

**SECOND SUPPLEMENT DATED 6 JANUARY 2016 TO THE PROSPECTUS DATED  
26 JUNE 2015 AS SUPPLEMENTED BY THE FIRST SUPPLEMENT DATED 1  
SEPTEMBER 2015**



**BANK OF MONTREAL**

*(a Canadian chartered Bank)*

**U.S.\$15,000,000,000**

**Global Registered Covered Bond Program**

**unconditionally and irrevocably guaranteed as to payments of interest and principal by**

**BMO COVERED BOND GUARANTOR LIMITED PARTNERSHIP**

*(a limited partnership established under the laws of the Province of Ontario)*

The Bank of Montreal (the “**Bank**”) issued a Prospectus dated 26 June 2015 (as supplemented by the First Supplement to such Prospectus dated 1 September 2015) (the “**Prospectus**”) which is a base prospectus for the purposes of Article 5.4 of the Prospectus Directive (2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU) (the “**Prospectus Directive**”). This second supplement (the “**Second Supplement**”) constitutes a supplement in respect of the Prospectus for the purposes of the Prospectus Directive and Section 87G of the Financial Services and Markets Act 2000 (U.K.) (“**FSMA**”), and is prepared in connection with the U.S.\$15,000,000,000 Global Registered Covered Bond Program established by the Bank (the “**Program**”) unconditionally and irrevocably guaranteed as to payments of interest and principal by BMO Covered Bond Guarantor Limited Partnership (the “**Guarantor**”).

Terms defined in the Prospectus have the same meaning when used in this Second Supplement. This Second Supplement is supplemental to, and shall be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Bank from time to time.

Each of the Bank and the Guarantor accepts responsibility for the information contained in this Second Supplement. To the best of the knowledge of each of the Bank and the Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Second Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

**THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (“CMHC”) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS OR THIS SECOND SUPPLEMENT. THE COVERED BONDS ARE NEITHER INSURED NOR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.**

**1. Purpose of the Second Supplement**

The purpose of this Second Supplement is to incorporate by reference the Bank’s 2015 annual information form and the annual audited consolidated financial statements and management’s discussion and analysis as at and for the years ended October 31, 2014, and

October 31, 2015, prepared in accordance with International Financial Reporting Standards (“IFRS”).

## **2. Annual Audited Consolidated Financial Statements and Management’s Discussion and Analysis as at and for the years ended October 31, 2014, and October 31, 2015**

By virtue of this Second Supplement, the following documents are incorporated in and form part of the Prospectus:

- 2.1 the Bank’s annual information form dated December 1, 2015, excluding all information therein incorporated by reference; and
- 2.2 the Bank’s audited consolidated financial statements as at and for the years ended October 31, 2014, and October 31, 2015, prepared in accordance with IFRS, together with the auditors’ report thereon and management’s discussion and analysis of financial condition and financial performance for the years ended October 31, 2014, and October 31, 2015, all as set out on pages 26 to 131 and 132 to 203 of the Bank’s Annual Report for the year ended October 31, 2015. The remainder of the Bank’s Annual Report is not incorporated and is either covered elsewhere in the Prospectus or deemed not relevant to investors.

In accordance with Article 4.1 of Regulation (EC) 1060/2009 on Credit Rating Agencies (the “**CRA Regulation**”), please note that the annual information form contains references to credit ratings and information on pages 9 and 22 to 23 and the management’s discussion and analysis and the audited consolidated financial statements contain references to credit ratings and information on pages 92, 96, 98, 105, 110, 158, 159, 168, 181, and 198.

None of Standard & Poor’s Ratings Services (Canada), a business unit of The McGraw-Hill Companies (Canada) Corporation (“**S&P**”), Moody’s Investors Service, Inc. (“**Moody’s**”), Fitch, Inc. (“**Fitch**”) and DBRS Limited (“**DBRS**”) (collectively, the “**non-EU CRAs**”) is established in the European Union or has applied for registration under the CRA Regulation. The ratings have been endorsed by each of Standard and Poor’s Credit Market Services Europe Limited, Moody’s Investors Service Ltd., Fitch Ratings Limited and DBRS Ratings Limited (the “**EU CRAs**”), as applicable, which are affiliates of S&P, Moody’s, Fitch and DBRS, respectively, in accordance with the CRA Regulation. Each EU CRA is established in the European Union and registered under the CRA Regulation. As such each EU CRA is included in the list of credit rating agencies published by the European Securities and Markets Authority (the “**ESMA**”) on its website in accordance with the CRA Regulation. The ESMA has indicated that ratings issued in Canada which have been endorsed by an EU CRA may be used in the EU by the relevant market participants.

Copies of the documents incorporated by reference have been filed with the Financial Conduct Authority and, by virtue of this Second Supplement, these documents are incorporated in, and form part of, the Prospectus for the purposes of Article 5.4 of the Prospectus Directive.

To the extent that any document or information incorporated by reference or attached to this Second Supplement itself incorporates any other documents or information by reference therein, either expressly or implicitly, such other documents or information will not form part of this Second Supplement for the purposes of the Prospectus Directive except where such other documents or information are specifically incorporated by reference or attached to this Second Supplement.

### **3. General Information**

To the extent that there is any inconsistency between (a) any statement in this Second Supplement or any statement incorporated by reference into the Prospectus by way of this Second Supplement and (b) any other statement in, or incorporated by reference in, the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Second Supplement, no significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Program has arisen or been noted, as the case may be, since the publication of the Prospectus.

Copies of this Second Supplement, the Prospectus and the documents incorporated by reference in either this Second Supplement or the Prospectus can be (i) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html) under the name of the Bank and the headline “Publication of Prospectus”, (ii) viewed on the website of the National Storage Mechanism at [www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM) and (iii) obtained on written request and without charge from (a) the principal executive offices of the Bank from the Corporate Secretary’s Office, 100 King Street West, 1 First Canadian Place, 68th Floor, Toronto, Ontario, Canada M5X 1A1, and (b) the offices of the Issuing and Paying Agent, The Bank of New York Mellon, London Branch, One Canada Square, 48th Floor, London E14 4AL so long as any of the Covered Bonds issued under the Prospectus and listed on the London Stock Exchange’s Regulated Market are outstanding.