



Dear Former Marshall & Ilsley Shareholder:

July 5, 2011

The following letter contains important information for you, as we introduce you to our company. On July 5, 2011, Marshall & Ilsley Corporation (**M&I**) merged (the **Merger**) with and into Mike Merger Sub, LLC, an indirect wholly-owned United States subsidiary of Bank of Montreal (**BMO**). Under the terms of the Agreement and Plan of Merger dated as of December 17, 2010, between BMO and M&I, M&I shareholders have the right to receive 0.1257 common shares of BMO (the **BMO Shares**) for each common share of M&I (the **M&I Shares**) held at the time of the Merger, as well as a payment in cash (the **Fractional Cash Payment**) in lieu of any fractional BMO Shares (the **Merger Consideration**). Computershare Trust Company of Canada (**Computershare**) has been appointed the exchange agent to facilitate the exchange of your M&I Shares into BMO Shares.

Our records indicate that you hold M&I Shares. In order to receive the Merger Consideration for your M&I Shares, it is important that you send your M&I Share certificates, along with a properly completed Letter of Transmittal, to Computershare for exchange as soon as possible. Please read the enclosed Letter of Transmittal and the instructions carefully. Instructions regarding lost certificates are contained in the Letter of Transmittal.

If you also hold M&I Shares in book-entry form or in the M&I Dividend Reinvestment Plan, such shares will automatically be exchanged into BMO Shares and the applicable Fractional Cash Payment will be sent to you when Computershare receives your properly completed Letter of Transmittal.

If you are a U.S. shareholder, you will need to complete and return, along with the Letter of Transmittal, the enclosed Form W-9. If you do not complete and return the Form W-9, you may be subject to U.S. backup withholding tax on the Fractional Cash Payment. To determine whether you are required to complete the Form W-9, please review the instructions in the Form W-9 or visit the IRS's website at [www.irs.gov](http://www.irs.gov).

After you submit your M&I Shares and the completed and signed Letter of Transmittal and Form W-9, if applicable, to Computershare in accordance with the instructions in the Letter of Transmittal, you will receive (i) a Direct Registration Advice from Computershare evidencing the number of BMO Shares that you hold, and (ii) a cheque for the Fractional Cash Payment that is due to you (subject to withholding, if applicable). You can request a physical share certificate representing your BMO Shares by completing the information accompanying the Direct Registration Advice.

It is important that you act quickly to exchange your M&I Shares as no dividends or other distributions with respect to BMO Shares will be paid to you until you surrender your M&I Shares for exchange. Dividends or distributions declared by BMO after the effective time of the Merger will be held by Computershare and paid to you when Computershare receives your M&I Shares and the properly completed Letter of Transmittal. Dividends on BMO Shares, as declared by the Board of Directors of BMO, have historically been paid quarterly in the months of February, May, August and November and the record dates have historically been at the beginning of such months. Dividends are paid in U.S., Canadian and U.K. funds according to the address of record of the shareholder. U.S. and Canadian shareholders can elect to have their dividends paid in either U.S. or Canadian funds, however if no election is made, shareholders will be paid in funds according to their address of record.

U.S. shareholders are generally subject to a 15% Canadian withholding tax on BMO dividend payments. The Canadian tax withheld will, subject to certain limitations, be creditable or deductible against U.S. federal income taxes. You should consult your tax advisor to obtain further details on the taxation of BMO dividends received by you.

Once you exchange your M&I Shares for BMO Shares you will receive an informational package which includes the Bank of Montreal Shareholder Dividend Reinvestment and Share Purchase Plan (the **DRIP**) Prospectus that describes the features of the DRIP, as well as an enrolment form if you wish to participate in the DRIP.

Please see the enclosed "Frequently Asked Questions" for further information about the surrender of your M&I Shares in connection with the Merger.

Any questions regarding the deposit and exchange of your M&I Shares should be directed to Computershare at 1-877-477-1537 or by email to [corporateactions@computershare.com](mailto:corporateactions@computershare.com).

We are excited about the value we believe this transaction will create for shareholders, customers and employees as we bring M&I and Harris Bank together into BMO Harris Bank and focus on helping our customers succeed in their financial goals: controlling spending, growing savings, borrowing smartly, and investing wisely. On behalf of 45,000 BMO employees, we are glad you are joining us in this next phase of our 194-year history.

Sincerely,

A handwritten signature in blue ink, appearing to read "Blair F. Morrison".

Blair F. Morrison  
Senior Vice-President, Deputy General Counsel,  
Corporate Affairs and Corporate Secretary