprise-Wide Risk Management" section of the Bank's 2021 Annual Report, as updated by quarterly reports, including the Bank's top and emerging, credit and counterparty, market, insurance, liquidity and funding, operational non-financial, including anti-money laundering, technology and cyber-related, legal and regulatory, strategic, environmental and social, and reputation risk. The Bank may also face increased risk of litigation and governmental and regulatory scrutiny, as a result of the effects of the COVID-19 pandemic on market and economic conditions and actions governmental authorities take in response to those conditions.

The extent to which the COVID-19 pandemic impacts the Bank's business, results of operations, reputation and financial condition, as well as its regulatory capital and liquidity ratios, and credit ratings, as well as its impact on the Bank's customers, competitors and trading exposure, including the potential from loss from higher credit, counterparty or mark-to-market losses, will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic. The COVID-19 pandemic may also impact the Bank's ability to achieve, or the timing to achieve, certain previously announced targets, goals and objectives.

To the extent that the COVID-19 pandemic, or any future epidemics or pandemics, causes material adverse impacts to the Bank's business and operations, the global economy, and/or financial markets, there may be an impact on any trading market for, or trading value of, the Preferred Shares Series 50.

The Preferred Shares Series 50 are loss-absorption financial instruments that involve significant risk and may not be a suitable investment for all investors

The Preferred Shares Series 50 are loss-absorption financial instruments designed to comply with applicable Canadian banking regulations and involve significant risks. Each potential investor in Preferred Shares Series 50 must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of Preferred Shares Series 50, such as the provisions governing the NVCC Automatic Conversion, including the circumstances constituting a Trigger Event. A potential investor should not invest in Preferred Shares Series 50 unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Preferred Shares Series 50 will perform under changing conditions, the resulting effects on the likelihood of an NVCC Automatic Conversion into Common Shares and the value of the Preferred Shares Series 50, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this prospectus supplement and the Prospectus or incorporated by reference herein.

An investment in the Preferred Shares Series 50 is subject to the Bank's credit risk

Real or anticipated changes in credit ratings on the Preferred Shares Series 50 may affect the market value of the Preferred Shares Series 50. In addition, real or anticipated changes in the Bank's credit ratings could also affect the cost at which the Bank can transact or obtain funding, and thereby affect the Bank's liquidity, business, financial condition or results of operations. Refer to the Bank's 2021 Management's Discussion and Analysis, as updated by quarterly reports, incorporated by reference in this prospectus supplement, for further discussion of, among other things, known material trends and events, and risks or uncertainties that are reasonably expected to have a material effect on the Bank's business, financial condition or results of operations.

The Bank's earnings are significantly affected by changes in general business and economic conditions in the regions in which it operates. These conditions include short- and long-term interest rates, inflation, fluctuations in the debt and capital markets (including changes in credit spreads, credit migration and rates of default), equity or commodity prices, exchange rates, the strength of the economy, the stability of various financial markets, threats of terrorism and the level of business conducted in a specific region and/or any one sector within each region. Challenging market conditions and the health of the economy as a whole may have a material effect on the Bank's business, financial condition, liquidity and results of operations.

There is no market for the Preferred Shares Series 50

The Preferred Shares Series 50 will not be listed on any stock exchange or quotation system, consequently, there may be no market through which the Preferred Shares Series 50 may be sold and purchasers may therefore be unable to resell such Preferred Shares Series 50. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. Each of the Agents may from time to time purchase and sell Preferred Shares Series 50 in the secondary market or make a market for the Preferred Shares Series 50, but no Agent is obliged to do so and there can be no assurance as to a secondary market for the Preferred Shares Series 50, liquidity in any such market or any market making activities by any Agent.

The market value of the Preferred Shares Series 50 may fluctuate

Prevailing yields on similar securities will affect the market value of Preferred Shares Series 50. Assuming all other factors remain unchanged, the market value of the Preferred Shares Series 50 will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline. Spreads over the Government of Canada Yield, T-Bill Rate and comparable benchmark rates of interest for similar securities will also affect the market value of the Preferred Shares Series 50.

The Preferred Shares Series 50 are non-cumulative and there is a risk the Bank will be unable to pay dividends on the shares

The Preferred Shares Series 50 are non-cumulative and dividends are payable at the discretion of the Board of Directors. See "Consolidated Capitalization" and "Earnings Coverage Ratios" in this prospectus supplement, each of which is relevant to an assessment of the risk that the Bank will be unable to pay dividends and any redemption price on the Preferred Shares Series 50 when due. If the Board of Directors does not declare a dividend, or any part thereof, on the Preferred Shares Series 50 on or before the dividend payment date for a particular semi-annual period, then the entitlement of the holders of the Preferred Shares Series 50 to receive such dividend, or to any part thereof, for such period will be forever extinguished.

Ranking of Preferred Shares Series 50 on insolvency, dissolution or winding-up

The Preferred Shares Series 50 are equity capital of the Bank. The Preferred Shares Series 50 will rank equally with other preferred shares of the Bank in the event of an insolvency, dissolution or winding-up of the Bank, where an NVCC

Automatic Conversion has not occurred. If the Bank becomes insolvent, is dissolved or is wound-up where an NVCC Automatic Conversion has not occurred, the Bank's assets must be used to pay deposit liabilities and other debt, including subordinated debt, before payments may be made on the Preferred Shares Series 50, if any, and other preferred shares.

The Preferred Shares Series 50 are subject to an automatic and immediate exchange for Common Shares upon a Trigger Event and an NVCC Automatic Conversion

Upon the occurrence of a Trigger Event and an NVCC Automatic Conversion, there is no certainty of the value of the Common Shares to be received by the holders of the Preferred Shares Series 50 and the value of such Common Shares could be significantly less than the face value of the Preferred Shares Series 50. Moreover, there may be an illiquid market, or no market at all, in Common Shares received upon an NVCC Automatic Conversion, and investors may not be able to sell the Common Shares at a price equal to the value of their investment and as a result may suffer significant loss.

After an NVCC Automatic Conversion, a holder of Preferred Shares Series 50 will only have rights as a holder of Common Shares. Given the nature of a Trigger Event, a holder of Preferred Shares Series 50 will become a holder of Common Shares at a time when the Bank's financial condition has deteriorated. If the Bank were to become insolvent or wound-up after the occurrence of a Trigger Event, as a result of an NVCC Automatic Conversion, the holders of Common Shares may receive, if anything, substantially less than the holders of the Preferred Shares Series 50 might have received had the Preferred Shares Series 50 not been converted into Common Shares. An NVCC Automatic Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms.

A Trigger Event involves a subjective determination outside the Bank's control

The decision as to whether a Trigger Event will occur is a subjective determination by the Superintendent that the Bank has ceased, or is about to cease, to be viable and that the conversion of all contingent instruments is reasonably likely, taking into account any other factors or circumstances that are considered relevant or appropriate by the Superintendent, to restore or maintain the viability of the Bank. Such determination will be beyond the control of the Bank. A Trigger Event will also occur if a federal or provincial government in Canada publicly announces that the Bank accepted or agreed to accept a capital injection, or equivalent support from such government or a political subdivision or agent or agency thereof, without which the Superintendent would have determined to be non-viable. Such determination will be beyond the control of the Bank. See the definition of Trigger Event under "Details of the Offering — Redemptions".

OSFI has stated that the Superintendent will consult with the Canada Deposit Insurance Corporation ("**CDIC**"), the Bank of Canada, the Department of Finance and the Financial Consumer Agency of Canada prior to making a determination as to the non-viability of a financial institution. The conversion of contingent instruments alone may not be sufficient to restore an institution to viability and other public sector interventions, including liquidity assistance, would likely be used along with the conversion of contingent instruments to maintain an institution as a going concern.

In assessing whether the Bank has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments, it is reasonably likely that the viability of the Bank will be restored or maintained, OSFI has stated that the Superintendent will consider, in consultation with the authorities referred to above, all relevant facts and circumstances. Those facts and circumstances may include, in addition to other public sector interventions, a consideration of whether, among other things:

- the assets of the Bank are, in the opinion of the Superintendent, sufficient to provide adequate protection to the Bank's depositors and creditors;
- the Bank has lost the confidence of depositors or other creditors and the public (for example, ongoing increased difficulty in obtaining or rolling over short-term funding);
- the Bank's regulatory capital has, in the opinion of the Superintendent, reached a level, or is eroding in a manner, that may detrimentally affect its depositors and creditors;
- the Bank has failed to pay any liability that has become due and payable or, in the opinion of the Superintendent, the Bank will not be able to pay its liabilities as they become due and payable;

- the Bank failed to comply with an order of the Superintendent to increase its capital;

- in the opinion of the Superintendent, any other state of affairs exists in respect of the Bank that may be materially prejudicial to the interests of the Bank's depositors or creditors or the owners of any assets under the Bank's administration; and

- the Bank is unable to recapitalize on its own through the issuance of Common Shares or other forms of regulatory capital (for example, no suitable investor or group of investors exists that is willing or capable of investing in sufficient quantity and on terms that will restore the Bank's viability, nor is there any reasonable prospect of such an investor emerging in the near-term in the absence of conversion of contingent instruments).

If a Trigger Event occurs, then the interests of depositors, other creditors of the Bank, and holders of bank securities which are not contingent instruments will all rank in priority to the holders of contingent instruments, including the Preferred Shares Series 50. The Superintendent retains full discretion to choose not to trigger non-viability contingent capital notwithstanding a determination that the Bank has ceased, or is about to cease, to be viable. Under such circumstances, holders of Preferred Shares Series 50 may be exposed to losses through the use of other resolution tools or in liquidation

The number and value of Common Shares to be received on an NVCC Automatic Conversion is variable and subject to further dilution

The number of Common Shares to be received for each Preferred Share Series 50 on an NVCC Automatic Conversion is calculated by reference to the prevailing market price of Common Shares immediately prior to a Trigger Event, subject to the Floor Price. If there is an NVCC Automatic Conversion at a time when the Current Market Price of the Common Shares is below the Floor Price, investors may receive Common Shares with an aggregate market price less than the value of the Preferred Shares Series 50.

In the circumstances surrounding a Trigger Event, the Superintendent or other governmental authorities or agencies may also require other steps to be taken to restore or maintain the viability of the Bank under the Canadian bank resolution powers, including the injection of new capital and the issuance of additional Common Shares or other securities. Accordingly, holders of Preferred Shares Series 50 will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when debt obligations of the Bank may be converted into Common Shares, at a conversion rate that is more favorable to the holders of such obligations than the rate applicable to the Preferred Shares Series 50, and additional Common Shares or securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares, the holders of shares other than Common Shares, and the holders of Preferred Shares Series 50 that will become holders of Common Shares upon an NVCC Automatic Conversion.

In particular, as part of the Canadian bank resolution powers, certain provisions of, and regulations under, the Bank Act, the Canada Deposit Insurance Corporation Act (the "**CDIC Act**") and certain other Canadian federal statutes pertaining to banks provide for a bank recapitalization regime (collectively, the "**Bail-In Regime**") for banks designated by the Superintendent as domestic systemically important banks, which include the Bank. Pursuant to the CDIC Act, in circumstances where the Superintendent has determined that the Bank has ceased, or is about to cease, to be viable, the Governor in Council may, upon a recommendation of the Minister of Finance that he or she is of the opinion that it is in the public interest to do so, grant an order directing CDIC to convert all or a portion of certain shares and liabilities of the Bank into common shares of the Bank or any of its affiliates (a "**Bail-In Conversion**"). Subject to certain exceptions, including for structured notes, in general, any senior debt issued on or after September 23, 2018 with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and has been assigned a CUSIP or ISIN or similar identification number would be prescribed liabilities subject to a Bail-In Conversion. Shares, other than Common Shares, and subordinated debt would also be prescribed liabilities subject to a Bail-In Conversion, unless they are non-viability contingent capital.

Given that the Preferred Shares Series 50 are subject to NVCC Automatic Conversion, they are not subject to Bail-In Conversion. However, the Bail-In Regime provides that the CDIC must use its best efforts to ensure that the prescribed types of shares and liabilities are converted only if all subordinate prescribed shares and liabilities and any subordinate non-viability contingent capital (such as the Preferred Shares Series 50) have previously been converted or are converted at the same time. Accordingly, in the case of a Bail-In Conversion, the Preferred Shares Series 50 would be subject to NVCC Automatic Conversion prior to, or at the same time as, a Bail-In Conversion. In addition, the Bail-in Regime prescribes that holders of unsubordinated or senior ranking instruments that are subject to Bail-In Conversion must receive more common shares per dollar amount converted than holders of any subordinate ranking instruments that are subject to Bail-In Conversion or NVCC instruments converted, including the Preferred Shares Series 50. The holders of senior ranking instruments that are subject to Bail-In Conversion would therefore receive Common Shares at a conversion rate that would be more favorable to the holders of such obligations than the rate applicable to the Preferred Shares Series 50.

Circumstances surrounding a potential NVCC Automatic Conversion will have an adverse effect on the market price of the Preferred Shares Series 50

The occurrence of a Trigger Event is a subjective determination by the Superintendent that the conversion of all contingent instruments is reasonably likely to restore or maintain the viability of the Bank. As a result, an NVCC Automatic Conversion may occur in circumstances that are beyond the control of the Bank. Also, even in circumstances where the market expects the Superintendent to cause an NVCC Automatic Conversion, the Superintendent may choose not to take that action. Because of the inherent uncertainty regarding the determination of when an NVCC Automatic Conversion may occur, it will be difficult to predict, when, if at all, the Preferred Shares Series 50 will be mandatorily converted into Common Shares. Accordingly, trading behavior in respect of the Preferred Shares Series 50 is not necessarily expected to follow trading behavior associated with other types of convertible or exchangeable securities. Any indication, whether real or perceived, that the Bank is trending towards a Trigger Event can be expected to have an adverse effect on the market price of the Preferred Shares Series 50 and the Common Shares, whether or not such Trigger Event actually occurs.

Holders of Preferred Shares Series 50 may be exposed to losses through the use of other Canadian bank resolution powers or in liquidation

The holders of Preferred Shares Series 50 may be exposed to losses through the use of other Canadian bank resolution powers or in liquidation. Under the Canadian bank resolution powers, in circumstances where the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Bank with a reasonable opportunity to make representations, is required to provide a report to CDIC. Following receipt of the Superintendent's report, CDIC may request the Minister of Finance to recommend that the Governor in Council (Canada) (the "**Governor in Council**") make an order (an "**Order**") and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council make, and on that recommendation, the Governor in Council may make, one or more Orders vesting in CDIC the shares and subordinated debt of the Bank specified in the Order (a "**vesting order**"), appointing CDIC as receiver in respect of the Bank (a "**receivership order**"), if a receivership order has been made, directing the Minister of Finance to incorporate a federal institution designated in the order as a bridge institution (a "**bridge bank order**") wholly-owned by CDIC and specifying the date and time as of which the Bank's deposit liabilities are assumed; or if a vesting order or receivership order has been made, directing CDIC to carry out a Bail-in Conversion.

Following a vesting order or a receivership order, CDIC will assume temporary control or ownership of the Bank and will be granted broad powers under such Order, including the power to sell or dispose of all or a part of the assets of the Bank, and the power to carry out or cause the Bank to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Bank. Under a bridge bank order, CDIC has the power to transfer the Bank's insured deposit liabilities and certain assets and other liabilities of the Bank to a bridge institution. Upon the exercise of that power, any assets and liabilities of the Bank that are not transferred to the bridge institution would remain with the Bank, which would then be wound up. In such a scenario, any liabilities of the Bank that are not assumed by the bridge institution could receive only partial or no repayment in the ensuing wind-up of the Bank.

There is no limitation on the type of Order that may be made where it has been determined that the Bank has ceased, or is about to cease, to be viable. As a result, a holder of Preferred Shares Series 50 may be exposed to losses through the use of Canadian bank resolution powers other than an NVCC Automatic Conversion or in liquidation.

As a result, a holder of Preferred Shares Series 50 may lose all of its investment, including the issue price plus any accrued dividends, if the CDIC were to take action under the Canadian bank resolution powers, and any Common Shares into which the Preferred Shares Series 50 are converted upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event may be of little value at the time of an NVCC Automatic Conversion and thereafter.

Any potential compensation to be provided through the compensation process under the CDIC Act is unknown

The CDIC Act provides for a compensation process for holders of Preferred Shares Series 50 who immediately prior to the making of an Order, directly or through an intermediary, own Preferred Shares Series 50 that after the Order is made, are converted in whole or in part into Common Shares in accordance with their terms. While this process applies to successors of those holders it does not apply to assignees or transferees of the holder following the making of the Order.

Under the compensation process, the compensation to which such holders are entitled is the difference, to the extent it is positive, between the estimated liquidation value and the estimated resolution value of the Preferred Shares Series 50 less an amount equal to an estimate of losses attributable to the conversion of such Preferred Shares Series 50 into Common Shares. The liquidation value is the estimated value the holders would have received if an Order under the *Winding-up and Restructuring Act* (Canada) had been made in respect of the Bank, as if no Order had been made and without taking into consideration any assistance, financial or otherwise, that is or may be provided to the Bank, directly or indirectly, by CDIC, the Bank of Canada, the Government of Canada or a province of Canada, after any Order to wind up the Bank has been made.

The resolution value in respect of the Preferred Shares Series 50 is the aggregate estimated value of the following: (a) the Preferred Shares Series 50 if they are not held by CDIC and they are not converted, after the making of an Order, into Common Shares in accordance with its terms; (b) Common Shares that are the result of a conversion of the Preferred Shares Series 50 in accordance with their terms after the making of an Order; (c) any dividend or interest payments made, after the making of the Order, with respect to the Preferred Shares Series 50 to any person other than CDIC; and (d) any other cash, securities or other rights or interests that are received or to be received with respect to the Preferred Shares Series 50, as the case may be, as a direct or indirect result of the making of the Order and any actions taken in furtherance of the Order, including from CDIC, the Bank, the liquidator of the Bank, if the Bank is wound up, the liquidator of a CDIC subsidiary incorporated or acquired by Order of the Governor in Council for the purposes of facilitating the acquisition, management or disposal of real property or other assets of the Bank that CDIC may acquire as the result of its operations that is liquidated or the liquidator of a bridge institution if the bridge institution is wound up.

In connection with the compensation process, CDIC is required to estimate the liquidation value and the resolution value in respect of the portion of converted Preferred Shares Series 50, as the case may be, and is required to consider the difference between the estimated day on which the liquidation value would be received and the estimated day on which the resolution value is, or would be, received.

CDIC must, within a period following the Order, make an offer of compensation by notice to the relevant holders that held the Preferred Shares Series 50 equal to, or in value estimated to be equal to, the amount of compensation to which such holders are entitled or provide a notice stating that such holders are not entitled to any compensation. In either case such notice is required to include certain prescribed information, including important information regarding the rights of such holders to seek to object and have the compensation to which they are entitled determined by an assessor (a Canadian Federal Court judge) where holders of liabilities representing at least 10% of the liquidation entitlement of the Preferred Shares Series 50 object to the offer or absence of compensation. The period for objecting is limited (45 days following the day on which a summary of the notice is published in the Canada Gazette) and failure by holders holding a sufficient liquidation entitlement of the Preferred Shares Series 50 to object within the prescribed period will result in the loss of any ability to object to the offered compensation or absence of compensation, as applicable. CDIC will pay the relevant holders the offered compensation within 135 days after the date on which a summary of the notice is published in the Canada Gazette if the offer of compensation is accepted, the holder does not notify CDIC of acceptance or objection to the offer or if the holder objects to the offer but the 10% threshold described above is not met within the aforementioned 45-day period.

Where an assessor is appointed, the assessor could determine a different amount of compensation payable, which could either be higher or lower than the original amount. The assessor is required to provide holders, whose compensation it determines, notice of its determination. The assessor’s determination is final and there are no further opportunities for review or appeal. CDIC will pay the relevant holders the compensation amount determined by the assessor within 90 days of the assessor’s notice.

Given the considerations involved in determining the amount of compensation, if any, that a holder that held Preferred Shares Series 50 may be entitled to following an Order, it is not possible to anticipate what, if any, compensation would be payable in such circumstances.

Following an NVCC Automatic Conversion, you will no longer have rights as a holder of Preferred Shares Series 50 and will only have rights as a holder of Common Shares

Upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event, the rights, terms and conditions of the Preferred Shares Series 50, including with respect to priority and rights on liquidation, will no longer be relevant as all such Preferred Shares Series 50 will have been converted on a full and permanent basis, without any action on the part of the holder thereof, into Common Shares ranking on parity with all other outstanding Common Shares and all holders of such

Preferred Shares Series 50 will then be holding Common Shares. Given the nature of the Trigger Event, a holder of Preferred Shares Series 50 will become a holder of Common Shares at a time when the Bank's financial condition has deteriorated. If the Bank were to become insolvent, is dissolved or wound-up after the occurrence of a Trigger Event, as holders of Common Shares investors may receive substantially less than they might have received had they continued to hold Preferred Shares Series 50 instead of Common Shares.

An NVCC Automatic Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms. Further, holders of Preferred Shares Series 50 will receive Common Shares pursuant to an NVCC Automatic Conversion at a time when other debt obligations of the Bank may be converted into Common Shares, and additional Common Shares or securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares and the former holders of Preferred Shares Series 50, who will then become holders of Common Shares upon the Trigger Event.

Holders of Preferred Shares Series 50 do not have anti-dilution protection in all circumstances

The Floor Price that is used to calculate the Conversion Price is subject to adjustment in a limited number of events: (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all holders of Common Shares as a stock dividend, (ii) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares, or (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares. In addition, in the event of a capital reorganization, consolidation, merger or amalgamation of the Bank or comparable transaction affecting the Common Shares after the date of this prospectus supplement, the Bank will take necessary action to ensure that holders of Preferred Shares Series 50 receive, pursuant to an NVCC Automatic Conversion, the number of Common Shares or other securities that such holders would have received if the NVCC Automatic Conversion occurred immediately prior to the record date for such event. However, there is no requirement that there should be an adjustment of the Floor Price or other anti-dilutive action by the Bank for every corporate or other event that may affect the market price of the Common Shares. Accordingly, the occurrence of events in respect of which no adjustment to the Floor Price is made may adversely affect the number of Common Shares issuable to a holder of Preferred Shares Series 50 upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event.

The Preferred Shares Series 50 do not have a fixed maturity date

The Preferred Shares Series 50 do not have a fixed maturity date and are not redeemable at the option of the holders of Preferred Shares Series 50. The ability of a holder to liquidate its holdings of Preferred Shares Series 50 may be limited.

The dividend rate in respect of the Preferred Shares Series 50 will reset

The dividend rate in respect of Preferred Shares Series 50 will reset every five years. The new dividend rate is unlikely to be the same as, and may be lower than, the dividend rate for the applicable preceding dividend period.

As required by the Bank Act, the voting rights of the Class B preferred shares of the Bank are limited to one vote per Class B preferred share

Subject to certain exceptions, on a matter submitted to a class vote of the Class B preferred shares of the Bank, each holder of Class B preferred shares of the Bank will be entitled to one vote for each Class B preferred shares of the Bank held, as required by the Bank Act, without distinction as to series, regardless of the issue price of the Class B preferred shares of the Bank held by such holder. Accordingly, a holder of a Preferred Shares Series 50 issued for $1,000.00 will have the same number of votes as a holder of a Class B preferred share of the Bank of a series that was issued for $25.00 per share. As a result, holders of the Bank's outstanding Class B preferred shares that were issued for $25.00 per share may have influence over the outcome of matters submitted to a class vote of holders of Class B preferred shares of the Bank for approval.

The Bank may redeem the Preferred Shares Series 50 at its option in certain situations

The Bank may elect to redeem the Preferred Shares Series 50 without the consent of the holders of the Preferred Shares Series 50 in the circumstances described under "Details of the Offering – Redemptions". In addition, the redemption of Preferred Shares Series 50 is subject to the consent of the Superintendent and other restrictions contained in the Bank Act and the regulations and guidelines thereunder, including the OSFI Capital Adequacy Requirements (CAR) Guideline, as may be amended from time to time. See "Bank Act Restrictions and Approvals" in the Prospectus and "Details of the Offering – Restrictions on Dividends and Retirement of Shares" in this prospectus supplement.

The Bank reserves the right not to deliver Common Shares upon an NVCC Automatic Conversion

Upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event, the Bank reserves the right not to deliver some or all, as applicable, of the Common Shares issuable or deliverable thereupon to any person whom the Bank has reason to believe is an Ineligible Person or any person who, by virtue of the operation of the NVCC Automatic Conversion, would become a Significant Shareholder through the acquisition of Common Shares. In such circumstances, the Bank will attempt to facilitate the sale of such Common Shares. Those sales (if any) may be made at any time and at any price. The Bank will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Preferred Shares Series 50 and for any Common Shares issued upon an NVCC Automatic Conversion is Computershare Trust Company of Canada at its principal office in Toronto.

LEGAL MATTERS

Legal matters in connection with the issue and sale of the Preferred Shares Series 50 will be passed upon, on behalf of the Bank, by Osler, Hoskin & Harcourt LLP and, on behalf of the Agents, by McCarthy Tétrault LLP. As at July 22, 2022, partners and associates of each of Osler, Hoskin & Harcourt LLP and McCarthy Tétrault LLP, collectively, beneficially owned, directly or indirectly, less than 1% of any class of issued and outstanding securities of the Bank or any associates or affiliates of the Bank.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE AGENTS

Dated: July 22, 2022

To the best of our knowledge, information and belief, the short form prospectus dated March 11, 2022, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the *Bank Act* (Canada) and the regulations thereunder and the securities legislation of all provinces and territories of Canada.

BMO NESBITT BURNS INC.

By: (signed) *"Michael Cleary"*

TD SECURITIES INC.

By: (signed) *"Greg McDonald"*

MORGAN STANLEY CANADA LIMITED

By: (signed) *"Winston Callaway"*

DESJARDINS SECURITIES INC.	LAURENTIAN BANK SECURITIES INC.
By: (signed) *"Brad Saunders"*	By: (signed) *"Benoit Lalonde"*

CIBC WORLD MARKETS INC.	NATIONAL BANK FINANCIAL INC.	RBC DOMINION SECURITIES INC.	SCOTIA CAPITAL INC.
By: (signed) *"Gaurav Matta"*	By: (signed) *"John Carrique"*	By: (signed) *"Peter Hawkrigg"*	By: (signed) *"Francesco Battistelli"*
HSBC SECURITIES (CANADA) INC.	IA PRIVATE WEALTH INC.	MANULIFE SECURITIES INCORPORATED	MERRILL LYNCH CANADA INC.
By: (signed) *"David Loh"*	By: (signed) *"Frank Lachance"*	By: (signed) *"Stephen Arvanitidis"*	By: (signed) *"Jonathan Amar"*

Short Form Base Shelf Prospectus

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities. This short form base shelf prospectus has been filed in reliance on an exemption from the preliminary base shelf prospectus requirement for a well-known seasoned issuer.

This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and, except as stated under "Plan of Distribution", may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act).

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary, Bank of Montreal, 100 King St. W., 1 First Canadian Place, 21st Floor, Toronto, Ontario, M5X 1A1, telephone: (416) 867-6785, and are also available electronically at www.sedar.com.*

SHORT FORM BASE SHELF PROSPECTUS

New Issue March 11, 2022

BMO Bank of Montreal

$10,000,000,000

Debt Securities (subordinated indebtedness)
Common Shares
Class A Preferred Shares
Class B Preferred Shares
Subscription Receipts

Bank of Montreal (the "**Bank**") may from time to time offer and issue the following securities: (i) unsecured subordinated debt securities (the "**Debt Securities**"); (ii) common shares (the "**Common Shares**"); (iii) Class A Preferred Shares and Class B Preferred Shares (collectively, the "**Preferred Shares**"), and (iv) subscription receipts (the "**Subscription Receipts**"). The Debt Securities, Common Shares, Preferred Shares and Subscription Receipts (collectively, the "**Securities**") offered hereby may be offered separately or together, in amounts, at prices and on terms to be set forth in an accompanying shelf prospectus supplement and any applicable pricing supplement (collectively, a "**Prospectus Supplement**"). All shelf information permitted under applicable securities legislation to be omitted from this short form base shelf prospectus (the "**Prospectus**") will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. The Bank may sell up to $10,000,000,000 in aggregate initial offering price of Securities (or the Canadian dollar equivalent thereof if any of the Securities are denominated in a foreign currency or currency unit) during the 25 month period that this Prospectus, including any amendments hereto, remains valid. All currency amounts in this Prospectus are stated in Canadian dollars, unless otherwise indicated.

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, maturity, interest provisions, authorized denominations, offering price, any terms for redemption at the option of the Bank or the holder, any exchange or conversion terms and any other specific terms; (ii) in the case of Common Shares, the number of shares and offering price; (iii) in the case of Preferred Shares, the designation of the particular class, series, aggregate principal amount, the number of shares offered, the issue price, the dividend rate, the dividend payment dates, any terms for redemption at the option of the Bank or the holder, any exchange or conversion terms and any other specific terms, and (iv) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, the procedures for the exchange of the Subscription Receipts for Debt Securities, Preferred Shares or Common Shares, as the case may be, and any other specific terms.

This Prospectus does not qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or a bankers' acceptance rate, or to recognized market benchmark interest rates.

The Debt Securities will be direct unsecured obligations of the Bank constituting subordinated indebtedness for the purposes of the *Bank Act* (Canada) (the "**Bank Act**") ranking at least equally with other subordinated indebtedness of the Bank from time to time issued and outstanding (other than subordinated indebtedness which has been further subordinated in accordance with its terms).

The Debt Securities will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.

The outstanding Common Shares are currently listed on the Toronto Stock Exchange and the New York Stock Exchange and the outstanding Preferred Shares, to the extent they are listed, are listed on the Toronto Stock Exchange.

Effective January 1, 2013 in accordance with capital adequacy requirements adopted by the Office of the Superintendent of Financial Institutions Canada (the "**Superintendent**"), non-common capital instruments issued after January 1, 2013, including subordinated debt securities or preferred shares, must include terms providing for the full and permanent conversion of such securities into common shares upon the occurrence of certain trigger events relating to financial viability (the "**Non-Viability Capital Contingency Provisions**") in order to qualify as regulatory capital. The specific terms of any Non-Viability Capital Contingency Provisions for any subordinated Debt Securities and Preferred Shares that the Bank issues under this Prospectus will be described in one or more Prospectus Supplements relating to such Securities.

The Securities may be sold through underwriters or dealers, by the Bank directly pursuant to applicable statutory exemptions or through agents designated by the Bank from time to time. See "Plan of Distribution". The underwriters may decrease the price at which the Securities are distributed for cash from the initial offering price disclosed in a Prospectus Supplement unless otherwise specified in a Prospectus Supplement. **See "Plan of Distribution" for additional disclosure concerning a possible price decrease.** The Prospectus Supplement will identify each underwriter, dealer or agent engaged in connection with the offering and sale of those Securities, and will also set forth the terms of the offering of such Securities including the net proceeds to the Bank and, to the extent applicable, any fees payable to the underwriters, dealers or agents. The offerings are subject to approval of certain legal matters on behalf of the Bank by Osler, Hoskin & Harcourt LLP.

As of the date hereof, the Bank has determined that it qualifies as a "well-known seasoned issuer" under the WKSI Blanket Orders (as defined below). See "Reliance on Exemptions for Well-Known Seasoned Issuers".

Janice M. Babiak, Craig W. Broderick, Christine A. Edwards, Dr. Martin S. Eichenbaum, Linda S. Huber and Madhu Ranganathan (each a director of the Bank resident outside of Canada), have appointed the Bank, at 100 King Street West, 1 First Canadian Place, 21st Floor, Toronto, Ontario, M5X 1A1, Canada, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if such person has appointed an agent for service of process.

The head and registered office of the Bank is at 129 rue Saint Jacques, Montréal, Québec, H2Y 1L6, and the executive offices are located at 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The Bank's public communications often include written or oral forward-looking statements. Statements of this type are included in this Prospectus (including documents incorporated by reference), and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States *Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. The forward-looking statements contained or incorporated by reference in this Prospectus can often, but not always, be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "project", "target", "goal", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved.

By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the Bank's assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. The uncertainty created by the COVID-19 pandemic has heightened this risk, given the increased challenge in making assumptions, predictions, forecasts, conclusions or projections. The Bank cautions readers of this Prospectus not to place undue reliance on its forward-looking statements, as a number of factors – many of which are beyond the Bank's control and the effects of which can be difficult to predict – could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including, but not limited to: general economic and market conditions in the countries in which the Bank operates, including labour challenges; the severity, duration and spread of the COVID-19 pandemic, and possibly other outbreaks of disease or illness, and its impact on local, national or international economies, as well as its heightening of certain risks that may affect the Bank's future results; information, privacy and cyber security, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; benchmark interest rate reforms; technological changes and technology resiliency; political conditions, including changes relating to, or affecting, economic or trade matters; climate change and other environmental and social risk; the Canadian housing market and consumer leverage; inflationary pressures; global supply-chain disruptions; changes in monetary, fiscal, or economic policy; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which the Bank operates; judicial or regulatory proceedings; the accuracy and completeness of the information the Bank obtains with respect to its customers and counterparties; failure of third parties to comply with their obligations to the Bank; the Bank's ability to execute its strategic plans and to complete proposed acquisitions or dispositions, including obtaining regulatory approvals; critical accounting estimates and the effects of changes to accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; the possibility that the Bank's proposed acquisition of Bank of the West does not close when expected or at all because required regulatory approvals and other conditions to closing are not received or satisfied on a timely basis or at all or are received subject to adverse conditions or requirements; the anticipated benefits from the proposed acquisition of Bank of the West, such as it creating synergies and operational efficiencies; the Bank's ability to perform effective fair value management actions and unforeseen consequences arising from such actions; changes to the Bank's credit ratings; global capital markets activities; the possible effects on the Bank's business of war or terrorist activities; natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply; and the Bank's ability to anticipate and effectively manage risks arising from all of the foregoing factors.

The Bank cautions that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect the Bank's results. For more information, please refer to the discussion in the "Risks That May Affect Future Results" section, and the sections related to credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, environmental and social, and reputation risk, in the "Enterprise-Wide Risk Management" section of the Bank's 2021 Annual Report (as defined herein), as updated by quarterly reports, all of which outline certain key factors and risks that may affect the Bank's future results.

Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law. The forward-looking information contained or incorporated by reference in this Prospectus is presented for the purpose of assisting prospective purchasers of the Bank's securities in understanding the Bank's financial position as at and for the periods ended on the dates presented, as well as its strategic priorities and objectives, and may not be appropriate for other purposes.

Material economic assumptions underlying the forward-looking statements contained or incorporated by reference in this Prospectus are set out in the "Economic Developments and Outlook" section of the Bank's 2021 Annual Report, as updated by quarterly reports, as well as in the "Allowance for Credit Losses" section of the Bank's 2021 Annual Report, as updated by quarterly reports. Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on the Bank's business, are material factors the Bank considers when determining its strategic priorities, objectives and expectations for its business. In determining the Bank's expectations for economic growth, the Bank primarily considers historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents that have been filed by the Bank with the various securities commissions or similar authorities in each of the provinces and territories of Canada and with the Superintendent, are specifically incorporated by reference in, and form an integral part of, this Prospectus:

(a) the annual information form dated December 3, 2021 for the year ended October 31, 2021 (the "**Annual Information Form**");

(b) the audited consolidated financial statements as at and for the year ended October 31, 2021 with comparative consolidated financial statements as at and for the year ended October 31, 2020, together with the auditors' reports thereon and the auditors' report on the effectiveness of internal control over financial reporting as of October 31, 2021 under the standards of the Public Company Accounting Oversight Board (United States);

(c) management's discussion and analysis as contained in the Bank's annual report (the "**2021 Annual Report**") as of October 31, 2021;

(d) the management proxy circular dated March 1, 2022 in connection with the annual meeting of shareholders of the Bank to be held on April 13, 2022;

(e) the unaudited consolidated interim financial statements as at and for the three months ended January 31, 2022;

(f) management's discussion and analysis for the three months ended January 31, 2022; and

(g) the material change report dated December 20, 2021 relating to a definitive agreement entered into on December 18, 2021 by the Bank and its indirect wholly-owned Chicago-based subsidiary BMO Harris Bank N.A. with BNP Paribas S.A. to acquire Bank of the West and its subsidiaries.

Any documents of the type referred to in the preceding paragraph or required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions,* including any unaudited interim consolidated financial statements and related management's discussion and analysis, information circulars, material change reports (excluding confidential material change reports), business acquisition reports, marketing materials and other disclosure document filed by the Bank with a securities regulatory authority in Canada, after the date of this Prospectus and prior to the termination of the offering under any Prospectus Supplement, shall be deemed to be incorporated by reference herein.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

A Prospectus Supplement containing the specific terms of an offering of Securities will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated into this Prospectus as of the date of the Prospectus Supplement solely for the purposes of the offering of the Securities covered by such Prospectus Supplement unless otherwise expressly provided therein.

Upon a new annual information form and the related audited annual consolidated financial statements together with the auditors' report thereon, the auditors' report on the effectiveness of internal control over financial reporting under the standards of the Public Company Accounting Oversight Board (United States) and management's discussion and analysis being filed by the Bank with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous audited annual consolidated financial statements and management's discussion and analysis and all unaudited interim consolidated financial statements, material change reports, information circulars, business acquisition reports and other disclosure documents filed prior to the commencement of the Bank's financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

Updated earnings coverage ratios, as required, will be filed quarterly with the applicable securities commissions or similar authorities in Canada, either as Prospectus Supplements or as exhibits to the Bank's unaudited interim and audited annual financial statements, and will be deemed to be incorporated by reference into this Prospectus. Where the Bank updates its disclosure of earnings coverage ratios by Prospectus Supplement, the Prospectus Supplement filed with the applicable securities regulatory authorities that contains the most recent updated disclosure of earnings coverage ratios and any Prospectus Supplement supplying any additional or updated information the Bank may elect to include (provided that such information does not describe a material change that has not already been the subject of a material change report or a prospectus amendment) will be delivered to all subsequent purchasers of Securities together with this Prospectus and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement or Prospectus Supplements.

BANK OF MONTREAL

Bank of Montreal started business in Montreal in 1817 and was incorporated in 1821 by an Act of Lower Canada as the first Canadian chartered bank. Since 1871, the Bank has been a chartered bank under the Bank Act, and is named in Schedule I of the Bank Act. The Bank Act is the charter of the Bank and governs its operations.

The Bank's head and registered office is 129 rue Saint Jacques, Montreal, Quebec, H2Y 1L6. Its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1.

The Bank provides a broad range of products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2021, the Bank had over 12 million customers and approximately 44,000 full-time equivalent employees. As at October 31, 2021 the Bank had approximately 1,400 bank branches and more than 4,800 automated banking machines, as well as online and mobile digital banking platforms in Canada and the United States. It operates internationally in major financial markets and trading areas through its offices in a number of jurisdictions around the world. BMO Financial Corp. is based in Chicago and wholly-owned by Bank of Montreal. BMO Financial Corp. operates primarily through its subsidiary BMO Harris Bank N.A., which provides banking, financing, investing, and cash management services in the United States. The Bank provides a full range of investment dealer services through entities, including BMO Nesbitt Burns Inc., a major fully integrated Canadian investment dealer, and BMO Capital Markets Corp., the Bank's wholly-owned registered broker dealer in the United States.

DESCRIPTION OF DEBT SECURITIES

The following describes certain general terms and provisions of the Debt Securities. The particular terms and provisions of Debt Securities offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement.

The Debt Securities will be direct unsecured obligations of the Bank, constituting subordinated indebtedness for the purposes of the Bank Act, ranking at least equally with other subordinated indebtedness of the Bank from time to time issued and outstanding (other than subordinated indebtedness or any Debt Securities which have been further subordinated in accordance with their terms). In the event of the insolvency or winding-up of the Bank, the subordinated indebtedness issued by the Bank (including any Debt Securities issued hereunder if a trigger event has not occurred as contemplated under the specific Non-Viability Capital Contingency Provisions as may be applicable to such Debt Securities) will be subordinate in right of payment to the prior payment in full of the deposit liabilities of the Bank and other liabilities of the Bank except those liabilities which by their terms rank in right of payment equally with or subordinate to indebtedness.

Subject to regulatory capital requirements applicable to the Bank, there is no limit on the amount of Debt Securities that the Bank may issue.

If the Bank becomes insolvent, the Bank Act provides that priorities among payments of the Bank's deposit liabilities and payments of all of the Bank's other liabilities (including payments in respect of Debt Securities) are to be determined in accordance with the laws governing priorities and, where applicable, by the terms of the indebtedness and liabilities. Because the Bank has subsidiaries, the Bank's right to participate in any distribution of the assets of such banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up liquidation or reorganization or otherwise, and thus a purchaser's ability to benefit indirectly from such distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that the Bank may be a creditor of that subsidiary and the Bank's claims are recognized. There are legal limitations on the extent to which some of the Bank's subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, the Bank or some of the Bank's other subsidiaries.

The Debt Securities will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.

The Debt Securities will be issued under one or more indentures (each, a "**Trust Indenture**"), in each case between the Bank and a financial institution to which the *Trust and Loan Companies Act* (Canada) applies or a financial institution organized under the laws of any province of Canada and authorized to carry on business as a trustee (each, a "**Trustee**"). Any series of Debt Securities may also be created and issued without a Trust Indenture or a fiscal agency or paying agency agreement. The Bank may also appoint a calculation agent in connection with any Debt Securities issued under this Prospectus, which agent may be an affiliate or otherwise non-arm's length to the Bank. The statements made below relating to any Trust Indenture and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof, are not complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Trust Indenture.

Each Trust Indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by the Bank. Reference is made to the Prospectus Supplement which accompanies this Prospectus for the terms and other information with respect to the Debt Securities being offered thereby, including: (i) the designation, aggregate principal amount and authorized denominations of the Debt Securities; (ii) the currency for which the Debt Securities may be purchased and the currency in which the principal and any interest is payable (in either case, if other than Canadian dollars); (iii) the percentage of the principal amount at which the Debt Securities will be issued; (iv) the date or dates on which the Debt Securities will mature; (v) the rate or rates per annum at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any); (vi) the dates on which such interest will be payable and the record dates for such payments; (vii) the Trustee under the Trust Indenture pursuant to which the Debt Securities are to be issued; (viii) any redemption term or terms under which such Debt Securities may be defeased; (ix) whether the Debt Securities are to be issued in registered form, “book-entry only” form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof; (x) any exchange or conversion terms; (xi) the ratings, if any, issued by rating agencies; and (xii) any other specific terms.

Unless otherwise specified in the Prospectus Supplement which accompanies this Prospectus, principal, premium (if any) and interest payable on Debt Securities are to be payable at any branch in Canada of the Bank provided that such payments may also be made at the option of the Bank by electronic or wire transfer or, by cheque mailed, delivered or otherwise transferred to the persons in whose names the Debt Securities are registered.

Debt Securities may, at the option of the Bank, be issued in fully registered form, in bearer form or in “book-entry only” form. See “Book-Entry Only Securities” below. Debt Securities in registered form will be exchangeable for other Debt Securities of the same series and tenor, registered in the same name, for the same aggregate principal amount in different authorized denominations and will be transferable at any time or from time to time at the corporate trust office of the Trustee for the Debt Securities. No charge will be made to the holder for any such exchange or transfer except for any tax or government charge incidental thereto.

DESCRIPTION OF COMMON SHARES

The authorized capital of the Bank includes an unlimited number of Common Shares without nominal or par value, which may be issued for unlimited consideration. The holders of Common Shares are entitled to (i) vote at all meetings of the shareholders of the Bank, except for meetings where only holders of a specified class or series of shares are entitled to vote; (ii) receive dividends as and when declared by the Board of Directors of the Bank, subject to the preference of the Bank’s holders of preferred shares; and (iii) receive the remaining property of the Bank if it is liquidated, dissolved, or wound up, only after paying the Bank’s holders of preferred shares and paying all outstanding debt.

DESCRIPTION OF PREFERRED SHARES

The authorized capital of the Bank includes an unlimited number of Class A Preferred Shares and Class B Preferred Shares without nominal or par value, in series, which may be issued for unlimited consideration. Class B Preferred Shares may be issued in a foreign currency.

The following describes certain general terms and provisions of the Preferred Shares. The particular terms and provisions of a series of Preferred Shares offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in such Prospectus Supplement.

Certain Provisions of the Class A Preferred Shares as a Class

Issuable in Series

The Class A Preferred Shares may be issued, from time to time, in one or more series with such rights, privileges, restrictions and conditions as the Board of Directors of the Bank may determine by resolution. As at the date hereof, there were no outstanding Class A Preferred Shares.

The Class A Preferred Shares of each series rank equally to all other series of Class A Preferred Shares and Class B Preferred Shares (including any Preferred Shares issued hereunder if a trigger event has not occurred as contemplated under the specific Non-Viability Capital Contingency Provisions applicable to such Preferred Shares) and are entitled to preference over the Common Shares and over any other shares ranking junior to the Class A Preferred Shares and the Class B Preferred Shares with respect to the payment of dividends and in the distribution of property in the event of the liquidation, dissolution or winding up of the Bank.

Creation and Issue of Shares

Under the Bank Act, the Bank may not, without the approval of the holders of the Class A Preferred Shares, create any other class of shares ranking equal with or superior to the Class A Preferred Shares. Shareholders must give this approval as set out below in "Shareholder Approvals." The Bank Act and other laws may also require other forms of approval.

The Bank does not require approval of the holders of Class A Preferred Shares to create or issue additional Class A Preferred Shares or shares of equal rank if, on the date they are created or issued, the Bank has declared and paid or set apart for payment all dividends payable on cumulative and non-cumulative Class A Preferred Shares, including for the most recently completed fiscal period.

Voting Rights

The holders of the Class A Preferred Shares are not entitled to any voting rights as a class except as provided herein or by law.

Shareholder Approvals

Any approval to be given by the holders of the Class A Preferred Shares may be given by a resolution carried by the affirmative vote of not less than 66⅔% of the votes cast at a meeting of holders of Class A Preferred Shares at which a majority of the outstanding Class A Preferred Shares is represented or, if no quorum is present at such meeting, at any adjourned meeting at which no quorum requirements would apply.

Certain Provisions of the Class B Preferred Shares as a Class

Issuable in Series

The Class B Preferred Shares may be issued, from time to time, in one or more series with such rights, privileges, restrictions and conditions as the Board of Directors of the Bank may determine by resolution.

The Class B Preferred Shares of each series rank equally to all other series of Class B Preferred Shares and Class A Preferred Shares (including any Preferred Shares issued hereunder if a trigger event has not occurred as contemplated under the specific Non-Viability Capital Contingency Provisions applicable to such Preferred Shares) and are entitled to preference over the Common Shares and over any other shares ranking junior to the Class A Preferred Shares and the Class B Preferred Shares with respect to the payment of dividends and in the distribution of property in the event of the liquidation, dissolution or winding up of the Bank.

Creation and Issue of Shares

Under the Bank Act, the Bank may not, without the approval of the holders of the Class B Preferred Shares, create any other class of shares ranking equal with or superior to the Class B Preferred Shares. Shareholders must give this approval as set out below in "Shareholder Approvals." The Bank Act and other laws may also require other forms of approval.

The Bank does not require approval of the holders of Class B Preferred Shares to create or issue additional Class B Preferred Shares or shares of equal rank if, on the date they are created or issued, the Bank has declared and paid or set apart for payment all dividends payable on cumulative and non-cumulative Class B Preferred Shares, including for the most recently completed fiscal period.

Voting Rights

The holders of the Class B Preferred Shares are not entitled to any voting rights as a class except as provided herein or by law.

Shareholder Approvals

Any approval to be given by the holders of the Class B Preferred Shares may be given by a resolution carried by the affirmative vote of not less than 66⅔% of the votes cast at a meeting of holders of Class B Preferred Shares at which a majority of the outstanding Class B Preferred Shares is represented or, if no quorum is present at such meeting, at any adjourned meeting at which no quorum requirements would apply.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The following sets forth certain general terms and provisions of the Subscription Receipts. The Bank may issue Subscription Receipts that may be exchanged by the holders thereof for Debt Securities, Preferred Shares or Common Shares upon the satisfaction of certain conditions. The particular terms and provisions of the Subscription Receipts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms described below apply to those Subscription Receipts, will be described in such Prospectus Supplement.

Subscription Receipts may be offered separately or together with Debt Securities, Preferred Shares or Common Shares, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement.

Any Prospectus Supplement for Subscription Receipts supplementing this Prospectus will contain the terms and conditions and other information with respect to the Subscription Receipts being offered thereby, including:

(i) the number of Subscription Receipts;

(ii) the price at which the Subscription Receipts will be offered and whether the price is payable in installments;

(iii) any conditions to the exchange of Subscription Receipts into Debt Securities, Preferred Shares or Common Shares, as the case may be, and the consequences of such conditions not being satisfied;

(iv) the procedures for the exchange of the Subscription Receipts into Debt Securities, Preferred Shares or Common Shares, as the case may be;

(v) the manner in which funds will be invested and held, and procedures for the release of funds (including interest or other income earned on funds) pending satisfaction or non-satisfaction of the escrow release or other conditions;

(vi) the number of Debt Securities, Preferred Shares or Common Shares, as the case may be, that may be exchanged upon exercise of each Subscription Receipt;

(vii) the identity of the subscription receipt agent;

(viii) the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each security, if applicable;

(ix) the dates or periods during which the Subscription Receipts may be exchanged into Debt Securities, Preferred Shares or Common Shares, as the case may be;

(x) any entitlements of the holders of Subscription Receipts to receive dividends declared on Common Shares or dividend-equivalent payments;

(xi) whether such Subscription Receipts will be listed on any securities exchange;

(xii) any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts; and

(xiii) any other specific terms.

Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the securities that may be exchanged upon exercise of the Subscription Receipts.

BOOK-ENTRY ONLY SECURITIES

Securities issued in "book-entry only" form must be purchased, transferred or redeemed through participants ("**Participants**") in the depository service of CDS Clearing and Depository Services Inc. ("**CDS**") (or such other depository as is identified in an accompanying Prospectus Supplement or any successor to CDS, as the case may be). Each of the underwriters, dealers or agents, as the case may be, named in an accompanying Prospectus Supplement will be a Participant. On the closing of a book-entry only offering, the Bank will cause a global certificate or certificates representing the aggregate number of Securities subscribed for under such offering to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no purchaser of Securities will be entitled to a certificate or other instrument from the Bank or CDS evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by CDS or its nominee except through a book-entry account of a Participant acting on behalf of such purchaser. Each purchaser of Securities will receive a customer confirmation of purchase from the registered dealer from which the Securities are purchased in accordance with the practices and procedures of such registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Securities. Reference in this Prospectus to a holder of Securities means, unless the context otherwise requires, the owner of the beneficial interest in the Securities.

If the Bank determines, or CDS notifies the Bank in writing, that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Securities and the Bank is unable to locate a qualified successor, or if the Bank at its option elects, or is required by law, to terminate the book-entry system, then the Securities will be issued in fully registered form to holders or their nominees.

Transfer, Conversion or Redemption of Securities

Transfer of ownership, conversion or redemptions of Securities will be effected through records maintained by CDS or its nominee for such Securities with respect to interests of Participants, and on the records of Participants with respect to interests of persons other than Participants. Holders who desire to purchase, sell or otherwise transfer ownership of or other interests in the Securities may do so only through Participants.

The ability of a holder to pledge a Security or otherwise take action with respect to such holder's interest in a Security (other than through a Participant) may be limited due to the lack of a physical certificate.

Payments and Notices

Any payment of principal, redemption, dividend and interest on a Security (as applicable) will be made by the Bank to CDS or its nominee, as the case may be, as the registered holder of the Security and the Bank understands that such payments will be credited by CDS or its nominee, as the case may be, in the appropriate amounts to the relevant Participants. Payments to holders of Securities of amounts so credited will be the responsibility of the Participants.

As long as CDS or its nominee is the registered holder of the Securities, CDS or its nominee, as the case may be, will be considered the sole owner of the Securities for the purposes of receiving notices or payments on the Securities. In such circumstances, the responsibility and liability of the Bank in respect of notices or payments on the Securities is limited to giving or making payment of any principal, redemption, dividend and interest due on the Securities (as applicable) to CDS or its nominee.

Each holder must rely on the procedures of CDS and, if such holder is not a Participant, on the procedures of the Participant through which such holder owns its interest, to exercise any rights with respect to the Securities. The Bank understands that under existing policies of CDS and industry practices, if the Bank requests any action of holders or if a holder desires to give any notice or take any action which a registered holder is entitled to give or take with respect to the Securities, CDS would authorize the Participant acting on behalf of the holder to give such notice or to take such action, in accordance with the procedures established by CDS or agreed to from time to time by the Bank, any Trustee and CDS. Any holder that is not a Participant must rely on the contractual arrangement it has directly, or indirectly through its financial intermediary, with its Participant to give such notice or take such action.

The Bank, the underwriters, dealers or agents and any Trustee identified in an accompanying Prospectus Supplement, as applicable, will not have any liability or responsibility for: (i) records maintained by CDS or its nominee relating to beneficial ownership interest in the Securities held by CDS or its nominee or the book-entry accounts maintained by CDS or its nominee; (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interest; or (iii) any advice or representation made by or with respect to CDS and contained herein or in any Trust Indenture relating to the rules and regulations of CDS or any action to be taken by CDS or at the directions of the Participants.

BANK ACT RESTRICTIONS AND APPROVALS

Under the Bank Act, the Bank, with the prior consent of the Superintendent, may redeem or purchase any of its shares unless there are reasonable grounds for believing that the Bank is, or the redemption or purchase would cause the Bank to be, in contravention of any regulation made under the Bank Act respecting the maintenance by banks of adequate capital and adequate and appropriate forms of liquidity, or any direction to the Bank made by the Superintendent pursuant to subsection 485(3) of the Bank Act regarding its capital or its liquidity. No such direction to the Bank has been made to date.

The Bank is also prohibited under the Bank Act from paying or declaring a dividend if there are reasonable grounds for believing that the Bank is, or the payment would cause the Bank to be, in contravention of any regulation made under the Bank Act respecting the maintenance by banks of adequate capital and adequate and appropriate forms of liquidity, or any direction to the Bank made by the Superintendent pursuant to subsection 485(3) of the Bank Act regarding its capital or its liquidity. No such direction to the Bank has been made to date.

RESTRAINTS ON BANK SHARES UNDER THE BANK ACT

The Bank Act restricts the beneficial ownership of shares of a bank. The following is a summary of such restrictions. No person may be a major shareholder of a bank if such bank has equity of $12 billion or more, which applies to the Bank. A major shareholder is defined as a person, or group of persons under common control or acting jointly or in concert, that beneficially owns more than 20% of any class of voting shares or more than 30% of any class of non-voting shares of a bank.

In addition, no person may have a significant interest in any class of shares of a bank, including the Bank, unless the person first receives the approval of the Minister of Finance (Canada). A person has a significant interest in a class of shares of a bank when the person, or group of persons under common control or acting jointly or in concert, beneficially owns more than 10% of any class of shares of a bank.

Governments and their agents are also restricted from acquiring shares of a bank, except for certain cases that require the Minister of Finance’s consent.

CHANGES TO SHARE CAPITAL AND SUBORDINATED INDEBTEDNESS

As at March 10, 2022, the Bank had 650,632,828 Common Shares, 122,000,000 Class B Preferred Shares and no Class A Preferred Shares outstanding.

On February 25, 2022, the Bank redeemed all of its outstanding 24,000,000 Non-Cumulative 5-Year Rate Reset Class B Preferred Shares, Series 38 (Non-Viability Contingent Capital (NVCC)) (the “**Preferred Share Series 38 Redemption**”) for an aggregate redemption price of $600 million.

The Bank is expected to complete an offering on March 15, 2022 of $750,000,000 5.625% Limited Recourse Capital Notes, Series 2 (Non-Viability Contingent Capital (NVCC)) (subordinated indebtedness) (the “**LRCN Series 2 Note Issuance**”) and in connection with such offering intends to issue 750,000 Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 49 (Non-Viability Contingent Capital (NVCC)) on March 14, 2022 to Computershare Trust Company of Canada, as trustee of BMO LRCN Trust.

EARNINGS COVERAGE RATIOS

The following consolidated financial ratios for the Bank, which are calculated for the 12 months ended October 31, 2021 and January 31, 2022, respectively, are presented on a *pro forma* as adjusted basis after giving effect to: (i) the issuance by the Bank of US$1,250,000,000 3.088% Subordinated Notes due 2037 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) on January 10, 2022 (the "**US Subordinated Note Issuance**"), (ii) the Preferred Shares Series 38 Redemption, and (iii) the LRCN Series 2 Note Issuance, as appropriate for each of the periods presented, and do not reflect the issue of any Securities under this Prospectus.

	12 Months Ended October 31, 2021(2)	**12 Months Ended January 31, 2022**(3)
Grossed up dividend coverage on Class B Preferred Shares, Series (27, 29, 31, 33, 35, 36, 40, 42, 44 and 46) and other equity instruments(1)	32.00 times	35.89 times
Interest coverage on subordinated indebtedness	42.96 times	64.53 times
Interest and grossed up dividend coverage on subordinated indebtedness, preferred shares and other equity interests	18.34 times	23.06 times

Notes:

(1) As at October 31, 2021 and January 31, 2022, there were no Class A Preferred Shares outstanding.

(2) As adjusted to give effect to the US Subordinated Note Issuance, the Preferred Shares Series 38 Redemption and the LRCN Series 2 Note Issuance.

(3) As adjusted to give effect to the Preferred Shares Series 38 Redemption and the LRCN Series 2 Note Issuance.

The Bank's dividend requirements on all of its preferred shares and other equity instruments amounted to (i) $326.7 million for the 12 months ended October 31, 2021 adjusted to a before-tax equivalent using an effective tax rate of 24.41%, and (ii) $326.8 million for the 12 months ended January 31, 2022, adjusted to a before-tax equivalent using an effective tax rate of 24.93%. The Bank's interest requirements for its long-term debt and grossed up dividends on its preferred shares and other equity interests for (i) the 12 months ended October 31, 2021 amounted to $570.0 million, and (ii) the 12 months ended January 31, 2022 amounted to $508.6 million. The Bank's earnings before interest and income tax for (i) the 12 months ended October 31, 2021 amounted to $10,453 million, which was 18.34 times the Bank's aggregate dividend and interest requirements for this period, and (ii) the 12 months ended January 31, 2022 amounted to $11,731 million, which was 23.06 times the Bank's aggregate dividend and interest requirements for this period. The foregoing figures have been calculated after giving effect to the US Subordinated Note Issuance, the Preferred Shares Series 38 Redemption and the LRCN Series 2 Note Issuance, as appropriate for each of the periods presented.

In calculating the dividend and interest coverages, foreign currency amounts have been converted to Canadian dollars using rates of exchange as at the end of each month. For the 12 month period ended October 31, 2021, the average of such exchange rates was $1.2554 per US$1.00. For the 12 month period ended January 31, 2022, the average of such exchange rates was $1.2521 per US$1.00.

The information presented herein for the 12 months ended January 31, 2022 is based on unaudited financial information. The information in this "Earnings Coverage Ratios" section is disclosed in accordance with Item 6 of Form 44-101F1 – *Short Form Prospectus*.

PLAN OF DISTRIBUTION

The Bank may sell Securities to or through underwriters or dealers purchasing as principal, and also may sell Securities to one or more purchasers directly through applicable statutory exemptions or through agents. Debt Securities may be sold from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers.

A Prospectus Supplement will set forth the terms of any offering of Securities, including the name or names of any underwriters or agents involved in the offering and sale of the Securities, the initial public offering price, the proceeds to the Bank, any underwriting discount or commission or discount or commission to be paid to any agents and any discounts, concessions or commissions allowed or re-allowed or paid by any underwriters to other dealers. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a "best efforts" basis for the period of its appointment.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the Securities offered by the Prospectus Supplement if any of such Securities are purchased. Any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time. In particular, in connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), after the underwriters have made a reasonable effort to sell all of the Securities at the initial public offering price disclosed in a Prospectus Supplement, the public offering price may be decreased, and further changed from time to time, by the underwriters to an amount not greater than the initial public offering price disclosed in the Prospectus Supplement and, in such case, the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Bank.

The Securities may also be sold directly by the Bank at such prices and upon such terms as agreed to by the Bank and the purchaser or through agents designated by the Bank from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Bank to such agent will be set forth, in the Prospectus Supplement.

The Bank may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered hereby. Any such commission will be paid out of the general corporate funds of the Bank. Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Bank to indemnification by the Bank against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

In connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a higher level than that which might exist in the open market. These transactions may be commenced, interrupted or discontinued at any time.

The Securities to be issued hereunder have not been, and will not be, registered under the U.S. Securities Act and may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act) except in certain transactions exempt from the requirements of the U.S. Securities Act.

OTHER MATERIAL FACTS

On June 22, 2016, legislation came into force amending the Bank Act, the Canada Deposit Insurance Corporation Act (the "**CDIC Act**") and certain other Canadian federal statutes pertaining to banks to create a bail-in regime for Canada's domestic systemically important banks, which include the Bank. On April 18, 2018, the Government of Canada published the final regulations under the CDIC Act and the Bank Act providing the final details of the conversion, issuance and compensation regimes for bail-in instruments issued by domestic systemically important banks, including the Bank (collectively, the "**Bail-In Regulations**"). Pursuant to the CDIC Act, in circumstances where the Superintendent has determined that the Bank has ceased, or is about to cease, to be viable, the Governor in Council may, upon a recommendation of the Minister of Finance that he or she is of the opinion that it is in the public interest to do so, grant an order directing CDIC to convert all or a portion of certain shares and liabilities of the Bank into common shares of the Bank or any of its affiliates (a "**Bail-In Conversion**").

The Bail-In Regulations prescribe the types of shares and liabilities ("**Eligible Shares and Liabilitie**s") that will be subject to a Bail-In Conversion. Subject to certain exceptions, including for structured notes, in general, any senior debt issued on or after September 23, 2018 with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and has been assigned a CUSIP or ISIN or similar identification number would be prescribed liabilities subject to a Bail-In Conversion. Shares, other than Common Shares, and subordinated debt would also be prescribed liabilities subject to a Bail-In Conversion, unless they are non-viability contingent capital. Holders of Common Shares, and holders of Debt Securities or Preferred Shares who receive Common Shares following the occurrence of a trigger event under the Non-Viability Capital Contingency Provisions, may sustain substantial dilution following a Bail-In Conversion of the Eligible Shares and Liabilities.

Notwithstanding the above, any shares and liabilities issued before the date the Bail-In Regulations came into force would not be subject to a Bail-In Conversion, unless, in the case of a liability, the terms of such liability are, on or after that day, amended to increase its principal amount or to extend its term to maturity and the liability, as amended, meets the requirements to be subject to a Bail-In Conversion. The Bail-In Regulations came into force on September 23, 2018 and the related compensation regime came into force on March 26, 2018.

In the event any Securities issued under this Prospectus are subject to the bail-in regime, the applicable Prospectus Supplement will provide details of that regime.

For a description of Canadian bank resolution powers and the consequent risk factors, reference is made to the disclosure set out under the heading "Description of the Business – Supervision and Regulation in Canada" contained in the Annual Information Form, which disclosure is incorporated by reference herein.

RISK FACTORS

Investment in the Securities is subject to various risks including those risks inherent in conducting the business of a diversified financial institution. Before deciding whether to invest in any Securities, investors should consider carefully the risks set out herein and incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference) and those described in a Prospectus Supplement relating to a specific offering of Securities. Prospective investors should consider the categories of risks identified and discussed in the annual information form and management's discussion and analysis incorporated herein by reference including but not limited to credit and counterparty risk, market risk, insurance risk, liquidity and funding risk, operational non-financial risk, legal and regulatory risk, strategic risk, environmental and social risk, and reputation risk and other factors that may affect the Bank's results.

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the net proceeds to the Bank from the sale of the Securities will be added to the general funds of the Bank and utilized for general banking purposes.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement, certain legal matters relating to the Securities offered by a Prospectus Supplement will be passed upon, on behalf of the Bank, by Osler, Hoskin & Harcourt LLP. As at March 11, 2022, partners and associates of Osler, Hoskin & Harcourt LLP beneficially owned, directly or indirectly, less than 1% of any issued and outstanding securities of the Bank or any associates or affiliates of the Bank.

RELIANCE ON EXEMPTIONS FOR WELL-KNOWN SEASONED ISSUERS

The securities regulatory authorities in each of the provinces and territories of Canada have adopted substantively harmonized blanket orders, including Ontario Instrument 44-501 – *Exemption from Certain Prospectus Requirements for Well-known Seasoned Issuers (Interim Class Order)* (together with the equivalent local blanket orders in each of the other provinces and territories of Canada, collectively, the "**WKSI Blanket Orders**"). This Prospectus has been filed by the Bank in reliance upon the WKSI Blanket Orders, which permit "well-known seasoned issuers", or "WKSIs", to file a final short form base shelf prospectus as the first public step in an offering, and exempt qualifying issuers from certain disclosure requirements relating to such final short form base shelf prospectus. As of the date hereof, the Bank has determined that it qualifies as a "well-known seasoned issuer" under the WKSI Blanket Orders.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

Original Canadian purchasers of Debt Securities, Preferred Shares or Subscription Receipts that are convertible or exchangeable into other securities of the Bank will have a contractual right of rescission against the Bank in respect of the conversion, exchange or exercise of such convertible, exchangeable or exercisable Securities. The contractual right of rescission will entitle such original purchasers to receive from the Bank, upon surrender of the underlying securities acquired upon the conversion, exchange or exercise of such Securities, the amount paid for such Securities (and any additional amount paid upon conversion, exchange or exercise), in the event that this Prospectus, the applicable Prospectus Supplement or any amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Securities that are convertible, exercisable or exchangeable under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the Securities that are convertible, exercisable or exchangeable under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law. Original Canadian purchasers are further advised that in certain provinces and territories the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the Securities that are convertible or exchangeable into other securities of the Bank that were purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the province or territory in which the purchaser resides for the particulars of these rights, or consult with a legal adviser.

CERTIFICATE OF THE BANK

Dated: March 11, 2022

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the *Bank Act* (Canada) and the regulations thereunder and the securities legislation of all provinces and territories of Canada.

(signed) DARRYL WHITE
Chief Executive Officer

(signed) TAYFUN TUZUN
Chief Financial Officer

On Behalf of the Board of Directors

(signed) GEORGE A. COPE
Director

(signed) CHRISTINE A. EDWARDS
Director