

## PRICING SUPPLEMENT

**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 THIS PROSPECTUS. THE COVERED BONDS ARE NEITHER INSURED NOR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.**

### **PRIIPS REGULATION/PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS –**

The Covered Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA) or the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the **Prospectus Directive**). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

*Set out below is a form of Pricing Supplement for use in connection with Exempt Covered Bonds issued under the Program. This pro forma Pricing Supplement is subject to completion and amendment to set out the terms upon which each Tranche or Series of Exempt Covered Bonds is to be issued.*

## IMPORTANT NOTICE

***In accessing the attached pricing supplement (the Pricing Supplement) you agree to be bound by the following terms and conditions.***

The information contained in the Pricing Supplement may be addressed to and/or targeted at persons who are residents of particular countries only as specified in the Pricing Supplement and/or in the Prospectus (as defined in the Pricing Supplement) and is not intended for use and should not be relied upon by any person outside those countries and/or to whom the offer contained in the Pricing Supplement is not addressed. Prior to relying on the information contained in the Pricing Supplement, you must ascertain from the Pricing Supplement and/or Prospectus whether or not you are an intended addressee of the information contained therein.

The Guarantor is not now, and immediately following the issuance of the Covered Bonds pursuant to the Trust Deed will not be, a “covered fund” for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the **Volcker Rule**. In reaching this conclusion, although other statutory or regulatory exemptions under the Investment Company Act of 1940, as amended, and under the Volcker Rule and its related regulations may be available, the Guarantor has relied on the exemption from registration set forth in Section 3(c)(5) of the Investment Company Act of 1940, as amended. See *Certain Volcker Rule Considerations* in the Prospectus dated 16 July 2019.

Neither the Pricing Supplement nor the Prospectus constitutes an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC AS AMENDED OR SUPERSEDED (THE PROSPECTUS DIRECTIVE) FOR THIS ISSUE OF COVERED BONDS. THE COVERED BONDS WHICH ARE THE SUBJECT OF THIS PRICING SUPPLEMENT ARE NOT COMPLIANT WITH THE PROSPECTUS DIRECTIVE, AND THE UK LISTING AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THE INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT.**

3 April 2020

**Bank of Montreal**

**Issue of CHF 160,000,000 0.035% Covered Bonds due 7 April 2026  
unconditionally and irrevocably guaranteed as to payment of principal and interest by  
BMO Covered Bond Guarantor Limited Partnership  
under the U.S.\$30 billion  
Global Registered Covered Bond Program**

The Prospectus referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Covered Bonds in any member state of the EEA or in the UK (each, a **Relevant State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant State, from the requirement to publish a prospectus for offers of the Covered Bonds. Accordingly, any person making or intending to make an offer in that Relevant State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a Prospectus pursuant to the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

## PART A

### CONTRACTUAL TERMS

Terms used herein will be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the prospectus dated 16 July 2019, as supplemented by the first supplement dated 18 December 2019 and the second supplement dated 6 March 2020, which together constitute a base prospectus (the **Prospectus**) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (as amended or superseded, the **Prospectus Directive**). This document constitutes the pricing supplement of the Covered Bonds described herein for the purposes of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the Guarantor and the offer of the Covered Bonds is only available on the basis of the combination of this Pricing Supplement, the Prospectus and the Listing Prospectus dated April 3, 2020 prepared by the Issuer for listing of Covered Bonds on the SIX Swiss Exchange (the **Swiss Prospectus**). Copies of the Prospectus and the Swiss Prospectus, including any documents incorporated by reference therein, are available free of charge to the public at the Executive Offices of the Issuer, and the specified office of each of the Paying Agents and from UBS AG, Swiss Prospectus Switzerland, P.O. Box, 8098 Zurich, Switzerland, phone: +41 44 239 47 03 (voicemail), mailto: [swiss-prospectus@ubs.com](mailto:swiss-prospectus@ubs.com).

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|----|-----|--|--|
| 1. | (a) | Issuer:  | Bank of Montreal                               |
|    | (b) | Guarantor:   | BMO Covered Bond Guarantor Limited Partnership |
| 2. | (a) | Series Number:   | CBL21  |
|    | (b) | Tranche Number:  | 1  |
| 3. |     | Specified Currency or Currencies:                              | Swiss Francs (“CHF”)                           |
| 4. |     | Aggregate Nominal Amount of Covered Bonds admitted to trading: |  |
|    | (a) | Series:  | CHF 160,000,000                                |
|    | (b) | Tranche:   | CHF 160,000,000                                |
| 5. | (a) | Issue Price:   | 100 per cent. of the Aggregate Nominal Amount  |
| 6. | (a) | Specified Denominations:                                       | CHF 5,000 and integral multiples thereof.      |
|    | (b) | Calculation Amount:  | CHF 5,000                                      |
| 7. | (a) | Issue Date:  | 7 April 2020                                   |
|    | (b) | Interest Commencement Date:                                    | Issue Date                                     |
| 8. | (a) | Final Maturity Date:   | 7 April 2026                                   |

- (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 7 April 2027
9. Interest Basis: From (and including) the Interest Commencement Date to (but excluding) the Final Maturity Date: 0.035% Fixed Rate payable annually in arrears on each Interest Payment Date
- From (and including) the Final Maturity Date to (but excluding) the Extended Due for Payment Date: 1 month CHF Libor plus 0.5725% Floating Rate payable monthly in arrears on each Interest Payment Date, subject to a minimum interest rate of 0.00%
10. Redemption/Payment Basis: Redemption at par on the Final Maturity Date, subject to extension as set out in this Pricing Supplement
11. Change of Interest Basis or Redemption/Payment Basis: Fixed to Floating
12. Put/Call Options: Not Applicable
13. Date of approval for issuance of Covered Bonds: 29 May 2013, 30 March 2015, 4 April 2016, 24 July 2017, 23 July 2018 and 29 May 2019

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Covered Bond Provisions: Applicable
- (a) Rate(s) of Interest: 0.035 per cent. per annum payable annually in arrears on each Interest Payment Date
- (b) Interest Payment Date(s): Commencing on 7 April 2021, 7 April in each year up to and including the Final Maturity Date (*provided however* that after the Extension Determination Date, the Interest Payment Date will be monthly)
- (c) Business Day Convention: Following Business Day Convention
- (d) Business Day(s): Zurich, London, Toronto, New York
- (e) Additional Business Centre(s): The centres specified under item 14(d) above

- (f) Fixed Coupon Amount(s): CHF 1.75 per Calculation Amount
- (g) Broken Amount(s): Not Applicable
- (h) Day Count Fraction: 30/360 (not adjusted)
- (i) Determination Date(s): 7 April in each year
- (j) Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds: Not Applicable
15. Floating Rate Covered Bond Provisions: Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.
- Applicable in respect of the Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee.
- (a) Interest Period(s): The first Interest Period after the Final Maturity Date will be the period from and including the Final Maturity Date to but excluding the following Interest Payment Date and subsequent Interest Periods will be from and including the applicable Interest Payment Date to but excluding the immediately following Interest Payment Date, to but excluding the Extended Due for Payment Date.
- (b) Interest Payment Date(s): The 7th calendar day of each month payable from but excluding the Final Maturity Date to and including the earlier of:
- (i) the date on which the Covered Bonds are redeemed in full; and (ii) the Extended Due for Payment Date
- (c) First Interest Payment Date: 7 May 2026, if applicable
- (d) Business Day Convention: Modified Following Business Day Convention
- (e) Business Day(s): Zurich, London, Toronto, New York
- (f) Additional Business Centre(s): The centres specified under item 15(e) above

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|-----|---|---|
| (g) | Manner in which the Rate of Interest and Interest Amount is to be determined:                                     | Screen Rate Determination   |
| (h) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Issuing and Paying Agent): | UBS AG, as Swiss Paying Agent   |
| (i) | Screen Rate Determination:  | Applicable  |
|     | Reference Rate and Relevant Financial Centre:   | 1 month CHF Libor<br>Relevant Financial Centre: Zurich                    |
|     | Interest Determination Date(s):   | The second London business day prior to the start of each Interest Period |
|     | Relevant Screen Page:   | BBAM / ICE  |
| (j) | ISDA Determination:   | Not Applicable  |
| (k) | Floating Rate Covered Bond Margin(s):   | +0.5725 per cent. per annum   |
| (l) | Minimum Rate of Interest:   | 0.000 per cent. per annum   |
| (m) | Maximum Rate of Interest:   | 60.000 per cent. per annum  |
| (n) | Day Count Fraction:   | Actual/360 (adjusted)   |
| 16. | Zero Coupon Covered Bond Provisions:  | Not Applicable  |

#### **PROVISIONS RELATING TO REDEMPTION**

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|-----|--|----------------------------------|
| 17. | Issuer Call:   | Not Applicable                   |
| 18. | Put Option:  | Not Applicable                   |
| 19. | Final Redemption Amount of each Covered Bond:  | CHF 5,000 per Calculation Amount |
| 20. | Early Redemption Amount of each Covered Bond payable on redemption for taxation reasons or illegality or upon acceleration following an Issuer Event of Default or Guarantor Event of Default or other early redemption and/or the method of calculating the same (if required or if | CHF 5,000 per Calculation Amount |

different from that set out in Condition 6.7  
(*Early Redemption Amounts*):

## GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

### 21. Form of Covered Bonds:

#### Bearer Covered Bonds

The Covered Bonds will be issued in the form of a Regulation S Permanent Global Covered Bond (the **Permanent Global Covered Bond**) and, upon registration in the records of the Custodian (as defined below) will constitute intermediated securities (**Intermediated Securities**) in accordance with Article 6 of the Swiss Federal International Securities Act (the **FISA**). The Intermediated Securities will be created by (i) the deposit of the Permanent Global Covered Bond with SIX SIS AG (**SIX SIS**), acting as custodian as defined in Article 4 of the FISA (the **Custodian**) and (ii) SIX SIS, acting as Custodian, crediting the respective rights to securities accounts of the relevant participants with SIX SIS in accordance with Articles 4 and 6 of the FISA.

Each holder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Covered Bond to the extent of its claim against the Issuer, provided that for so long as the Permanent Global Covered Bond remains deposited with the Custodian, the co-ownership interest shall be suspended and the Covered Bonds may only be transferred or otherwise disposed of in accordance with the provisions of the FISA, i.e., by the entry of the transferred Covered Bonds in a securities account of the transferee.

In respect of Covered Bonds represented by a Permanent Global Covered Bond, neither the Issuer nor the holders of such Covered Bonds shall at any time have the right to effect or demand the conversion of the Permanent Global Covered Bond into, or the delivery of, Uncertificated Covered Bonds or Definitive Covered Bonds. Definitive Covered Bonds may only be issued and printed and if the Swiss Paying Agent deems the printing of Definitive Covered Bonds to be necessary or desirable for the enforcement of obligations under the Covered Bonds, including, without limitation, if, under Swiss or any applicable foreign law, the enforcement of obligations under the Covered

Bonds can only be assured by means of Definitive Covered Bonds. In such circumstances the Swiss Paying Agent may, upon consultation with the Issuer, arrange for the issue of such Definitive Covered Bonds, cause such Definitive Covered Bonds to be executed, authenticated and delivered as soon as practicable (and in any event within ninety days of the Swiss Paying Agent's decision to print Definitive Covered Bonds) and delivery, free of charge, to SIX SIS for the relevant holders, against cancellation of the Covered Bonds in the holder's securities account.

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|-----|--|--------------------------------------|
| 22. | New Global Covered Bond:   | Not Applicable                       |
| 23. | Global Covered Bond held under the New Safekeeping Structure:  | No                                   |
| 24. | Financial Centre(s) or other special provisions relating to payment dates:   | Zurich, London, New York and Toronto |
| 25. | Talons for future Coupons to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No                                   |
| 26. | Redenomination, renominatisation and reconventioning provisions:   | Not Applicable                       |

## DISTRIBUTION

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|-----|--|---|
| 27. | (a) If syndicated, names of Managers:          | UBS AG<br><br>Bank of Montreal, London Branch |
|     | (b) Stabilising Manager (if any):              | Not Applicable                                |
| 28. | If non-syndicated, name and address of Dealer: | Not Applicable                                |
| 29. | (a) U.S. Selling Restrictions:                 | Regulation S Category 2; TEFRA not applicable |
|     | (b) ERISA:                                     | No  |
| 30. | Non-exempt Offer:                              | Not Applicable                                |
| 31. | Additional selling restrictions:               |   |
|     | (a) Switzerland:                               | Each of the Managers covenants that:          |



(i) it has offered and sold and will offer and sell the Covered Bonds only in accordance with practices and documentation customary in Switzerland;

(ii) it has used and will use reasonable efforts to sell the Covered Bonds only in Switzerland; and

(iii) it will use reasonable efforts to ensure that more than 80 per cent. by value of the Covered Bonds will be offered and sold to non-distributors by distributors maintaining an offer in Switzerland (“distributors” having the meaning ascribed thereto in the U.S. Internal Revenue Code and regulations thereunder).

(b) Canada

Canadian Sales Not Permitted

32. Additional United States Tax Considerations: Not Applicable

33. Prohibition of Sales to EEA and UK Retail Investors: Applicable

## **PURPOSE OF PRICING SUPPLEMENT**

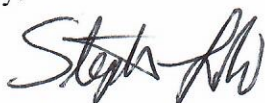
This Pricing Supplement comprises the pricing supplement required for issue of Exempt Covered Bonds described herein pursuant to the U.S.\$30 billion Global Registered Covered Bond Program of Bank of Montreal.

## **RESPONSIBILITY**

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:

A handwritten signature in black ink, appearing to read 'Stephen Lobo', written in a cursive style.

**Stephen Lobo**  
Treasurer

*Duly authorised*

Signed on behalf of the Guarantor:

By:

A handwritten signature in black ink, appearing to read 'Stephen Lobo', written in a cursive style.

**Stephen Lobo**  
Director

*Duly authorised*

## PART B

### OTHER INFORMATION

#### 1. LISTING AND ADMISSION TO TRADING

- (a) Listing and admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to provisional trading on the SIX Swiss Exchange with effect from 3 April 2020.
- (b) Estimate of total expenses related to admission to trading: Not applicable

#### 2. RATINGS

- Ratings: The Covered Bonds to be issued are expected to be rated:
- Fitch: AAA
- Moody's: Aaa
- DBRS: AAA

#### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in *Subscription and Sale and Transfer and Selling Restrictions*, so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

#### 4. YIELD (*Fixed Rate Covered Bonds only*)

- Indication of yield: 0.035%

#### 5. OPERATIONAL INFORMATION

- (a) ISIN Code: CH0536893586
- (b) Common Code: 214804891
- (c) WKN Code: Not applicable
- (d) Any clearing system(s) other than DTC, Euroclear or Clearstream, Luxembourg and the relevant identification number(s) or codes such as CUSIP and CINS codes: SIX SIS AG (Swiss Security Number 53.689.358) and indirectly through Euroclear Bank SA/NV and/or Clearstream Banking S.A.

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|-----|---|---|
| (e) | Name and address of initial Paying Agent(s)/Registrar(s)/Transfer Agent(s):   | <p>The Issuer will at all times maintain a Paying Agent in relation to the Covered Bonds having a specified office in Switzerland and will at no time maintain a Paying Agent having a specified office outside Switzerland in relation to the Covered Bonds, unless permitted by applicable law.</p> <p>The Issuer has contractually appointed UBS AG at the following address and any other offices in Switzerland as the sole Paying Agent for the Covered Bonds pursuant to Section 2 of the Supplemental Agency Agreement (as defined in the Conditions):</p> <p style="margin-left: 40px;">UBS AG<br/>Postfach<br/>CH-8098 Zurich<br/>Switzerland</p> |
| (f) | Names and addresses of additional Paying Agent(s)/Transfer Agent(s) (if any): | Not Applicable  |
| (g) | Intended to be held in a manner which would allow Eurosystem Eligibility:     | Not Applicable  |

**6. DISTRIBUTION**

U.S. Selling Restrictions:	Regulation S Category 2; TEFRA not applicable
Prohibition of Sales to EEA and UK Retail Investors:	Applicable

**7. UNITED STATES TAX CONSIDERATIONS**

Not applicable