Prospectus Supplement
To Short Form Base Shelf Prospectus dated December 22, 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 December 22, 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 — January 26, 2023

BMO Bank of Montreal

Bank of Montreal
$650,000,000
650,000 Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 52
(Non-Viability Contingent Capital (NVCC))

The holders of Non-Cumulative 5-Year Fixed Rate Reset Class B Preferred Shares, Series 52 (Non-Viability Contingent Capital (NVCC)) (the "**Preferred Shares Series 52**") 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, May 26, 2028 (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 7.057% or $70.57 per Preferred Share Series 52 per annum. The initial dividend, if declared, shall be payable on May 26, 2023 and shall be $22.23438356 per share, based on the anticipated closing date of January 31, 2023. 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 52 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 52 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 52 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 52 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 52, 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 December 22, 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 52, the Bank may redeem all or any part of the then outstanding Preferred Shares Series 52, at the Bank's option and without the consent of the holder, during the period from April 26, 2028 to and including May 26, 2028 and during the period from April 26 to and including May 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 52, 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 52, 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 52, 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 52, 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 52 do not have a fixed maturity date and are not redeemable at the option of the holders of Preferred Shares Series 52. 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 April 26, 2023. The Bank has also applied to list the Common Shares issuable upon the occurrence of a Trigger Event on the New York Stock Exchange ("**NYSE**"). Listing will be 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 January 31, 2023.

PRICE: $1,000.00 per Preferred Share Series 52 to yield initially 7.057% per annum

	Price to the Public	Agents' Fee	Net Proceeds to the Bank(1)
Per Preferred Share Series 52(2)	$1,000.00	$10.00	$990.00
Total	$650,000,000.00	$6,500,000.00	$643,500,000.00

(1) Before deducting the 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 52 must be for a minimum of 200 shares for a minimum aggregate subscription price of $200,000.

BMO Nesbitt Burns Inc., CIBC World Markets Inc., Desjardins Securities Inc., Laurentian Bank Securities Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., iA Private Wealth Inc., Manulife Securities Incorporated, Merrill Lynch Canada Inc., Morgan Stanley Canada Limited and Wells Fargo Securities Canada, Ltd. (collectively, the "**Agents**" and individually, an "**Agent**"), as agents, conditionally offer the Preferred Shares Series 52, 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 52 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. CIBC World Markets 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 52 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 52 may be sold and purchasers of such securities may not be able to resell the Preferred Shares Series 52 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 52 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 52 to such purchasers in Canada. **By purchasing Preferred Shares Series 52 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 52 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 52 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 52 must be for a minimum of 200 shares for a minimum aggregate subscription price of $200,000.

Subscriptions for Preferred Shares Series 52 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 January 31, 2023, or such later date as the Bank and the Agents may agree. The Preferred Shares Series 52 will be issued in "book-entry only" form. The Preferred Shares Series 52 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 of this offering. No physical certificates evidencing the Preferred Shares Series 52 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 52 will receive only a customer confirmation from the Agent or other registered dealer that is a participant in the depository service of CDS and from or through whom a beneficial interest in the Preferred Shares Series 52 is purchased. See "Book-Entry Only Securities" in the Prospectus.

An investment in the Preferred Shares Series 52 involves significant risks. Investors should carefully read the "Risk Factors" section of this prospectus supplement beginning on page S-24, the "Risk Factors" section in the Prospectus beginning on page 15 and in the documents incorporated by reference herein and therein.

The Preferred Shares Series 52 may only be sold in those jurisdictions where offers and sales are permitted. Neither this prospectus supplement nor the Prospectus constitutes an offer to sell or a solicitation of an offer to buy the Preferred Shares Series 52 in any jurisdiction in which it is unlawful to do so.

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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 included in this prospectus supplement and in the Prospectus (including documents incorporated by reference) may include, but are not limited to, statements with respect to the Bank's objectives and priorities for fiscal year 2023 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 Acquisition (as defined herein), including plans for the combined operations of the Bank and Bank of the West and the financial, operational and capital impacts of the transaction, statements with respect to the closing of this offering, 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", "schedule", "forecast", "outlook", "timeline", "suggest", "seek" 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 Bank cautions readers of this prospectus supplement and the 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 their 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; exposure to, and the resolution of, significant litigation or regulatory matters, the Bank's ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; 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 and integrate acquisitions, 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 acquisitions, including the Acquisition, do 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 are received subject to adverse conditions or requirements; the anticipated benefits from the proposed acquisitions, including the Acquisition, such as potential synergies and operational efficiencies, are not realized; the Bank's ability to manage exposure to capital arising from changes in fair value of assets and liabilities between announcing and closing any such proposed acquisitions; 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 2022 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 2022 Annual Report, as updated by quarterly reports, as well as in the "Allowance for Credit Losses" section of the Bank's 2022 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. Assumptions about Bank of the West's balance sheet, product mix and margins, and interest rate sensitivity were material factors the Bank considered in estimating the fair value and goodwill and intangibles amounts at closing, and assumptions about the Bank's integration plan, the efficiency and duration of integration and alignment of organizational responsibilities were material factors the Bank considered in estimating pre-tax cost-synergies. 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 52. 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 with the 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 1, 2022 for the year ended October 31, 2022;

(b) the consolidated balance sheets as at October 31, 2022 and October 31, 2021 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended together with the auditor's report thereon and the report of independent registered public accounting firm on the effectiveness of internal control over financial reporting as of October 31, 2022 under the standards of the Public Company Accounting Oversight Board (United States) (the "**2022 Audited Consolidated Financial Statements**");

(c) management's discussion and analysis as contained in the Bank's annual report (the "**2022 Annual Report**") as of October 31, 2022 (the "**2022 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; and

(e) the template version (as defined in National Instrument 41-101 ─ *General Prospectus Requirements* ("**NI 41-101**")) of the indicative term sheet dated January 24, 2023 (the "**Indicative Term Sheet**"), and the final term sheet dated January 24, 2023 (the "**Final Term Sheet**"), in each case filed on SEDAR in connection with this offering of Preferred Shares Series 52.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* 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 52 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.

Copies of this prospectus supplement and the documents incorporated herein by reference may be obtained on written or oral 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.

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 52 offered hereunder. Any "template version" of "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 52 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 52 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 template version of marketing materials, including the Indicative Term Sheet and the Final Term Sheet, is 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. A copy 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 52 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 ("**TFSA**"), each as defined in the Tax Act.

Notwithstanding the foregoing, if the Preferred Shares Series 52 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 52 will not be prohibited investments for trusts governed by a TFSA, RDSP, RESP, RRSP or RRIF provided that 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 52 who intend to hold Preferred Shares Series 52 in a TFSA, RDSP, RESP, RRSP or RRIF, should consult their own tax advisors in this regard.

Based on legislative proposals that received royal assent on December 15, 2022 and will come into force on April 1, 2023, the Preferred Shares Series 52 would also be qualified investments for a trust governed by a first home savings account ("**FHSA**"). Holders of FHSAs would also be subject to the prohibited investment rules described above.

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. The address and telephone number of its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1, (416) 867-6785.

The Bank is a highly diversified financial services provider based in North America, providing a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2022, the Bank had 12 million customers and more than 46,000 full-time equivalent employees. As at October 31, 2022, the Bank had more than 1,300 bank branches and approximately 4,700 automated banking machines, as well as online and mobile digital banking platforms. The Bank operates in Canada, the United States and select markets globally 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

Bank of the West Acquisition

On January 17, 2023, the Bank announced that it had received all regulatory approvals required to complete its previously-announced acquisition (the "**Acquisition**") of Bank of the West from BNP Paribas S.A. ("**BNPP**"). BMO currently anticipates that the Acquisition will close on February 1, 2023, subject to the satisfaction of customary closing conditions.

BNPP Private Placement

In addition, on January 25, 2023, the Bank closed the issue and sale, on a private placement basis, of an aggregate of 6,323,777 Common Shares at a price of $118.60 per Common Share to BNPP for gross proceeds to the Bank of $749,999,952 (the "**BNPP Private Placement**"). The BNPP Private Placement, together with the Bank's issue and sale, on a private placement basis, on December 16, 2022, of an aggregate of 8,431,700 Common Shares at a price of $118.60 per Common Share to Caisse de dépôt et placement du Québec, OMERS, Alberta Investment Management Corporation, Healthcare of Ontario Pension Plan, Public Sector Pension Investment Board and Canada Pension Plan Investment Board, for aggregate gross proceeds to the Bank of $999,999,620 are referred to in this prospectus supplement collectively, as the "**Concurrent Private Placement**".

DETAILS OF THE OFFERING

The Preferred Shares Series 52 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 52 as a series.

Certain Provisions of the Preferred Shares Series 52 as a Series

Definition of Terms

The following definitions are relevant to the Preferred Shares Series 52.

"**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 May 26, 2028 and each May 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 52 to, but excluding, May 26, 2028.

"**Initial Reset Date**" means May 26, 2028.

"**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 52 will have an issue price of $1,000.00 per share.

Maturity

The Preferred Shares Series 52 are perpetual and do not have a fixed maturity date.

Dividends

During the Initial Fixed Rate Period, the holders of the Preferred Shares Series 52 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 7.057% or $70.57 per Preferred Share Series 52 per annum; provided that, whenever it is necessary to compute any dividend amount in respect of the Preferred Shares Series 52 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 May 26, 2023 and shall be $22.23438356 per share, based on the anticipated closing date of January 31, 2023.

During each Subsequent Fixed Rate Period, the holders of the Preferred Shares Series 52 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 52 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 52. 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 52.

If the Board of Directors does not declare dividends, or any part thereof, on the Preferred Shares Series 52 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 52 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 52 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 52 will not be redeemable by the Bank prior to April 26, 2028. 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 52 described below under "Restrictions on Dividends and Retirement of Shares", the Preferred Shares Series 52 are redeemable, in whole or in part, at the Bank's option and without the consent of the holder, during the period from April 26, 2028 to and including May 26, 2028 and during the period from April 26 to and including May 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 52, 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 52 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 52, 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 52, 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 52 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 52 is at any time to be redeemed, the Preferred Shares Series 52 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 52 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 52 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 52 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 52 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 52 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 52 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 52 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 52 the right, at such holder's option, to convert such Preferred Shares Series 52 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 52 will be entitled to receive $1,000.00 per Preferred Share Series 52 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 52. The holders of the Preferred Shares Series 52 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 52 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 52 are outstanding, the Bank will not, without the approval of holders of the Preferred Shares Series 52:

(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 52 (other than stock dividends on any shares of the Bank ranking junior to the Preferred Shares Series 52);

(b) redeem, purchase or otherwise retire any Common Shares or any other shares of the Bank ranking junior to the Preferred Shares Series 52 (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Preferred Shares Series 52);

(c) redeem, purchase or otherwise retire less than all the Preferred Shares Series 52; 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 52,

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 52) 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 52 without the approval of holders of the Preferred Shares Series 52 as a series.

Amendments to Preferred Shares Series 52

The Bank will not, without the approval of the holders of Preferred Shares Series 52 given as specified below under "Shareholder Approvals" delete or vary any rights, privileges, restrictions and conditions attaching to the Preferred Shares Series 52. 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 52 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 52 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 52, at which a majority of the outstanding Preferred Shares Series 52 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 52 that affect the classification afforded to the Preferred Shares Series 52 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 52 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 52 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 52 in respect of any semi-annual period to which holders are entitled, the holders of Preferred Shares Series 52 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 52 held. The voting rights of the holders of Preferred Shares Series 52 will forthwith cease upon payment by the Bank of the first dividend on the Preferred Shares Series 52 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 52 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 52 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 52 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 52 described above will not be relevant since all Preferred Shares Series 52 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 52 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 52 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 52. See "Certain Canadian Federal Income Tax Considerations".

Bank Act Restrictions

The Bank reserves the right not to issue shares, including Preferred Shares Series 52, 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.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Bank as at October 31, 2022, before and after giving effect to (a) the issue and sale, on December 16, 2022, in a public offering of 13,575,750 Common Shares at a price of $118.60 per Common Share for aggregate gross proceeds to the Bank of $1,610,083,950 (the "**Common Share Public Offering**") (including issuance costs relating to the Common Share Public Offering), (b) the Concurrent Private Placement (including the commitment fees payable by the Bank to the private placement investors in connection with the Concurrent Private Placement), and (c) this offering (including issuance costs relating to this offering). The following table should be read together with the 2022 Audited Consolidated Financial Statements, which are incorporated by reference herein.

	As at October 31, 2022	
	Actual	**Pro Forma As Adjusted**[(1)]
	(in millions of Canadian dollars)	
Subordinated Debt	$8,150	$8,150
Shareholders' Equity		
Common Shares and Contributed Surplus	$18,061	$21,421
Preferred Shares and Other Equity Instruments	$6,308	$6,958
Retained Earnings	$45,117	$45,010
Accumulated Other Comprehensive Income	$1,552	$1,552
Total Shareholders' Equity	$71,038	$74,941
Total Capitalization	$79,188	$83,091

Notes:

(1) After giving effect to (a) the Common Share Public Offering (including issuance costs relating to the Common Share Public Offering), (b) the Concurrent Private Placement (including the commitment fees payable by the Bank to the private placement investors in connection with the Concurrent Private Placement), and (c) this offering (including issuance costs relating to this offering).

As at January 25, 2023, the Bank had 709,743,782 Common Shares, 86,500,000 Class B Preferred Shares and no Class A Preferred Shares issued and outstanding.

EARNINGS COVERAGE RATIOS

The following consolidated financial ratios for the Bank, which are calculated for the 12 months ended October 31, 2022, are presented on a *pro forma* as adjusted basis, which gives effect to this offering.

	12 Months Ended October 31, 2022[(2)]
Grossed up dividend coverage on Class B Preferred Shares and other equity instruments[(1)]	49.65 times
Interest coverage on subordinated indebtedness	79.95 times
Interest and grossed up dividend coverage on subordinated indebtedness, preferred shares and other equity interests	30.63 times

Notes:

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

(2) As adjusted to give effect to this offering.

The Bank's dividend requirements on all of its preferred shares and other equity instruments amounted to $364.8 million for the 12 months ended October 31, 2022 adjusted to a before-tax equivalent using an effective tax rate of 24.31%. The Bank's interest requirements for its long-term debt and grossed up dividends on its preferred shares and other equity interests for the 12 months ended October 31, 2022 amounted to $591.4 million. The Bank's earnings before interest and income tax for the 12 months ended October 31, 2022 amounted to $18,112 million, which was 30.63 times the Bank's aggregate dividend and interest requirements for this period. The foregoing figures have been calculated after giving effect to this offering.

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, 2022, the average of such exchange rates was $1.2918 per US$1.00.

All amounts appearing under this heading, "Earnings Coverage Ratios", for the 12 months ended October 31, 2022 are derived from financial information which is audited and prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. 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
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 2022	$127.02	$118.79	47,623,631
August 2022	$134.62	$119.82	53,136,785
September 2022	$128.24	$118.06	39,392,476
October 2022	$127.13	$112.49	51,408,339
November 2022	$133.98	$123.37	49,875,159
December 2022	$134.69	$119.52	42,260,966
January 1 - 25, 2023	$133.67	$123.24	36,196,669

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

Month	High ($)	Low ($)	Volume Traded
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 2022	$22.05	$20.71	281,903
August 2022	$22.64	$21.56	125,271
September 2022	$22.08	$19.89	108,007
October 2022	$20.22	$19.02	224,659
November 2022	$19.27	$17.71	249,952
December 2022	$18.41	$17.50	263,221
January 1 - 25, 2023	$19.53	$17.65	109,606

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

Month	High ($)	Low ($)	Volume Traded
January 2022	$24.60	$24.17	245,368
February 2022	$24.25	$22.49	97,324
March 2022	$22.90	$22.11	158,515
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 2022	$21.54	$19.88	133,016
August 2022	$21.94	$21.26	353,593
September 2022	$21.60	$19.50	48,088

Month	High ($)	Low ($)	Volume Traded
October 2022	$19.70	$18.15	191,351
November 2022	$18.34	$16.82	184,737
December 2022	$17.67	$16.76	179,659
January 1 - 25, 2023	$19.03	$17.26	268,939

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

Month	High ($)	Low ($)	Volume Traded
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 2022	$21.49	$20.25	81,546
August 2022	$22.11	$20.22	65,893
September 2022	$21.80	$19.56	33,240
October 2022	$19.95	$18.28	90,428
November 2022	$18.70	$17.11	182,554
December 2022	$17.95	$17.27	165,416
January 1 - 25, 2023	$19.15	$17.42	51,986

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

Month	High ($)	Low ($)	Volume Traded
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 2022	$21.79	$20.19	53,560
August 2022	$22.58	$21.48	66,261
September 2022	$22.15	$20.88	83,040
October 2022	$21.03	$19.09	42,463
November 2022	$19.39	$18.00	76,244
December 2022	$18.69	$17.77	159,771
January 1 - 25, 2023	$19.93	$18.04	116,388

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

Month	High ($)	Low ($)	Volume Traded
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
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
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 2022	$25.22	$24.91	264,194
August 1 – 25, 2022[1]	$25.00	$24.96	200,217

[1] The Class B Preferred Shares, Series 42 were redeemed on August 25, 2022.

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

Month	High ($)	Low ($)	Volume Traded
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 2022	$24.56	$23.00	251,819
August 2022	$24.79	$24.10	145,291
September 2022	$24.74	$22.85	161,713
October 2022	$23.17	$21.16	123,945
November 2022	$22.50	$21.10	157,213
December 2022	$21.96	$20.18	246,515
January 1 - 25, 2023	$22.47	$20.40	160,408

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

Month	High ($)	Low ($)	Volume Traded
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
June 2022	$26.00	$24.99	171,330
July 2022	$25.70	$24.84	179,983
August 2022	$25.85	$25.25	152,900
September 2022	$25.79	$23.45	95,944
October 2022	$24.89	$23.52	89,067
November 2022	$24.96	$23.02	67,517
December 2022	$24.95	$23.45	131,803
January 1 - 25, 2023	$25.10	$23.60	87,037

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 52 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 52 and will hold Common Shares as capital property (a "**Holder**"). Generally, the Preferred Shares Series 52 and Common Shares will be capital property to a Holder provided the Holder does not acquire or hold those Preferred Shares Series 52 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 52 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 52 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 52 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 52 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 52 the right to convert such Preferred Shares Series 52 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 52 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 52 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 52 will be "taxable preferred shares" as defined in the Tax Act. The terms of the Preferred Shares Series 52 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 52.

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 52 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 52 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 52 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 52 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 52 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 Proposed Amendments released on August 9, 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 52 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 52 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 52 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 52 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 may be 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 52 are expected to be rated Baa3(hyb) by Moody's Canada Inc. ("**Moody's**"). According to information made publicly available by 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 52 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. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment. 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 52 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 52 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 52 are not recommendations to purchase, hold or sell the Preferred Shares Series 52. 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 52 for a particular investor. The credit ratings assigned to the Preferred Shares Series 52 may not reflect the potential impact of all risks on the value of the Preferred Shares Series 52. In addition, real or anticipated changes in the credit ratings assigned to the Preferred Shares Series 52 will generally affect the market value of the Preferred Shares Series 52. 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 January 24, 2023 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 52 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 52 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 52 sold.

The Preferred Shares Series 52 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 52 to such purchasers in Canada. **By purchasing Preferred Shares Series 52 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 52 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 52 offered under this prospectus supplement, the Agents will not be obligated to purchase any Preferred Shares Series 52 which are not sold.

Neither the Preferred Shares Series 52 nor the Common Shares into which the Preferred Shares Series 52 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 52 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 52 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 52 received by it.

The Preferred Shares Series 52 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 52 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 52 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 52, 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 April 26, 2023. 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 January 31, 2023.

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 52 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. CIBC World Markets 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 52, after deducting estimated expenses of this offering and the Agents' fee, will amount to approximately $643,000,000. The net proceeds to the Bank from the sale of Preferred Shares Series 52 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 52 (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, as well as the risks and considerations set forth in the "Enterprise-Wide Risk Management" section of the 2022 Annual Report, which is incorporated by reference in this prospectus supplement. Before deciding whether to invest in any Preferred Shares Series 52, potential investors should consider carefully the risks set out herein and incorporated by reference in this prospectus supplement and the Prospectus.

The Preferred Shares Series 52 are loss-absorption financial instruments that involve significant risk and may not be a suitable investment for all investors

The Preferred Shares Series 52 are loss-absorption financial instruments designed to comply with applicable Canadian banking regulations and involve significant risks. Each potential investor in Preferred Shares Series 52 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 52, 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 52 unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Preferred Shares Series 52 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 52, 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 52 is subject to the Bank's credit risk

Real or anticipated changes in credit ratings on the Preferred Shares Series 52 may affect the market value of the Preferred Shares Series 52. 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 2022 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 52

The Preferred Shares Series 52 will not be listed on any stock exchange or quotation system, consequently, there may be no market through which the Preferred Shares Series 52 may be sold and purchasers may therefore be unable to resell such Preferred Shares Series 52. 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 52 in the secondary market or make a market for the Preferred Shares Series 52, but no Agent is obliged to do so and there can be no assurance as to a secondary market for the Preferred Shares Series 52, liquidity in any such market or any market making activities by any Agent.

The market value of the Preferred Shares Series 52 may fluctuate

Prevailing yields on similar securities will affect the market value of Preferred Shares Series 52. Assuming all other factors remain unchanged, the market value of the Preferred Shares Series 52 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 52.

The Preferred Shares Series 52 are non-cumulative and there is a risk the Bank will be unable to pay dividends on the shares

The Preferred Shares Series 52 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 52 when due. If the Board of Directors does not declare a dividend, or any part thereof, on the Preferred Shares Series 52 on or before the dividend payment date for a particular semi-annual period, then the entitlement of the holders of the Preferred Shares Series 52 to receive such dividend, or to any part thereof, for such period will be forever extinguished.

Ranking of Preferred Shares Series 52 on insolvency, dissolution or winding-up

The Preferred Shares Series 52 are equity capital of the Bank. The Preferred Shares Series 52 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 52, if any, and other preferred shares.

The Preferred Shares Series 52 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 52 and the value of such Common Shares could be significantly less than the face value of the Preferred Shares Series 52. 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 52 will only have rights as a holder of Common Shares. Given the nature of a Trigger Event, a holder of Preferred Shares Series 52 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 52 might have received had the Preferred Shares Series 52 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 52. 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 52 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 52 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 52.

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 52 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 52, 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 52 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 52 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 52) have previously been converted or are converted at the same time. Accordingly, in the case of a Bail-In Conversion, the Preferred Shares Series 52 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 52. 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 52.

Circumstances surrounding a potential NVCC Automatic Conversion will have an adverse effect on the market price of the Preferred Shares Series 52

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 52 will be mandatorily converted into Common Shares. Accordingly, trading behavior in respect of the Preferred Shares Series 52 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 52 and the Common Shares, whether or not such Trigger Event actually occurs.

Holders of Preferred Shares Series 52 may be exposed to losses through the use of other Canadian bank resolution powers or in liquidation

The holders of Preferred Shares Series 52 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 52 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 52 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 52 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 52 who immediately prior to the making of an Order, directly or through an intermediary, own Preferred Shares Series 52 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 52 less an amount equal to an estimate of losses attributable to the conversion of such Preferred Shares Series 52 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 52 is the aggregate estimated value of the following: (a) the Preferred Shares Series 52 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 52 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 52 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 52, 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 52, 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 52 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 52 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 52 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 52 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 52 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 52, including with respect to priority and rights on liquidation, will no longer be relevant as all such Preferred Shares Series 52 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 52 will then be holding Common Shares. Given the nature of the Trigger Event, a holder of Preferred Shares Series 52 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 52 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 52 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 52, who will then become holders of Common Shares upon the Trigger Event.

Holders of Preferred Shares Series 52 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 52 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 52 upon the happening of an NVCC Automatic Conversion upon the occurrence of a Trigger Event.

The Preferred Shares Series 52 do not have a fixed maturity date

The Preferred Shares Series 52 do not have a fixed maturity date and are not redeemable at the option of the holders of Preferred Shares Series 52. The ability of a holder to liquidate its holdings of Preferred Shares Series 52 may be limited.

The dividend rate in respect of the Preferred Shares Series 52 will reset

The dividend rate in respect of Preferred Shares Series 52 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 52 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 52 at its option in certain situations

The Bank may elect to redeem the Preferred Shares Series 52 without the consent of the holders of the Preferred Shares Series 52 in the circumstances described under "Details of the Offering – Redemptions". In addition, the redemption of Preferred Shares Series 52 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 52 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

Certain legal matters in connection with the issuance and sale of the Preferred Shares Series 52 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 January 26, 2023, the partners and associates of each of Osler, Hoskin & Harcourt LLP and McCarthy Tétrault LLP beneficially owned, directly or indirectly, less than 1% of the issued and outstanding securities of each class of the Bank or of any associate or affiliate 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: January 26, 2023

To the best of our knowledge, information and belief, the short form prospectus dated December 22, 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"*

CIBC WORLD MARKETS INC.

By: (signed) *"Gaurav Matta"*

DESJARDINS SECURITIES INC.	LAURENTIAN BANK SECURITIES INC.
By: (signed) *"Ryan Godfrey"*	By: (signed) *"Benoit Lalonde"*

NATIONAL BANK FINANCIAL INC.	RBC DOMINION SECURITIES INC.	SCOTIA CAPITAL INC.	TD SECURITIES INC.
By: (signed) *"John Carrique"*	By: (signed) *"Andrew Franklin"*	By: (signed) *"Graham Fry"*	By: (signed) *"Greg McDonald"*

IA PRIVATE WEALTH INC.	MANULIFE SECURITIES INCORPORATED	MERRILL LYNCH CANADA INC.	MORGAN STANLEY CANADA LIMITED	WELLS FARGO SECURITIES CANADA, LTD.
By: (signed) *"Frank Lachance"*	By: (signed) *"William Porter"*	By: (signed) *"Jonathan Amar"*	By: (signed) *"Winston Callaway"*	By: (signed) *"Darin E. Deschamps"*

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, except in cases where an exemption from such delivery requirement is available. 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 and/or Secondary Offering December 22, 2022

BMO Bank of Montreal

Bank of Montreal
Debt Securities (subordinated indebtedness)
Common Shares
Class A Preferred Shares
Class B Preferred Shares
Subscription Receipts
Instalment Receipts

Bank of Montreal (the "**Bank**") may from time to time offer and issue during the 25 month period that this short form base shelf prospectus (this "**Prospectus**"), including any amendments hereto, remains valid the following securities: (i) unsecured subordinated debt securities, including convertible or exchangeable debt securities and debt securities payable on an instalment basis and represented by instalment receipts ("**Debt Securities**"); (ii) common shares ("**Common Shares**"); (iii) Class A Preferred Shares and Class B Preferred Shares (collectively, "**Preferred Shares**"), and (iv) subscription receipts, including subscription receipts payable on an instalment basis and represented by instalment receipts ("**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**"). One or more selling securityholders may also offer and sell Securities under this Prospectus. The Bank is not currently aware of any such selling securityholders, but such selling securityholders may include a subsidiary of the Bank in the case of an offering of Debt Securities represented by instalment receipts. This Prospectus qualifies the distribution of Securities by the Bank and by any selling securityholders.

All shelf information permitted under applicable securities legislation to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus, except in cases where an exemption from such delivery requirement is available. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the securities to which the Prospectus Supplement pertains. All currency amounts in this Prospectus are stated in Canadian dollars, unless otherwise indicated.

The specific terms of any offering of 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, whether the Debt Securities are payable on an instalment basis and any other specific terms; (ii) in the case of Common Shares, the currency or the currency unit for which the Common Shares may be purchased, the number of Common Shares offered and offering price; (iii) in the case of Preferred Shares, the designation of the particular class, series, aggregate principal amount, the currency or currency unit for which the Preferred Shares may be purchased, the number of Preferred 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 currency or the currency unit for which the Subscription Receipts may be purchased, the number of Subscription Receipts being offered, the offering price, the conditions and procedures for the exchange of the Subscription Receipts for Debt Securities, Preferred Shares or Common Shares, as the case may be, whether the Subscription Receipts are payable on an instalment basis and any other specific terms.

For greater clarity, the Bank reserves the right to include in a Prospectus Supplement specific variable terms pertaining to the Securities that are not within the descriptions set forth in this Prospectus.

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 Bank and the selling securityholders(s) may offer and sell the Securities through underwriters or dealers purchasing as principal, and may also sell Securities directly to one or more purchasers or through agents acting as agent. 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, as the case may be, 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 initial public offering price of such Securities (or the manner of determination thereof if offered on a non-fixed price basis), the method of distribution of such Securities, the net proceeds to the Bank and, to the extent applicable, any fees, discounts or other compensation payable to the underwriters, dealers or agents and any other material terms of the plan of distribution. If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale (including, without limitation, sales deemed to be an "at-the-market distribution" as defined in National Instrument 44-102 – *Shelf Distributions* ("**NI 44-102**"), including sales made directly on the TSX or other existing trading markets for the Securities), at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, which prices may vary between purchasers and during the period of distribution. This Prospectus may qualify an "at-the-market distribution", as defined in NI 44-102. If any Securities are offered on a non-fixed price basis where the underwriters or dealers are purchasing Securities, the underwriters' or dealers' compensation, as the case may be, may increase or decrease by the amount by which the aggregate price paid for Securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriters or dealers for the Securities. See "Plan of Distribution".

Unless otherwise specified in the applicable Prospectus Supplement, in connection with any offering of Securities, other than an "at-the-market distribution", the underwriters, dealers or agents may over-allot or effect transactions that stabilize or maintain the market price of the Securities at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See "Plan of Distribution".

Investing in the Securities involves significant risks. Prospective investors should carefully read and consider the risk factors described or referenced under the heading "Caution Regarding Forward-Looking Statements" and "Risk Factors" in this Prospectus, contained in any of the documents incorporated by reference herein, and in any applicable Prospectus Supplement, before purchasing Securities.

Unless otherwise indicated in the Prospectus Supplement relating to an offering of Securities, the particular offering of Securities will be 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", as such term is defined under the WKSI Blanket Orders (as defined below). See "Reliance on Exemptions for Well-Known Seasoned Issuers".

Each of 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, reside outside of Canada and 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. Forward-looking statements included in this Prospectus (including documents incorporated by reference) may include, but are not limited to, statements with respect to the Bank's objectives and priorities for fiscal year 2023 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 and the financial, operational and capital impacts of the transaction, statements with respect to the closing of the concurrent private placement, 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", "schedule", "forecast", "outlook", "timeline", "suggest", "seek" 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 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 their 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; exposure to, and the resolution of, significant litigation or regulatory matters, the Bank's ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; 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 and integrate acquisitions, 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 acquisitions, including the Bank's proposed acquisition of Bank of the West, do 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 are received subject to adverse conditions or requirements; the anticipated benefits from the proposed acquisitions, including the Bank's proposed acquisition of Bank of the West, such as potential synergies and operational efficiencies, are not realized; the Bank's ability to manage exposure to capital arising from changes in fair value of assets and liabilities between announcing and closing any such proposed acquisitions; 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 2022 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 2022 Annual Report, as updated by quarterly reports, as well as in the "Allowance for Credit Losses" section of the Bank's 2022 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. Assumptions about Bank of the West's balance sheet, product mix and margins, and interest rate sensitivity were material factors the Bank considered in estimating the fair value and goodwill and intangibles amounts at closing, and assumptions about the Bank's integration plan, the efficiency and duration of integration and alignment of organizational responsibilities were material factors the Bank considered in estimating pre-tax cost-synergies. 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

As of the date of this Prospectus, the following documents have been filed by the Bank with the Superintendent and with the securities commissions or similar authorities in Canada (the "**Commissions**") and are specifically incorporated by reference in this Prospectus:

(a) the annual information form dated December 1, 2022 for the year ended October 31, 2022;

(b) the consolidated balance sheets as at October 31, 2022 and October 31, 2021 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years then ended together with the auditor's report thereon and the report of independent registered public accounting firm on the effectiveness of internal control over financial reporting as of October 31, 2022 under the standards of the Public Company Accounting Oversight Board (United States) (the "**2022 Audited Consolidated Financial Statements**");

(c) management's discussion and analysis as contained in the Bank's annual report as of October 31, 2022 (the "**2022 Annual Report**"); and

(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.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by the Bank with the Commissions after the date of this Prospectus but prior to the termination of the offering under any Prospectus Supplement are deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus 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 (except in cases where an exemption from such delivery requirements is available) 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.

In addition, certain marketing materials (as that term is defined in applicable Canadian securities legislation) may be used in connection with a distribution of Securities under this Prospectus and any applicable Prospectus Supplement. Any “template version” of “marketing materials” (as those terms are defined in applicable Canadian securities legislation) pertaining to a distribution of Securities filed by the Bank after the date of the applicable Prospectus Supplement and before termination of the distribution of the Securities offered pursuant to such Prospectus Supplement will be deemed to be incorporated by reference into such Prospectus Supplement for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

Copies of this Prospectus and the documents incorporated herein by reference may be obtained on written or oral 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.

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. The address and telephone number of its executive offices are 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1, (416) 867-6785.

The Bank is a highly diversified financial services provider based in North America, providing a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services directly and through Canadian and non-Canadian subsidiaries, offices, and branches. As at October 31, 2022, the Bank had 12 million customers and more than 46,000 full-time equivalent employees. As at October 31, 2022, the Bank had more than 1,300 bank branches and approximately 4,700 automated banking machines, as well as online and mobile digital banking platforms. The Bank operates in Canada, the United States and select markets globally 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

Domestic Stability Buffer Announcement

On December 8, 2022, the Superintendent announced that the Domestic Stability Buffer ("**DSB**") level will be set at 3.0% as of February 1, 2023. In addition, the Superintendent increased the DSB's range from 0% to 4.0%, from the previous range of 0% to 2.5%. The DSB applies to all Domestic Systemically Important Banks, including the Bank.

Public Offering of Common Shares

On December 16, 2022, the Bank issued and sold in a public offering 13,575,750 Common Shares at a price of $118.60 per Common Share for aggregate gross proceeds to the Bank of $1,610,083,950 (the "**Common Share Public Offering**"). The Common Shares issued and sold included Common Shares issued pursuant to the exercise in full of the over-allotment option granted to the underwriters of the Common Share Public Offering. The Common Share Public Offering was underwritten on a bought-deal basis by a syndicate of underwriters led by BMO Nesbitt Burns Inc.

Concurrent Private Placement

Concurrently with the Common Share Public Offering, on December 16, 2022, the Bank issued and sold, on a private placement basis, an aggregate of 8,431,700 Common Shares at a price of $118.60 per Common Share to Caisse de dépôt et placement du Québec, OMERS, Alberta Investment Management Corporation, Healthcare of Ontario Pension Plan, Public Sector Pension Investment Board and Canada Pension Plan Investment Board, for aggregate gross proceeds to the Bank of $999,999,620. The Bank has also agreed to sell to BNP Paribas S.A. ("**BNPP**"), on a private placement basis, an aggregate of 6,323,777 Common Shares at a price of $118.60 per Common Share for gross proceeds to the Bank of $749,999,952. Such private placements are referred to in this Prospectus collectively as the "**Concurrent Private Placement**". Closing of the private placement with BNPP is conditional on the closing of the Bank's previously-announced acquisition of Bank of the West from BNPP. Closing of the private placement with BNPP will occur no later than concurrently with the closing of the Bank of the West acquisition.

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 are subordinate to, such subordinated 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.

The Bank may issue Debt Securities that are convertible debentures or that are otherwise convertible, exchangeable or exercisable for other securities of the Bank.

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.

The Debt Securities offered pursuant to this Prospectus and any Prospectus Supplement may be represented by instalment receipts, the particular terms and provisions of which will be described in the applicable Prospectus Supplement and set out in an instalment receipt and pledge agreement or similar agreement. Any such instalment receipt will evidence, among other things: (a) the fact that a first instalment payment has been made in respect of the Debt Securities represented thereby, and (b) the beneficial ownership of the Debt Securities represented by the instalment receipt, subject to a pledge of such Debt Securities securing the obligation to pay the balance outstanding under such Debt Securities on or prior to a certain date. A copy of any such instalment receipt and pledge agreement or similar agreement will be available on SEDAR at www.sedar.com.

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 conditions of the Preferred Shares. The particular terms and conditions of a series of Preferred Shares offered by a Prospectus Supplement, and the extent to which the general terms and conditions 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:

(a) the number of Subscription Receipts;

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

(c) 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;

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

(e) 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;

(f) 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;

(g) the identity of the subscription receipt agent;

(h) 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;

(i) 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;

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

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

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

(m) 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.

The Subscription Receipts offered pursuant to this Prospectus and any Prospectus Supplement may be represented by instalment receipts, the particular terms and provisions of which will be described in the applicable Prospectus Supplement and set out in an instalment receipt and pledge agreement or similar agreement. Any such instalment receipt will evidence, among other things: (a) the fact that a first instalment payment has been made in respect of the Subscription Receipts represented thereby, and (b) the beneficial ownership of the Subscription Receipts represented by the instalment receipt, subject to a pledge of such Subscription Receipts securing the obligation to pay the balance outstanding under such Subscription Receipts on or prior to a certain date. A copy of any such instalment receipt and pledge agreement or similar agreement will be available on SEDAR at www.sedar.com.

SELLING SECURITYHOLDERS

This Prospectus may also, from time to time, relate to the offering of Securities by way of a secondary offering by certain selling securityholders. The Bank is not currently aware of any such selling securityholders, but such selling securityholders may include a subsidiary of the Bank in the case of an offering of Debt Securities represented by instalment receipts. The terms under which the Securities will be offered by selling securityholders will be described in the Prospectus Supplement. The Prospectus Supplement for or including any offering of the Securities by selling securityholders will include, without limitation, where applicable:

(a) the name(s) of the selling securityholders;

(b) the number or amount of Securities owned, controlled or directed by each selling securityholder;

(c) the number or amount of Securities being distributed for the account of each selling securityholder;

(d) the number or amount of Securities to be owned, controlled or directed by each of the selling securityholders after the distribution and the percentage that number or amount represents out of the total number or amount of outstanding Securities of the class or series being distributed;

(e) whether the Securities are owned by the selling securityholders both of record and beneficially, of record only or beneficially only;

(f) if the selling securityholder purchased any of the Securities held by it in the two years preceding the date of the Prospectus Supplement, the date or dates the selling securityholder acquired the Securities; and

(g) if the selling securityholder acquired the Securities held by it in the 12 months preceding the date of the Prospectus Supplement, the cost thereof to the selling securityholder in the aggregate and on a per-security basis.

To the extent any selling securityholder is resident outside of Canada, (i) the selling securityholder will file a non-issuer's submission to jurisdiction form with the corresponding Prospectus Supplement, and (ii) the "Selling Securityholders" section of the Prospectus Supplement will include a statement to that effect. A selling securityholder will not sell any Securities under an "at-the-market distribution", as defined in NI 44-102.

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 or will have arrangements with a Participant. On the closing of a book-entry only offering, the Bank may 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, or otherwise deliver and register such Securities. 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

As long as CDS or its nominee is the registered holder of the 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 price, dividends 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 price, dividends 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.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Bank as at October 31, 2022, before and after giving effect to (i) the Common Share Public Offering (including issuance costs relating to the Common Share Public Offering) and (ii) the Concurrent Private Placement (including the commitment fees payable by the Bank to the private placement investors in connection with the Concurrent Private Placement), and does not reflect the issuance of any Securities under this Prospectus. The following table should be read together with the 2022 Audited Consolidated Financial Statements, which are incorporated by reference in this Prospectus.

	As at October 31, 2022	
	Actual	**Pro Forma As Adjusted**(1)
	(in millions of Canadian dollars)	
Subordinated Debt	$8,150	$8,150
Shareholders' Equity		
Common Shares and Contributed Surplus	$18,061	$21,421
Preferred Shares and Other Equity Instruments	$6,308	$6,308
Retained Earnings	$45,117	$45,017
Accumulated Other Comprehensive Income	$1,552	$1,552
Total Shareholders' Equity	$71,038	$74,298
Total Capitalization	$79,188	$82,448

Notes:

(1) After giving effect to (a) the Common Share Public Offering (including issuance costs relating to the Common Share Public Offering) and (b) the Concurrent Private Placement (including the commitment fees payable by the Bank to the private placement investors in connection with the Concurrent Private Placement). Includes giving effect to the issuance and sale of 6,323,777 Common Shares to BNPP in the Concurrent Private Placement for gross proceeds of $749,999,952. Closing of the private placement with BNPP is conditional on the closing of the Bank's previously-announced acquisition of Bank of the West from BNPP. Closing of the private placement with BNPP will occur no later than concurrently with the closing of the Bank of the West acquisition.

As at December 21, 2022, the Bank had 694,885,925 Common Shares, 86,500,000 Class B Preferred Shares and no Class A Preferred Shares issued and outstanding.

EARNINGS COVERAGE RATIOS

The following consolidated financial ratios for the Bank, which are calculated for the 12 months ended October 31, 2022, do not reflect the issuance of any Securities under this Prospectus.

	12 Months Ended October 31, 2022
Grossed up dividend coverage on Class B Preferred Shares and other equity instruments(1)	59.54 times
Interest coverage on subordinated indebtedness	79.95 times
Interest and grossed up dividend coverage on subordinated indebtedness, preferred shares and other equity interests	34.12 times

Notes:

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

The Bank's dividend requirements on all of its preferred shares and other equity instruments amounted to $304.2 million for the 12 months ended October 31, 2022 adjusted to a before-tax equivalent using an effective tax rate of 24.31%. The Bank's interest requirements for its long-term debt and grossed up dividends on its preferred shares and other equity interests for the 12 months ended October 31, 2022 amounted to $530.7 million. The Bank's earnings before interest and income tax for the 12 months ended October 31, 2022 amounted to $18,112 million, which was 34.12 times the Bank's aggregate dividend and interest requirements for this period.

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, 2022, the average of such exchange rates was $1.2918 per US$1.00.

All amounts appearing under this heading, “Earnings Coverage Ratios”, for the 12 months ended October 31, 2021 are derived from financial information which is audited and prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. 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 or a selling securityholder may sell Securities: (a) through underwriters, dealers or agents purchasing as principal or acting as agent; (b) directly or indirectly to one or more purchasers, including sales upon the exercise of conversion or exchange rights attaching to convertible or exchangeable securities held by the purchaser; or (c) through a combination of any of these methods of sale. Securities may be sold from time to time in one or more transactions at fixed prices or non-fixed prices which may be changed, such as at market prices prevailing at the time of sale (including, without limitation, sales deemed to be an “at-the-market distribution” as defined in NI 44-102, including sales made directly on the TSX or other existing trading markets for the Securities), at prices related to such prevailing market prices or at prices to be negotiated with purchasers, which prices may vary as between purchasers and during the period of distribution. Unless otherwise specified in a Prospectus Supplement, if, in connection with the offering of Securities at a fixed price or prices, the underwriters, dealers or agents have made a reasonable effort to sell all of the Securities at the initial public offering price disclosed in the applicable Prospectus Supplement, then the public offering price may be decreased and thereafter further changed from time to time, 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, dealers or agents 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, dealers or agents to the Bank.

A Prospectus Supplement will set forth the terms of any offering of Securities, including the name or names of any underwriters, dealers or agents, as the case may be, involved in the offering and sale of the Securities, and will also set forth the terms of the offering of such Securities including the offering price of such Securities (or the manner of determination thereof if offered on a non-fixed price basis), the method of distribution of such Securities, the net proceeds to the Bank or, if applicable, the selling securityholder(s) and any underwriters’, dealers’ or agents’ fees, commissions or other items constituting underwriters’, dealers’ or agents’ compensation. Only underwriters, dealers or agents so named in the applicable Prospectus Supplement are deemed to be underwriters, dealers or agents, as the case may be, in connection with the Securities offered thereby.

If underwriters are used in an offering, the Securities offered thereby 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 (including sales deemed to be an “at-the-market distribution” as defined in NI 44-102, including sales made directly on the TSX or other existing trading markets for the Securities) or at prices related to such prevailing market prices. Only underwriters named in the Prospectus Supplement are deemed to be underwriters in connection with the Securities offered thereby. 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 public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time.

The Securities may also be sold directly by the Bank or, if applicable, a selling securityholder at such prices and upon such terms as agreed to by the Bank or the selling securityholder(s), as the case may be, and the purchaser or through agents designated by the Bank or the selling securityholders(s) 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 to such agent will be set forth in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a “best efforts” basis for the period of its appointment.

In connection with the issue and sale of any Securities offered hereby, underwriters, dealers or agents may receive compensation from the Bank or the selling securityholders(s) in the form of commissions, fees, concessions or discounts. Any such commissions or fees payable by the Bank may be paid out of the general corporate funds of the Bank or the proceeds of the sale of the Securities.

Underwriters, dealers and agents who participate in the distribution of Securities may be entitled under agreements to be entered into with the Bank and, if applicable, selling securityholder(s), to indemnification by the Bank and, if applicable, selling securityholder(s), 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.

Underwriters, dealers or agents may make sales of Securities in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an "at-the-market distribution" as defined in NI 44-102. Unless otherwise specified in the applicable Prospectus Supplement, in connection with any offering of Securities, other than an "at-the-market distribution", the underwriters, dealers or agents who participate in the distribution of such Securities may over-allot or effect transactions which stabilize or maintain the price of the Securities offered at levels other than those which otherwise might prevail on the open market. These transactions may be commenced, interrupted or discontinued at any time.

Unless stated to the contrary in any Prospectus Supplement, the Securities to be issued hereunder have not been, and will not be, registered under 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 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.

PRIOR SALES

Prior sales will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

TRADING PRICE AND VOLUME OF SECURITIES

Trading prices and volume of the Bank's Securities will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

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 December 22, 2022, the partners and associates of Osler, Hoskin & Harcourt LLP beneficially owned, directly or indirectly, less than 1% of the issued and outstanding securities of each class of the Bank or of any associate or affiliate 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. The Bank intends to rely on such exemptions to the full extent permitted by the WKSI Blanket Orders notwithstanding the inclusion in this Prospectus of any disclosure that is permitted to be excluded pursuant to the WKSI Blanket Orders. 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 AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

The below description of purchasers' statutory and contractual rights does not apply to purchasers under an "at-the-market distribution", as defined in NI 44-102. A description of purchasers' statutory rights, in the form required by paragraph 9.3(1)(h) of NI 44-102, along with the certificate for the Bank and any agent(s) in connection with an at-the-market distribution, in the applicable form required by section 9.6 of NI 44-102, will be included in any Prospectus Supplement establishing an at-the-market distribution.

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. Notwithstanding the foregoing, in certain cases, the Bank may determine to seek to obtain an exemption from the prospectus delivery requirements.

Original Canadian purchasers of Debt Securities, Preferred Shares or Subscription Receipts that are convertible, exchangeable or exercisable 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: December 22, 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