

Cover Page

Firm Brochure (Part 2A of Form ADV)
March 31, 2019

BMO ASSET MANAGEMENT CORP.

115 South LaSalle Street
11th Floor
Chicago, IL 60603
312-461-7699

www.bmogamus.com

This brochure provides information about the qualifications and business practices of BMO Asset Management Corp. If you have any questions about the contents of this brochure, please contact us at 312-461-7699. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

BMO Asset Management Corp. is a registered investment adviser. Registration of an adviser with the SEC does not imply a certain level of skill or training.

Additional information about BMO Asset Management Corp. also is available on the SEC's website at www.adviserinfo.sec.gov.

This page left intentionally blank.

Item 2 Material Changes

The following is a summary of the material changes to the brochure since our last annual update on March 30, 2018:

Steve Arquilla became a member of the BMO Asset Management Corp. Board of Directors effective March 5, 2019.

In addition to the material change described above, we have updated this brochure to provide enhanced disclosures regarding potential and actual conflicts of interest as noted below:

Item 5: Fee and Compensation. Updated information about the client payment of fees when investing in an affiliated mutual fund.

Item 6: Performance-Based Fees and Side-by-Side Management. Updated information about potential conflicts of interest in side-by-side management.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss. Updated information about investment strategies, use of affiliated mutual funds, and associated risks.

Item 11: Code of Ethics, Participation or Interests in Client Transactions and Personal Trading. Updated information about conflicts of interest particularly in relation to affiliated funds.

Our brochure may be requested, at any time, without charge, by contacting BMO Asset Management Corp. at 312-461-7699.

Additional information about BMO Asset Management Corp. is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with BMO AM who are registered, or are required to be registered, as investment adviser representatives of BMO Asset Management Corp.

This page left intentionally blank.

Item 3 - Table of Contents

	Page
Item 1 - Cover Page	1
Item 2 - Material Changes.....	3
Item 3 - Table of Contents	5
Item 4 - Advisory Business.....	7
Item 5 - Fees and Compensation.....	9
Item 6 - Performance-Based Fees and Side-By-Side Management.....	12
Item 7 - Types of Clients	13
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9 - Disciplinary Information	28
Item 10 - Other Financial Industry Activities and Affiliations.....	28
Item 11 - Code of Ethics, Participation or Interests in Client Transactions and Personal Trading.....	30
Item 12 - Brokerage Practices.....	32
Item 13 - Review of Accounts	36
Item 14 - Client Referrals and Other Compensation	37
Item 15 - Custody.....	37
Item 16 - Investment Discretion	37
Item 17 - Voting Client Securities	38
Item 18 - Financial Information.....	39
Additional Information	39

This page left intentionally blank.

Item 4 - Advisory Business

Overview. BMO Asset Management Corp. (“BMO AM”)¹ is a registered investment adviser with the U.S. Securities and Exchange Commission (“SEC”). BMO AM was established in 1989 and is headquartered in Chicago, IL with additional offices in Milwaukee, WI. BMO AM is a wholly-owned subsidiary of BMO Financial Corp., which is in turn a wholly-owned subsidiary of Bank of Montreal, a publicly-held Canadian diversified financial services company.

BMO AM conducts business under the name BMO Asset Management U.S., BMO Global Asset Management U.S. and/or BMO Global Asset Management.

BMO AM is one of the constituents of BMO Global Asset Management. BMO Global Asset Management (“BMO GAM” or “GAM”) is the brand name for various affiliated entities of BMO Financial Group, that provide trust, custody, securities lending and investment management services. Certain of the products and services offered under the brand name BMO Global Asset Management are designed specifically for various categories of investors in a number of different countries and regions. Those products and services are only offered to such investors in those countries and regions in accordance with applicable laws and regulations. BMO Financial Group is a service mark of Bank of Montreal. Additional information about BMO GAM can be found in Item 10 (Other Financial Industry Activities and Affiliations).

Advisory Services. BMO AM provides discretionary and non-discretionary investment advisory services to: (i) institutions, including pension and other employee benefit plans, trusts, endowments and foundations, investment companies (including mutual funds), private pooled vehicles, insurance companies and corporations; (ii) individuals; (iii) third-party sponsors of, and clients participating in, wrap-fee programs; and (iv) common and collective portfolios for which BMO Harris Bank, N.A. (“BMO Harris Bank”), an affiliate of BMO AM, acts as trustee.

Investment advisory services are provided on a discretionary and non-discretionary basis through separately managed accounts, wrap fee programs, mutual funds and/or private funds. Services provided by BMO AM include account management within our strategy framework, assistance in establishing investment objectives and guidelines, determining the appropriate asset class and allocation in light of established objectives and guidelines, determining the purchases and sales of securities for client portfolios, monitoring and reviewing holdings and investment performance of portfolios, and providing information on the relative attractiveness of various asset classes, investments and issues.

The investment advice varies depending upon the stated objectives and any restrictions imposed by the client. Such advice generally consists of investment research and portfolio management with respect to equity and fixed income securities and other financial instruments. In some strategies, the investment advice is based on quantitative analysis, which includes the use of proprietary factor models developed by BMO AM, in the selection of investments for accounts. Clients may impose reasonable restrictions on the management of their accounts, including on investing in certain securities or types of securities.

¹ Formerly Harris Investment Management, Inc. (“HIM”) HIM changed its name to BMO Asset Management Corp. following its merger with M&I Investment Management Corp. (“M&I IMC”) on June 1, 2012. BMO acquired M&I IMC as part of its acquisition of Marshall & Ilsley Corporation (“M&I”) in July 2011. M&I IMC was founded in 1973.

BMO AM also provides research and non-discretionary investment support to affiliates, including, but not limited to, BMO Harris Bank and BMO Harris Financial Advisors, Inc. (“BHFA”) for the benefit of their respective clients. These services are described in more detail below.

Services to Certain Affiliates. BMO AM provides discretionary and non-discretionary investment advisory and related services to certain affiliates, including BMO Harris Bank and BHFA. Specifically, BMO AM provides discretionary investment advisory services to (i) common and collective portfolios for which BMO Harris Bank acts as trustee; and (ii) to individual or institutional clients of certain affiliates, such as BMO Harris Bank, in the capacity of sub-adviser.

BMO AM also provides research and non-discretionary investment support to certain affiliates, such as BMO Harris Bank and BHFA, for the benefit of their respective clients. The non-discretionary services provided to certain of these affiliates includes the development of asset allocation models and strategies and recommended lists for equity securities, fixed income securities, mutual funds, ETFs, alternative investments and non-affiliated third-party managers.

Investment Companies. BMO AM serves as investment adviser to BMO Funds, Inc. (the “BMO Funds”), a registered open-end investment management company with 47 separate mutual funds as of December 31, 2018. The BMO Funds are distributed by BMO Investment Distributors, LLC, an affiliated broker-dealer. BMO AM also serves as investment adviser to the BMO LGM Frontier Markets Equity Fund, a non-diversified, closed-end management investment company organized as a Delaware Statutory Trust. BMO AM also serves as a sub-adviser to certain unaffiliated mutual funds. Please refer to the applicable prospectus and statement of additional information for further information about mutual fund investments.

Wrap Programs. BMO AM participates in wrap-fee account programs sponsored by broker-dealers and other financial institutions. Generally, under a wrap-fee program, a client of the sponsoring brokerage firm or financial institution will be able to obtain professional investment management and transaction execution for a single fee, based on the amount of assets under management. Each wrap-fee program sponsor sets its own fees for clients participating in the program and will pay BMO AM for its advisory services rendered to the client out of the fees it charges to its clients. The fee that BMO AM receives generally will be negotiated with the program sponsor and, in certain, instances is affected by the size of the accounts being managed and the nature of the investment objectives being utilized by BMO AM in connection with the program. BMO AM’s investment advisory services to clients of a wrap-fee program are generally based on specific investment styles, objectives or strategies (such as a strategy focusing on stocks issued by small capitalization companies selected for potential capital appreciation), which, in certain instances, differ from one program to another. The same broad range of investment objectives in certain situations is not available to wrap-fee program participants that are available to BMO AM’s advisory clients outside of a wrap-fee program.

Assets under Management. As of December 31, 2018, BMO AM had approximately \$36.8 billion under management. While assets are managed primarily on a discretionary basis, approximately \$95.7 million was managed on a non-discretionary basis.

Item 5 - Fees and Compensation

The specific manner in which fees are charged by BMO AM is established in a client's written agreement. Among the factors affecting the level of fees are the size of the account, the composition of the assets, other relationships the client has with BMO AM and its affiliates, and the complexity of the restrictions and objectives of the client. From time to time, clients pay for services by means of a combination of performance and asset-based fees as permitted by applicable federal and state regulations as described in Item 6 (Performance-Based Fees and Side-By-Side Management). BMO AM reserves the right to establish a minimum fee, charge fees below the stated minimum or to otherwise adjust fees, based on client- or account-specific considerations, following discussions with a client or prospective client. Participants in wrap or other programs through which BMO AM provides impersonal advisory services are not subject to BMO AM's minimum fees. All fees are subject to negotiation.

BMO AM will generally bill its fees on a monthly or quarterly basis in arrears. Clients may also elect to be billed directly for fees or to authorize BMO AM to directly debit fees from client accounts. For accounts in which BMO Harris Bank serves as custodian, fees are generally deducted from client assets unless the client requests to be billed separately. Certain management fees are prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. In general, contracts are terminable upon 30 to 60 days' prior written notice by either party.

In addition to BMO AM's fees for its services, mutual funds in which a client's assets are invested also pay their own advisory fees and other expenses, as described in each fund's prospectus. These fees will generally include a management fee and in certain instances include a distribution fee. Depending on the fund, a client is able to purchase these investments directly without the services of BMO AM. In that case, a client would not receive the services provided by BMO AM which are designed, among other things, to assist the client in determining which mutual funds are appropriate for a client. With respect to investments in affiliated mutual funds, clients will not pay duplicative fees. When BMO AM uses or recommends an affiliated mutual fund, BMO AM will retain the fees it receives from the affiliated mutual fund. However, BMO AM will not retain both an advisory fee for client assets and an advisory fee from the affiliated mutual fund for client assets invested in the affiliated mutual fund. In those circumstances, BMO AM will, in its discretion, either (i) rebate to the client the amount of advisory fees paid by the fund with respect to the client assets, or (ii) exclude client assets invested in the fund from BMO AM's account-level investment management fee.

BMO AM's management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that are incurred by the client. Clients are subject to certain charges imposed by custodians, brokers, and other third parties such as fees charged by custodial fees, wire transfer fees, and other fees on securities transactions.

Separate Accounts Fee Schedule. BMO AM charges an annual fee based on the type of securities held and the market value of assets under management. BMO AM reserves the right to modify the fee schedule set forth below depending on the size and nature of the client, the services provided and/or other factors. BMO AM also reserves the right to exempt assets from this fee schedule, to provide

BMO Asset Management Corp.
Form ADV, Part 2A

discounts to this fee schedule and to aggregate accounts for the purposes of applying the fee schedule. Typically, all assets, including dividend accruals, are included in the market value fee.

Domestic Equity	Fee Breakpoints			
	First \$25M	Next \$75M	Next \$100M	Thereafter
BMO Disciplined Tax Efficient Portfolio	0.45%	0.35%	0.25%	0.20%
BMO Large-Cap Low Volatility	0.45%	0.35%	0.25%	0.20%
BMO Disciplined Dividend Income	0.60%	0.50%	0.40%	0.35%
BMO Disciplined Large-Cap Equity	0.60%	0.50%	0.40%	0.35%
BMO Disciplined Large-Cap Growth	0.60%	0.50%	0.40%	0.35%
BMO Disciplined Large-Cap Value	0.60%	0.50%	0.40%	0.35%
BMO Disciplined Mid-Cap Growth	0.70%	0.60%	0.50%	0.45%
BMO Disciplined Mid Cap Value	0.70%	0.60%	0.50%	0.45%
BMO Disciplined Small/Mid-Cap Core	0.80%	0.70%	0.60%	0.55%
BMO Disciplined Small-Cap Core	0.85%	0.75%	0.65%	0.60%
BMO Disciplined Small-Cap Growth	0.85%	0.75%	0.65%	0.60%
BMO Disciplined Small-Cap Value	0.85%	0.75%	0.65%	0.60%
BMO Disciplined Micro-Cap	1.00%	1.00%	1.00%	1.00%

Int'l/Global Equity	Fee Breakpoints			
	First \$25M	Next \$75M	Next \$100M	Thereafter
BMO Disciplined International Equity	0.70%	0.60%	0.50%	0.45%
BMO Disciplined International Small Cap	0.90%	0.80%	0.70%	0.65%
BMO Global Low Volatility	0.55%	0.45%	0.35%	0.30%
BMO Global Long/Short Equity	1.00%	0.90%	0.80%	0.75%

Short Duration	Fee breakpoints			
	First \$100M	Next \$200M	Next \$300M	Thereafter
BMO Liquid Cash	0.12%	0.11%	0.10%	0.09%
BMO Medium Term Cash	0.12%	0.11%	0.10%	0.09%
BMO Short Term Cash	0.12%	0.11%	0.10%	0.09%
BMO Ultrashort-Term Bond	0.12%	0.11%	0.10%	0.09%
BMO Short-Term Bond	0.14%	0.13%	0.12%	0.11%
BMO Treasury	0.12%	0.11%	0.10%	0.09%

Tax-Free Fixed Income	Fee Breakpoints			
	First \$10M	Next \$15M	Next \$25M	Thereafter
BMO Intermediate 1-10 Year Municipal	0.35%	0.30%	0.25%	0.20%
BMO Intermediate 1-15 Year Municipal	0.35%	0.30%	0.25%	0.20%
BMO Long Tax Free Strategy	0.30%	0.25%	0.20%	0.15%
BMO Short Tax-Free	0.30%	0.25%	0.20%	0.15%
BMO Ultra Short Tax-Free	0.20%	0.19%	0.18%	0.17%

Please note that not all strategies maintained by BMO AM are listed above. In certain instances, legacy clients are invested in strategies no longer marketed or offered. For questions related to fee schedules for any strategy, please contact your Relationship Management professional.

Affiliates Fee Schedule. BMO AM and certain affiliates have agreed to fee and revenue sharing arrangements for services rendered by BMO AM. In these situations, BMO AM is compensated by the affiliate. In certain cases, a client is charged for asset management services provided by such affiliate and the investment advisory services provided by BMO AM. In that case, the affiliate may, at its discretion, waive or rebate in its client accounts all or a portion of the investment advisory fees charged by BMO AM, including those paid to the BMO Funds. These clients should contact their BMO relationship manager for more information on the fees, including those for BMO AM, charged to their accounts.

Investment Company Fees. BMO AM's fees for its advisory services to the BMO Funds are based on the net asset values of each portfolio, computed daily and payable monthly. These fees range from .15% annually to 1.00% annually. BMO AM may, from time to time, voluntarily waive all or a portion of its advisory fees received from the BMO Funds.

Private Investment Pools. Fees for advisory and other services, including those received by BMO AM and its affiliates, are described in the offering documents of those pools/funds. Please refer to the offering documents for a complete description of the fees associated with such pool/fund.

Wrap Program Fees. The fees BMO AM charges for services under wrap fee programs vary depending on the level of assets and involvement of the wrap program sponsor in providing services to the client. The fees received under the wrap fee programs vary based upon a number of factors and range from 0.05% to 1.00% of assets under management. BMO AM provides investment advisory services for separate wrap programs sponsored by: BMO Harris Financial Advisors, Inc. (BMO Managed Asset Allocation Program and BMO Flex Plus Managers Portfolio); BMO Nesbitt Burns Inc. (Blueprint Program/Architect); BMO Private Investment Counsel Inc. (BMO Global Asset Mgmt.U.S. Equity and BMO Private Bank Asia); Envestnet, Inc. (Envestnet – Third Party Models Program); BMO Private Bank (Harrisscreens); and Sawtooth Solutions, LLC (Sawtooth). When providing services to wrap program providers, BMO AM generally receives a portion of the wrap program fees charged by the program sponsor to the client. This includes receiving fees even when wrap clients are invested in BMO AM or affiliated-advised funds. Wrap fee clients should be aware that in certain instances comparable services are available on an unbundled basis at a lower aggregate cost.

Other Fees. BMO AM and its supervised persons do not accept direct compensation for the sale of securities or other investment products. Certain affiliates and their employees receive compensation related to the sale of securities or other investment products.

Item 6 - Performance-Based Fees and Side-By-Side Management

From time to time, clients pay for services by means of a combination of performance and asset-based fees as permitted by applicable federal and state regulations. Generally these fees are based on a share of capital gains or on capital appreciation of a client's assets. This type of fee arrangement may create an incentive for BMO AM to make investments that are riskier or more speculative than would be the case in the absence of a performance fee. In addition, performance fee arrangements may create an incentive for BMO AM to favor those accounts in the timing of trades, security selection or similar methods.

Side-by-Side management by BMO AM of affiliated mutual funds, separately managed accounts, and private funds with various fee structures raises potential conflicts of interest. BMO AM may have an incentive to allocate investments to those accounts with the potential to generate greater fees. Also, BMO AM utilizes side-by-side management in certain portfolios that make use of a long-short investment strategy, whereby part of the portfolio holds long only securities and a portion of the portfolio has sold short securities. In situations such as this, the adviser may hold the same security both long and short in different portfolios and strategies that BMO AM manages.

To minimize the effects of these conflicts of interest, BMO AM has adopted and implemented policies and procedures, including trade aggregation and allocation procedures, that it believes are reasonably designed to mitigate the potential conflicts associated with managing portfolios for multiple clients and seeks to ensure that no one client is favored over time at the expense of another. In addition, please see Item 12 for further information on our trade aggregation and allocation practices.

BMO AM simultaneously manages multiple types of accounts including separate accounts, wrap fee programs, sub advised funds, private funds and other accounts according to the same investment strategy or similar investment strategies (i.e., side-by-side management). The simultaneous management of these different investment vehicles creates certain potential conflicts of interest because investment advisory fees charged by BMO AM for these different accounts typically vary. BMO AM seeks to treat all such accounts fairly and equitably over time and BMO AM maintains policies and procedures for investment allocation and trade rotation to help ensure this occurs. BMO AM also oversees investment guidelines for its investment strategies as well as for individual client accounts through the administration of trading rules and the periodic review of accounts to confirm portfolio compliance. While BMO AM seeks to treat all accounts fairly and equitably over time, all accounts within the same investment strategy or accounts within similar investment strategies will not necessarily be managed the same at all times. Different client guidelines may lead to the use of different investment practices or portfolio holdings, and/or different performance results for accounts within the same investment strategy. In addition, BMO AM will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible accounts. Consequently, the performance of any account within a particular strategy or the performance among accounts across similar strategies may differ. With respect to certain types of accounts that have investment restrictions, tax sensitivity, cash requirements or other constraints, these parameters may affect performance results for that particular account.

Item 7 - Types of Clients

BMO AM provides discretionary investment advisory services for, or provides non-discretionary investment advice to, institutions including pension and other employee benefit plans, trusts, endowments and foundations, investment companies (including mutual funds), insurance companies, corporations, individuals, and third-party sponsors of and clients participating in wrap-fee programs, as well as common and collective portfolios for which BMO Harris Bank, an affiliate of BMO AM, acts as trustee. In addition, BMO AM provides investment advisory services to private pooled vehicles and to affiliates for the benefit of their clients. Certain products and/or services offered by BMO AM may only be available to accredited investor(s) and will have qualified purchaser requirements. This information is available in the offering documents associated with these types of investments.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

Overview. BMO AM employs a variety of security analysis methods in managing client accounts, including fundamental and quantitative (technical) analysis. BMO AM relies on sources of information, such as financial publications, internal and external research, company visits, SEC reports and information from rating services. Investment strategies could include both long-term and short-term purchases, as well as options trading.

BMO AM cannot and does not guarantee rates of return on investments for any time period to any client. All clients assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products. Clients may experience a loss of value in investments. Past performance does not guarantee future results, and there is no guarantee that a client's investment objectives will be achieved. Investing in securities involves risk of loss that clients should be prepared to bear.

Investment Strategies

BMO AM offers additional strategies or variations of the strategies described below. Additionally, not all strategies listed may be presently marketed. For additional information on BMO AM's investment strategies, please visit www.bmo.com/gam.

Whenever BMO AM considers an allocation to an asset class or style, it first looks at its own asset management capabilities. If BMO AM has a compelling capability in that asset class, it will select a BMO fund.

The primary objective of BMO AM's asset allocation strategies is to help diversify client-selected strategies by creating and using model portfolios comprised of various investment vehicles. Whenever BMO AM considers an allocation to an asset class or style, it first looks at its own asset management capabilities. If BMO AM has a compelling capability in that asset class, it will select the BMO AM advised investment vehicle.

EQUITY STRATEGIES

BMO Disciplined Dividend Income Strategy

Objective

To outperform the S&P 500® Index over a full market cycle while providing solid dividend income.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance while simultaneously providing an attractive above-market dividend yield.

- Active stock selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process - Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Large-Cap Equity Strategy

Objective

To outperform the S&P 500® Index by 1.5%–2.5% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Large-Cap Growth Strategy

Objective

To outperform the Russell 1000® Growth Index by 1.5%–2.5% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Large-Cap Value Strategy

Objective

To outperform the Russell 1000® Value Index by 1.5%–2.5% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Micro-Cap Strategy

Objective

To outperform the Russell Microcap® Index by 3%–5% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Mid-Cap Growth Strategy

Objective

To outperform the Russell Midcap® Growth Index by 2%–3% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Mid-Cap Value Strategy

Objective

To outperform the Russell Midcap® Value Index by 3%–4% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Small/Mid-Cap Core Strategy

Objective

To outperform the Russell 2500™ Index by 2%–3% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Small-Cap Core Strategy

Objective

To outperform the Russell 2000® Index by 3%–4% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment.

BMO Disciplined Small-Cap Growth Strategy

Objective

To outperform the Russell 2000® Growth Index by 3%–4% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Small-Cap Value Strategy

Objective

To outperform the Russell 2000® Value Index by 3%–4% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Tax-Efficient Portfolio Strategy

Objective

To help our clients earn index like returns in a tax efficient manner.

Philosophy

We believe through combining passive investment management with active tax management, a client's capital gains can be managed to increase after-tax returns.

- Provide enhanced gross pre-tax returns versus the benchmark index (e.g. S&P Index)
- Add additional value on an after-tax basis by actively harvesting tax losses while deferring gains.
- Maintain tight relative tracking error (less than 1%).

BMO Disciplined U.S. Low Volatility Equity Strategy

Objective

To outperform the Russell 1000® Index over a full market cycle with significantly lower risk. The strategy aims to provide a higher Sharpe ratio, smaller drawdowns, and lower downside capture than the benchmark, along with lower correlation with other asset classes.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to significant risk reduction along with long-term portfolio outperformance.

- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Large-Cap Select Equity Strategy

Objective

To outperform the S&P 500® Index by 2%–3% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection -Forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process -Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Socially Responsible Investing Strategy

Objective

To create and manage a customized solution based on each client's investment goals and unique social preferences.

Philosophy

We believe that using quantitative techniques to capture social restrictions and construct optimal portfolios allows clients to meet or exceed benchmark returns while reflecting social views in their portfolios.

- Determine what matters most to our clients: Before investing, clients are asked to complete a detailed survey which highlights the social issues that matter most to them
- Select an investment solution: Passive - manage against the S&P 500® incorporating SRI driven exclusions; active - overlay SRI preferences onto BMO GAM's actively managed strategies.
- Portfolio construction - Active SRI management and ongoing monitoring.

FIXED INCOME STRATEGIES

BMO Intermediate 1-10 Year Municipal Strategy

Objective

Our goal is to generate a high level of tax-free income consistent with capital preservation. The Investment Team believes that over extended periods, income drives total return performance. Yet, over shorter periods the municipal bond market can be very inefficient. These inefficiencies can be exploited through active management, and the benefits of active management can be inversely related to a portfolio's size.

Philosophy

The Team's active management process includes the following:

- Security selection* — Identifying undervalued securities, such as odd-lot undervaluations in the secondary market, and improving credit situations. The Team seeks securities with structures that enhance income such as callables, puts and high coupons. The Team will accept credit risk when fairly compensated for that risk, focusing on shorter maturities.
- Yield curve positioning* — Evaluating the current and anticipated slope of the yield curve and employing strategies to capture value among different maturities.
- Credit quality management* — Evaluating economic environment, debt issuance, ratings trends and underlying financial data. Riskier credits are focused on shorter maturities.
- Duration management* — Maintaining an average portfolio duration of generally between 80% and 120% of the benchmark.
- Sector allocation* — Evaluating relative value opportunities among municipal bond sectors.

BMO Intermediate 1-15 Year Municipal Strategy

Objective

Our goal is to generate a high level of tax-free income consistent with capital preservation. The Investment Team believes that over extended periods, income drives total return performance. Yet, over shorter periods the municipal bond market can be very inefficient. These inefficiencies can be exploited through active management, and the benefits of active management can be inversely related to a portfolio's size.

Philosophy

The Team's active management process includes the following:

Security selection — Identifying undervalued securities, such as odd-lot undervaluations in the secondary market, and improving credit situations. The Team seeks securities with structures that enhance income such as callables, puts and high coupons. The Team will accept credit risk when fairly compensated for that risk, focusing on shorter maturities.

Yield curve positioning — Evaluating the current and anticipated slope of the yield curve and employing strategies to capture value among different maturities.

Credit quality management — Evaluating economic environment, debt issuance, ratings trends and underlying financial data. Riskier credits are focused on shorter maturities.

Duration management — Maintaining an average portfolio duration of generally between 80% and 120% of the benchmark. *Sector allocation* — Evaluating relative value opportunities among municipal bond sectors.

BMO Liquid Cash Strategy

Objective

Our short duration fixed income philosophy is structured with the belief that alpha is achieved by balancing a set of low-risk, time-tested strategies and by exploiting mispricings in term structure, market sectors and issue valuation.

Philosophy

We believe that the best way to consistently maximize short duration fixed income portfolio returns is to combine a systematic, quantitative approach with the investment expertise that our team of seasoned portfolio managers, sector specialists and analysts can offer. The fixed income team utilizes a balanced approach that involves security selection, sector allocation and yield curve management.

Issue selection — This is primarily based on interest rate outlook, economic forecasts and supply and demand imbalances. This stage of portfolio management aims to identify relative value opportunities that emerge due to market inefficiencies in pricing credit, structural and technical market factors. Sector expertise and response time are critical determinants (or advantages) in our ability to capitalize on these situations. Credit analysts use proprietary quantitative models that predict cash flows and potential credit changes to evaluate issuers.

Sector/quality spreads — These are an important source of value add in a fixed income portfolio. This strategy substitutes short government securities with alternative spread products, and is an important source of value add. Our in-house analysis of the strategy has historically produced excess returns versus the benchmark with very limited additional risk. The reallocation among spread sectors was derived from the firm's proprietary quantitative research of the individual sectors' risk/reward profiles.

Interest rate risk management — This is another contributor to performance, as the team seeks to maximize yield per unit of risk. The process involves identifying yield curve themes and positioning investments strategically along the yield curve. Relative value methodology is used to identify opportunities across maturities and to take advantage of systematic mispricing of certain yield curve sectors.

Liquidity premium — This refers to the ability to achieve higher yields by lengthening maturities in an upwardly sloping yield curve environment. The four tools are combined with the risk management techniques in an effort to derive an optimal portfolio. We manage risk by employing a disciplined investment approach, continuous monitoring, and timely adjustment of portfolio exposures to key risk factors.

BMO Medium Term Cash Strategy

Objective

Our short duration fixed income philosophy is structured with the belief that alpha is achieved by balancing a set of low-risk, time-tested strategies and by exploiting mispricings in term structure, market sectors and issue valuation.

Philosophy

We believe that the best way to consistently maximize short duration fixed income portfolio returns is to combine a systematic, quantitative approach with the investment expertise that our team of seasoned portfolio managers, sector specialists, and analysts can offer. The fixed income team utilizes a balanced approach that involves security selection, sector allocation and yield curve management.

Issue selection — This is primarily based on interest rate outlook, economic forecasts and supply and demand imbalances. This stage of portfolio management aims to identify relative value opportunities that emerge due to market inefficiencies in pricing credit, structural and technical market factors. Sector expertise and response time are critical determinants (or advantages) in our ability to capitalize on these situations. Credit analysts use proprietary quantitative models that predict cash flows and potential credit changes to evaluate issuers.

Sector/quality spreads — These are an important source of value added in a fixed income portfolio. This strategy substitutes short government securities with alternative spread products, and is an important source of value added. Our in-house analysis of the strategy has historically produced excess returns versus the benchmark with very limited additional risk. The reallocation among spread sectors was derived from the firm's proprietary quantitative research of the individual sectors' risk/reward profiles.

Interest rate risk management — This is another contributor to performance, as the team seeks to maximize yield per unit of risk. The process involves identifying yield curve themes and positioning investments strategically along the yield curve. Relative value methodology is used to identify opportunities across maturities and to take advantage of systematic mispricing of certain yield curve sectors.

Liquidity premium — This refers to the ability to achieve higher yields by lengthening maturities in an upwardly sloping yield curve environment.

The four tools are combined with the risk management techniques in an effort to derive an optimal portfolio. We manage risk by employing a disciplined investment approach, continuous monitoring, and timely adjustment of portfolio exposures to key risk factors.

BMO Short Tax-Free Strategy

Objective

The Investment Team invests in a broadly diversified portfolio of federally tax-exempt securities. We seek to exploit market inefficiencies and employ tax-loss swapping strategies to maximize income and enhance total return.

Philosophy

The process develops a horizon analysis based on interest rate projections, geographic and sector diversification, and relative valuations between securities. The process addresses the following:

Geography and sector evaluation — To take advantage of relative value opportunities between states and within market sectors.

Security selection — To identify and capitalize on undervalued securities and improving credit situations.

Duration management — To maintain an average portfolio duration of generally between 80% and 120% of the Fund benchmark.

Yield curve positioning — To evaluate the current and anticipated slope of the yield curve and employ strategies to capture value among different maturities.

BMO Short Term Cash Strategy

Objective

Our short duration fixed income philosophy is structured with the belief that alpha is achieved by balancing a set of low-risk, time-tested strategies and by exploiting mispricings in term structure, market sectors and issue valuation.

Philosophy

We believe that the best way to consistently maximize short duration fixed income portfolio returns is to combine a systematic, quantitative approach with the investment expertise that our team of seasoned portfolio managers, sector specialists, and analysts can offer. The fixed income team utilizes a balanced approach that involves security selection, sector allocation and yield curve management.

Issue selection — This is primarily based on interest rate outlook, economic forecasts and supply and demand imbalances. This stage of portfolio management aims to identify relative value opportunities that emerge due to market inefficiencies in pricing credit, structural and technical market factors. Sector expertise and response time are critical determinants (or advantages) in our ability to capitalize on these situations. Credit analysts use proprietary quantitative models that predict cash flows and potential credit changes to evaluate issuers.

Sector/quality spreads — These are an important source of value add in a fixed income portfolio. This strategy substitutes short government securities with alternative spread products, and is an important source of value added. Our in-house analysis of the strategy has historically produced excess returns versus the benchmark with very limited additional risk. The reallocation among spread sectors was derived from the firm's proprietary quantitative research of the individual sectors' risk/reward profiles.

Interest rate risk management — This is another contributor to performance, as the team seeks to maximize yield per unit of risk. The process involves identifying yield curve themes and positioning investments strategically along the yield curve. Relative value methodology is used to identify opportunities across maturities and to take advantage of systematic mispricing of certain yield curve sectors.

Liquidity premium — This refers to the ability to achieve higher yields by lengthening maturities in an upwardly sloping yield curve environment. The four tools are combined with the risk management techniques in an effort to derive an optimal portfolio. We manage risk by employing a disciplined investment approach, continuous monitoring, and timely adjustment of portfolio exposures to key risk factors.

BMO Short-Term Bond Strategy

Objective

Our goal is to provide a high level of current income consistent with preservation of capital. The Investment Team believes that divergences within the fixed-income markets provide exploitable opportunities. By utilizing a combination of a disciplined top-down and bottom-up approach, performance can be positively impacted through evaluation of risk/return characteristics within the fixed-income sectors and credit markets, moderate interest rate anticipation, and ongoing economic analysis.

Philosophy

The Investment Team's active management process combines a top-down and bottom-up approach that includes:

Security selection — Investments are analyzed on a relative value basis in terms of spread relationships and return potential versus other eligible securities. Absolute or static spreads and option adjusted spreads are integral in this process. The Team can gain insight from both internal and external sources regarding potential value added opportunities arising from overvalued/undervalued fixed-income securities.

Yield curve positioning — Evaluating the current and anticipated shape of the yield curve and positioning the portfolio where value added opportunities exist.

Duration management — Duration management involves strategic steps to shorten or lengthen duration in anticipation of economic cycles.

Sector allocation — The risk/return profile of each sector in the benchmark is analyzed to strategically over or underweight a sector and exploit opportunities or avoid problems.

BMO Ultra-Short Tax-Free Strategy

Objective

The Investment Team invests in a broadly diversified portfolio of federally tax-exempt securities. We seek to exploit market inefficiencies and employ tax-loss swapping strategies to maximize income and enhance total return. Assets are primarily invested in a diversified portfolio of investment grade municipal securities. The Team may also invest a portion of its assets in debt securities rated below investment grade. Returns are compared to a blended index — 50% Bloomberg Barclays 1-Year Municipal Bond Index and 50% iMoneyNet Money Fund Tax Free National Retail Index.

Philosophy

The process develops a horizon analysis based on interest rate projections, geographic and sector diversification, and relative valuations between securities. The process addresses the following:

Sector evaluation — To take advantage of relative value opportunities between municipal bond sectors.

Security Selection — To identify and capitalize on undervalued securities and improving credit situations.

Duration Management — The Strategy normally maintains an average dollar-weighted effective maturity of one year or less.

Yield Curve Positioning — To evaluate the shape of the yield curve and employ strategies to capture value among different maturities. Although bonds of any maturity are allowed, securities maturing within three years will be the focus of the portfolio.

INTERNATIONAL AND GLOBAL STRATEGIES

BMO Disciplined International Equity Strategy

Objective

To outperform the MSCI EAFE Index by 1%–2% per year over a full market cycle with risk similar to that of the benchmark.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance.

- Active stock selection - Regional models forecast a security's relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Adaptive & proactive process - Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Global Long/Short Equity Strategy

Objective

To outperform the MSCI ACWI Index over a full market cycle with significantly lower risk. The strategy aims to provide a higher Sharpe ratio, smaller drawdowns, and lower downside capture than the benchmark, along with lower correlation with other asset classes.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to consistent long-term outperformance and risk reduction, by taking advantage of inefficiencies on both the long and short side of the market.

- Active Stock Selection - Forecast a security's relative attractiveness based on three groups of proprietary factors: Fundamentals, valuation and investor interest
- Thoughtful Risk Management - Analyze risk through multiple perspectives: Fundamental, macroeconomic, and statistical.
- Adaptive & Proactive Process - Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

BMO Disciplined Global Low Volatility Equity Strategy

Objective

To outperform the MSCI ACWI Index over a full market cycle with significantly lower risk. The strategy aims to provide a higher Sharpe ratio, smaller drawdowns, and lower downside capture than the benchmark, along with lower correlation with other asset classes.

Philosophy

We believe a fundamental perspective combined with a quantitative implementation leads to significant risk reduction along with long-term portfolio outperformance.

- Thoughtful risk management - Analyze risk through multiple perspectives: fundamental, macroeconomic, and statistical.
- Active stock selection – Regional models forecast a security’s relative attractiveness based on three groups of proprietary factors: fundamentals, valuation and investor interest.
- Adaptive & proactive process - Market Monitor is our proprietary dashboard that enables us to better interpret and adapt to the current market environment and dislocations within a disciplined, data-driven framework.

Other. The methods of analysis that BMO AM employs for registered investment company clients are described in the applicable fund prospectus. Methods of analysis that BMO AM employs for private investment pools/funds and alternative investment clients are described in offering materials relating to the product.

Material Risks

Investing in securities involves risk of loss that clients should be prepared to bear. The list of risk factors below is not a complete enumeration or explanation of the risks involved in portfolios managed by BMO AM or the securities in those portfolios.

General Risks

Management and Strategy Risk. The ability of a portfolio to meet its investment objective is directly related to BMO AM’s investment strategies for portfolios. The investment process used by BMO AM could fail to achieve client investment objective and cause investments to lose value.

Issuer Risk. An issuer could perform poorly, and therefore, the value of its securities could decline, which would negatively affect the portfolio’s performance. Poor performance could be caused by poor management decisions, competitive pressures, breakthroughs in technology, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures or other events, conditions or factors.

Portfolio Turnover Risk. The portfolio manager could actively and frequently trade securities in the portfolio to carry out its principal strategies. A high portfolio turnover rate increases transaction costs, which may increase the portfolio’s expenses. Frequent and active trading could also cause adverse tax consequences for investors in the portfolio due to an increase in short-term capital gains.

Market Sector Risk. BMO AM’s investment strategy could result in significantly over or under exposure to certain industries or market sectors, which may cause a portfolio’s performance to be more or less sensitive to developments affecting those industries or sectors.

Non-Diversification/Concentration. In certain cases, client accounts could be concentrated in a small number of issuers. Accordingly, a client’s portfolio may be subject to more rapid change up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be temporary or may last for extended periods. Instability in the financial markets has

led to volatile financial markets that expose a portfolio to greater market and liquidity risk and potential difficulty in valuing portfolio instruments that it holds.

Equity Securities

Generally, prices of equity securities are more volatile than those of fixed income securities. Risks associated with investing in equity securities include and are not limited to the following:

Stock Market Risks. Investments in equity securities are subject to fluctuations in the stock market, which has periods of increasing and decreasing values. Stocks are more volatile than debt securities.

Growth Style Risks. Due to their relatively high valuations, growth stocks are typically more volatile than value stocks. Further, growth stocks may not pay dividends or may pay lower dividends than value stocks. This means they depend more on price changes for returns and may be more adversely affected in a down market compared to value stocks that pay higher dividends.

Value Style Risks. Investments in value stocks are subject to the risk that their intrinsic values may never be realized by the market, that a stock judged to be undervalued may actually be appropriately priced, or that their prices may decline, even though in theory they are already undervalued. Value stocks can react differently to issuer, political, market and economic developments than the market as a whole and other types of stocks (e.g., growth stocks).

Company Size Risks. Generally, the smaller the market capitalization of a company, the fewer the number of shares traded daily, the less liquid its stock and the more volatile its price. Companies with smaller market capitalizations also tend to have unproven track records, a limited product or service base and limited access to capital. These factors increase risks and make these companies more likely to fail than companies with larger market capitalizations.

Quantitative Model Risk. Securities selected using quantitative methods may perform differently from the market as a whole for many reasons, including the factors used in building the quantitative analytical framework, the weights placed on each factor, and changing sources of market returns, among others. In some instances, a quantitative methodology may only have been tested using historical market data. There can be no assurance that these methodologies will enable the portfolio to achieve its objective.

Fixed Income Securities

Fixed income securities are subject to various risks, the most prominent of which are credit risk and interest rate risk. These risks can affect a security's price volatility to varying degrees, depending upon the nature of the instrument. Risks associated with investing in fixed income securities include and are not limited to the following:

Credit Risks. Credit risk is the possibility that an issuer or counterparty will default on a security or repurchase agreement by failing to pay interest or principal when due. If an issuer defaults, the client's portfolio holding securities of that issuer may lose money. Lower credit ratings correspond to higher credit risk. Bonds rated BBB or Baa have speculative characteristics.

Interest Rate Risks. Prices of fixed income securities rise and fall in response to changes in the interest rate paid by similar securities. Generally, when interest rates rise, prices of fixed income securities fall. Changes in a debt instrument's value usually will not affect the amount of interest income paid, but will affect the value of the security. Interest rate changes have a greater effect on the price of fixed income securities with longer maturities. Certain securities pay interest at variable or floating rates. Variable rate securities reset at specified intervals, while floating rate securities reset whenever there is a change in a specified index rate. In most cases, these reset provisions reduce the effect of changes in market interest rates on the value of the security. However, some securities do not track the underlying index directly, but reset based on formulas that can produce an effect similar to leveraging; others may also provide for interest payments that vary inversely with market rates. The market prices of these securities may fluctuate significantly when interest rates change. An investment offering a lower yield, and therefore it might not benefit from any increase in value as a result of declining interest rates.

Call Risks. If the fixed income securities in which a portfolio managed by BMO AM invests are redeemed by the issuer before maturity (or "called"), the portfolio may have to reinvest the proceeds in securities that pay a lower interest rate, which may decrease the portfolio's overall yield. This will most likely happen when interest rates are declining.

Long-Term Maturities/Durations Risk. Fixed income securities with longer maturities or durations may be subject to greater price fluctuations due to interest rate, tax law, and general market changes than securities with shorter maturities or durations.

Liquidity Risks. Liquidity risk refers to the possibility that the client's portfolio may not be able to sell or buy a security or close out an investment contract at a favorable price or time. Consequently, the portfolio may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on the portfolio's performance. Infrequent trading of securities also may lead to an increase in their price volatility.

Asset-Backed/Mortgage-Backed Securities Risks. Asset-backed and mortgage-backed securities are subject to risks of prepayment. A portfolio's yield will be reduced if cash from prepaid securities is reinvested in securities with lower interest rates. The risk of prepayment also may decrease the value of mortgage-backed securities. Asset-backed securities may have a higher level of default and recovery risk than mortgage-backed securities. Both of these types of securities may decline in value because of mortgage foreclosures or defaults on the underlying obligations. Credit risk is greater for mortgage-backed securities that are subordinate to another security.

Government Obligations Risks. No assurance can be given that the United States government will provide financial support to United States government-sponsored agencies or instrumentalities where it is not obligated to do so by law. As a result, there is risk that these entities will default on a financial obligation.

High Yield Securities Risks. High yield securities tend to be more sensitive to economic conditions than are higher-rated securities and generally involve more credit risk than securities in the higher-rated categories. The risk of loss due to default by an issuer of high yield securities is significantly

greater than issuers of higher-rated securities because such securities are generally unsecured and are often subordinated to other creditors. A portfolio may have difficulty disposing of certain high yield securities because there may be a thin trading market for such securities.

Municipal Securities Risks. Certain types of municipal bonds are subject to risks based on many factors, including economic and regulatory developments, changes or proposed changes in the federal and state tax structure, deregulation, court rulings and other factors. The value of municipal securities may be affected more by supply and demand factors or the creditworthiness of the issuer than by market interest rates. Repayment of municipal securities depends on the ability of the issuer or project backing such securities to generate taxes or revenues. There is a risk that the interest on an otherwise tax-exempt municipal security may be subject to federal income tax.

Municipal Sector Risks. BMO AM may invest in municipal securities that finance similar projects, such as those relating to education, health care, transportation and utilities. To the extent an account is invested in a particular sector, the account's performance may be more susceptible to any economic, business or other developments that generally affect that sector.

Collateralized Loan Obligations

Interests in Non-Investment Grade Middle Market Loans. Non-investment grade middle market loans are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. In addition, there can be no assurance that the BMO AM will correctly evaluate the nature and magnitude of the various factors that could affect the value and return of the loan obligations or purchase loan obligations that can generate sufficient returns. It is anticipated that the collateral generally will be subject to greater risks than investment grade corporate obligations. These risks could be exacerbated to the extent that the portfolio may be concentrated in one or more particular types of loan obligations.

Prices of the collateral may be volatile and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the collateral. In particular, the market for non-investment grade middle market loans has experienced periods of severe price volatility and reduced liquidity. Additionally, loans have significant liquidity and market value risks since they are not generally traded in organized exchange markets but are traded by banks and other institutional investors in privately negotiated transactions. Because loans are privately syndicated and loan agreements are privately negotiated and customized, loans are not purchased or sold as easily as publicly traded securities. In addition, historically the trading volume in the loan market has been small relative to the high-yield debt securities market.

The obligors of the loan obligations comprising the collateral will primarily be middle market businesses, the majority of which will be privately owned. There is generally no publicly available information about these businesses. Some obligors may not meet net income, cash flow and other coverage tests typically imposed by lenders. Numerous factors may affect an obligor's ability to repay its related loan obligations, including the failure to meet its business plan, a downturn in its industry or

continuing negative economic conditions. Deterioration in an obligor's financial condition and prospects may be accompanied by deterioration in the collateral securing the loan obligation. Such deterioration might impair the ability of the obligor thereof to obtain refinancing or force it to seek to have the loan obligation restructured.

A non-investment grade middle market loan is generally considered speculative in nature and may become a defaulted obligation for a variety of reasons. A defaulted obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal, and a substantial change in the terms, conditions and covenants with respect to such defaulted obligation. In addition, such negotiations or restructuring may be quite extensive, protracted and costly over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on such defaulted obligation. The liquidity of defaulted obligations may be limited, and to the extent that defaulted obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon.

Non-investment grade loans to middle market businesses may carry more inherent risks than non-investment grade loans to larger, publicly traded entities. These companies generally have more limited access to capital and higher financing costs, may be in a weaker financial position, may need more capital to expand or compete, and may be unable to obtain financing from public capital markets or from traditional sources, such as commercial banks. Accordingly, loans made to middle market companies involve higher risks than loans made to companies that have larger businesses, greater financial resources or are otherwise able to access traditional credit sources. Middle market businesses typically have narrower product lines and smaller market shares than large businesses. Therefore, they tend to be more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These businesses may also experience substantial variations in operating results. Typically, the success of a middle market business also depends on the management talents and efforts of one or two persons or a small group of persons. The death, disability or resignation of one or more of these persons could have a material adverse impact on the obligor and its ability to repay its obligations. In addition, middle market businesses often need substantial additional capital to expand or compete and will often have borrowed money from other lenders and may need additional capital to survive any economic downturns. Accordingly, loans made to middle market companies involve higher risks than loans made to companies that have larger businesses, greater financial resources or are otherwise able to access traditional credit sources.

Middle-market and leveraged loans have historically experienced greater default rates than has been the case for investment grade and larger loans. There can be no assurance as to the levels of defaults or recoveries that may be experienced on the loan obligations, and an increase in default levels or decrease in recovery rates could adversely affect payments on the account.

Loan Obligations Illiquidity. Many of the loan obligations purchased will have no, or only a limited, trading market. An investment in illiquid loan obligations may restrict BMO AM's ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Illiquid loan obligations may trade at a discount from comparable, more liquid investments. The secondary market for middle market loans is smaller and may be less liquid than the market for broadly-syndicated loans made to larger obligors. The prices realized from the sale of loan

obligations could be less than those originally paid or less than what may be considered the fair value of such debt obligations.

Other

Alternative Investment Risks. Alternative investments are not suitable for all clients, and intended for qualified and sophisticated investors who are willing to bear the high economic risks of the investment. Alternative investment returns can be volatile. Investors may lose all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices. Alternative investments can be highly illiquid in that there may be no secondary market for the investment. In addition, there may be restrictions on transferring interests. There is manager risk, as well as a potential lack of diversification and resulting higher risk due to concentration of trading authority with a single manager. Alternative investment products are often not subject to the same regulatory requirements as registered products; may have higher fees than mutual funds, which may offset trading profits; there may be an absence of information regarding valuations and pricing; and in many cases the underlying investments are not transparent and are known only to the investment manager. Alternative investments may involve complex tax structures and delays in tax reporting.

Derivatives Risks. Certain strategies may use derivatives. Derivatives, including forward currency contracts, futures, options and swaps, may be more volatile than investments directly in the underlying securities. Derivatives may expose the strategy to liquidity, leverage and credit risk, and could result in losses that exceed the original amount invested. Derivatives also expose the strategy to counterparty risk (the risk that the derivative counterparty will not fulfill its contractual obligations), including the credit risk of the derivative counterparty. Derivatives may not perform as expected, so the strategy may not realize the intended benefits. In addition, the value of a derivative may not correlate perfectly to the underlying financial asset, index or other investment or overall securities markets; and, given their complexity, derivatives expose the strategy to the risk of mispricing or valuation risk.

Short Selling Risks. Unlike purchasing a security long, short selling (“shorting” or “short”) a security comes with its own unique risks. The loss on a short is theoretically unlimited, as a short sale loses value if a security’s price appreciates. The adviser must pay margin interest on securities sold short where the position is kept open, thus potentially limiting the upside potential of the short. Short sellers are also responsible for making any dividend payments on the shorted stock to the entity from whom the stock has been borrowed.

Commodity or Commodity-Related Equity Risks. Prices may fluctuate widely over short time periods in commodities. Investing in commodities or related equities expose investors to currency, political, accounting, economic and market risk. Because the strategy is heavily weighted in specific sectors, it will be impacted by sector performance more than a strategy with broader sector diversification. A non-diversified portfolio may be more susceptible to any single economic, political or regulatory event affecting an issuer than is a diversified portfolio. Lack of liquidity in an ETF could result in its value being more volatile than the underlying portfolio of securities.

Foreign Investing Risks. Investing in securities of non-U.S. companies involves special risks and considerations not typically associated with investing in U.S. companies, and the values of non-U.S. securities may be more volatile than those of U.S. securities. The values of non-U.S. securities are

subject to economic and political developments in countries and regions where the issuers operate or are domiciled, or where the securities are traded, such as changes in economic or monetary policies. Values may be affected by restrictions on receiving the investment proceeds from a non-U.S. country. In general, less information is publicly available about non-U.S. companies than about U.S. companies. Non-U.S. companies also are generally not subject to the same accounting, auditing and financial reporting standards as are U.S. companies. Certain foreign issuers classified as passive foreign investment companies may be subject to additional taxation risk. Because the foreign securities in which a strategy invests generally trade in currencies other than the U.S. dollar, changes in currency exchange rates will affect the value of dividends and interest earned, and gains and losses realized on the sale of securities. Generally, a strong U.S. dollar relative to such other currencies will adversely affect the value of holdings in foreign securities.

For shareholders or potential shareholders in the investment companies (mutual funds) portfolios managed by BMO AM, please refer to the prospectuses and statements of additional information of those funds for a complete description of risks associated with the mutual funds. For investors or potential investors in private investment pools/funds, please refer to the offering documents of those pools/funds for a complete description of the risks associated with such pool/fund.

Item 9 - Disciplinary Information

There have been no legal or disciplinary events involving BMO AM or any of our employees involving investments or otherwise material to a client's evaluation of our advisory business or the integrity of our management.

Item 10 - Other Financial Industry Activities and Affiliations

BMO Global Asset Management is the brand name for various affiliated entities of BMO Financial Group, that provide trust, custody, securities lending, and investment management services. Certain of the products and services offered under the brand name BMO Global Asset Management are designed specifically for various categories of investors in a number of different countries and regions. Those products and services are only offered to such investors in those countries and regions in accordance with applicable laws and regulations. BMO Financial Group is a service mark of Bank of Montreal (BMO).

BMO Global Asset Management affiliations include BMO AM, BMO Asset Management Inc., BMO Asset Management Limited, BMO Global Asset Management (Asia) Limited, BMO Delaware Trust, BMO Financial Corporation, BMO Funds Inc., BMO Harris Bank N.A., BMO Harris Financial Advisers, Inc., BMO Investment Distributors, LLC, BMO Investments Inc., BMO Nesbitt Burns Securities LTD., BMO Private Investment Counsel Inc., Pyrford International Ltd, and Taplin, Canida & Habacht, LLC. BMO Asset Management Limited (F/K/A F&C Management Limited prior to November 1, 2018) is a member of the BMO Financial Group, which is wholly owned by the Bank of Montreal, as parent of BMO Financial Group. BMO Global Asset Management is a trading name for the asset management businesses of BMO Financial Group, which consists of various foreign and domestic regulated companies. BMO Global Asset Management is part of the BMO Financial Group, a service mark of Bank of Montreal.

When appropriate, employees of BMO AM provides information, marketing materials, and disclosure documents to clients or potential clients of companies that are constituents of BMO Global Asset Management in a number of different countries and regions. These products or services are only offered to such investors in those countries and regions in accordance with applicable laws and regulations. Alternatively, other constituents of BMO Global Asset Management provide information, marketing materials and disclosure documents with respect to such constituents' products and services to clients or potential clients of BMO AM.

Investment products are not FDIC insured, have no bank guarantee and may lose value.

BMO AM is registered as a Commodity Pool Operator with the Commodity Futures Trading Commission ("CFTC"), and is a member of the National Futures Association ("NFA").

See Item 14 (Client Referrals and Other Compensation) for additional information on client referrals and other compensation between BMO AM and its affiliates.

BMO AM clients, regardless of their advisory relationship, are under no obligation to use BMO Harris Bank, N.A., or any other BMO Financial Group affiliate as custodian of their assets. BMO AM is the Asset Manager for the *Great Lakes CLO 2014-1 LTD* and the *Great Lakes CLO 2015-1 LTD* which are secured portfolios consisting of primarily senior secured middle market loans, and the BMO Floating Rate Income Fund, which is a secured portfolio consisting of primarily senior secured broadly syndicated loans. BMO AM provides portfolio management, advisory and administrative functions with respect to the funds' assets. BMO AM serves as investment adviser to the BMO Funds, a series of registered investment companies, and also to the BMO LGM Frontier Markets Fund. BMO AM, or an affiliate, also manage private investment pools.

BMO AM sponsors and serves as investment adviser to several private funds organized as limited partnerships, limited liability companies, or non-U.S. entities. A description of each private fund, including its operation, activities, structure, and management, can be obtained from the private fund.

BMO Harris Bank, an entity under common control with BMO AM is the manager of the *Securities Lending Fund, LLC* (F/K/A *BMO Securities Lending Fund, LLC*), which has been established for the investment and reinvestment of cash collateral on behalf of clients of BMO Harris Bank who participate in its securities lending program as lenders. BMO Harris Bank has hired BMO AM to provide investment advisory services to the Fund.

Taplin, Canida & Habacht, LLC ("TCH"), is a wholly owned subsidiary of BMO AM. BMO AM provides research services, compliance, marketing, and human resource services to TCH. TCH provides investment advisory and research services to BMO AM. BMO AM and TCH receive fees at prevailing market rates for such services. Certain individuals of BMO AM are members of TCH's Management Committee. Certain individuals of TCH are also dual officers of BMO AM for the purpose of providing portfolio management services.

BMO Harris Bank provides services to the BMO Funds and to other accounts managed by BMO AM such as custodian and securities lending agent. BMO AM and BMO Harris Bank use a common trading desk and BMO AM provides fixed income research services to BMO Harris Bank.

In certain circumstances, BMO AM employees are registered representatives of an affiliated broker-dealer, including BMO Investment Distributors, LLC.

BMO AM does not, with respect to any of the services it provides, trade with BHFA or any other affiliated broker-dealer. BMO AM serves as shareholder servicing agent and administrator for BMO Funds. BMO AM provides performance measurement services to BMO Harris Bank for the benefit of its clients.

Furthermore, BMO AM has common management and officers with some of its affiliates, including with affiliated investment advisers. BMO AM shares facilities with affiliates and relies on BMO, BMO Financial Corp. and other affiliates such as BMO Harris Bank, for various administrative support, including information technology, human resources, business continuity, legal, compliance, finance, enterprise risk management, internal audit, and general administrative support.

These affiliations can create potential conflicts of interest. BMO AM has a minimal ownership interest in certain affiliated funds for seeding purposes. BMO AM receives fees from affiliated mutual funds for investment advisory services, administration services, and shareholder servicing, and affiliates of BMO AM receive fees from affiliated mutual funds for custody, securities lending and distribution services. BMO AM seeks to mitigate these potential conflicts of interests through a governance committee structure and by maintaining policies and procedures, including a code of ethics, custody and trading.

BMO AM does not receive compensation from other investment advisers recommended or selected for clients. BMO AM has hired affiliated managers to sub-advise certain of the BMO Funds. BMO AM's management teams and the Board of Directors of BMO Funds regularly review the performance and activities of these firms.

From time to time, BMO AM also may recommend third party investment advisers who also sub-advise products that BMO AM offers. BMO AM does not receive compensation for making these recommendations. As this represents a potential conflict of interest, BMO AM maintains policies, procedures and controls which it believes are reasonably designed to ensure such conflicts are addressed.

Item 11 - Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

Code of Ethics. BMO AM's supervised persons purchase or sell securities that are also recommended for purchase or sale by BMO AM in client accounts. BMO AM maintains a Code of Ethics pursuant to which all of its supervised persons are required to adhere to the highest duty of trust and fair dealing and to place the interests of the clients and the shareholders of the registered investment company clients ahead of their own personal interests or the interests of others. Under the Code of Ethics, all supervised persons owe a fiduciary duty to, among others, the shareholders of each registered investment company advised by BMO AM and all other clients of BMO AM to conduct their personal securities transactions in a manner that neither interferes with any client's portfolio transactions nor otherwise takes unfair or inappropriate advantage of an employee's relationship to such client. The Code of Ethics, which includes BMO AM's policies that address matters relating to compliance with laws, conflicts of interest, client gifts and entertainment, and personal trading and reporting and insider trading, is intended to assist

employees in carrying out their duties as fiduciaries to clients. A copy of BMO AM's Code of Ethics is available upon request.

Related persons of BMO AM from time to time own securities which BMO AM recommends to clients or invest in investment vehicles which BMO AM recommends to clients. Any related person is subject to BMO AM's Insider Trading Policy which prohibits trading on material, non-public information and BMO AM's Code of Ethics which restricts personal securities transactions by BMO AM's related persons and any supervised person (as defined in the Code of Ethics).

The Code of Ethics provides for the imposition of sanctions against those persons who violate the Code. Compliance personnel oversee the Code of Ethics' operation, review holdings reports, and review personal securities transaction reports.

Investment in Companies with Common Directors. From time to time, BMO AM invests client assets in equity or debt securities issued by a publicly held company with an executive officer or director who serves as a director of BMO, BMO Financial Corp. or other affiliates. Such investments will occur when BMO AM determines that the nature of the investment (including, in the case of debt instruments, available yield, credit quality and terms when compared to other available debt instruments), is consistent with the best interests of the client. Such investments may occur in open market transactions or in transactions negotiated directly with the issuer.

Certain Investments. From time-to-time, BMO AM personnel invest client assets in, or recommend that clients invest in, shares of mutual funds for which BMO AM and its affiliates provide investment management, custodial, administrative, shareholder support and other services in exchange for fees and direct or indirect benefits. BMO AM may also recommend that clients invest in the private limited partnerships described in Item 10 (Other Financial Industry Activities and Affiliations) in which BMO AM or an affiliate serves as general partner and receives fees or other direct or indirect benefits. Such investments may present a conflict of interest because BMO AM or a related person has a financial interest in the transaction. BMO AM maintains policies, procedures and controls which it believes are reasonably designed to ensure such conflicts are addressed.

Absent special circumstances, BMO AM may not search or consider the universe of unaffiliated funds even though such funds may have better performance records or be considered more appropriate for the client. Whenever BMO AM considers recommending an investment, it first looks at its own asset management capabilities and will likely recommend a BMO-AM advised fund. BMO AM has a conflict of interest when recommending or investing in BMO Funds because it increases allocation to that particular fund and BMO AM or affiliates may receive adviser, custody, administration, or other fees related to the investment.

Investments in BMO Securities. BMO AM generally does not purchase Bank of Montreal securities on behalf of client accounts. However, from time-to-time, clients direct BMO AM to purchase Bank of Montreal securities. The client's direction must be in writing. Bank of Montreal is BMO AM's parent company.

Participation in Client Transactions. BMO AM does not generally engage in principal or agency cross transactions or trading with affiliates. BMO AM would seek permission from the client prior to engaging in such transaction.

If permitted by a client's investment objectives, and subject to compliance with applicable law, regulations and exemptions, BMO AM purchases securities for client accounts during an underwriting or other offering of such securities in which a broker-dealer affiliate of BMO AM acts as a manager, co-manager, underwriter or placement agent. Although BMO AM will not purchase any securities directly from its affiliate, BMO AM's affiliate, in certain instances, receives a benefit in the form of management, underwriting or other fees in connection with its participation in the offering. Typically, the "manager's account" of BMO AM's affiliate will not be credited with the any purchase on behalf of BMO AM's clients.

Item 12 - Brokerage Practices

Broker Selection and Soft Dollar Practices. BMO AM exercises discretion to select and establish securities quantities and process transactions through one or more securities brokerage firms. Allocation of portfolio brokerage transactions, including their frequency, to various brokers and dealers is determined by BMO AM in its best judgment and in a manner deemed fair and reasonable to clients. The primary consideration in selecting broker-dealers is best execution – *e.g.*, the prompt and efficient execution of orders in an effective manner at the most favorable price. In some instances, the clients direct BMO AM to place trades through or with a particular broker or dealer. In such cases, BMO AM cannot necessarily obtain best pricing or execution.

In approving broker-dealers for its clients' trades, BMO AM considers, among other factors, their financial and operational integrity and the quality and reliability of their execution. BMO AM selects broker-dealers for each trade based on its criteria for "best execution." These include, among other considerations, commissions, price impact under conditions prevailing at the time of the trade, size of the order, difficulty of execution, speed of execution, and capital commitments by the broker-dealer. Client referrals are not a factor in selecting broker-dealers.

Subject to its duty to seek best execution, BMO AM places trades through and with broker-dealers who also provide BMO AM with research and brokerage services (as defined by Section 28(e) of the Securities Exchange Act of 1934, as amended), so-called "soft dollar" arrangements. These services must provide lawful and appropriate assistance to BMO AM in carrying out its investment decision-making responsibilities or trade execution processes. Such services include: databases, data services, analytical services and publications that provide advice as to the value of securities; the advisability of investing in, purchasing or selling securities; the availability of securities or purchasers or sellers of securities; furnishing analysis and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy and performance of accounts; communications services related to the execution, clearing, and settlement of securities transactions; and other functions incidental to effecting securities transactions; and other similar services. The provision for such services is taken into account in broker selection and, in exchange for these services, BMO AM, in certain instances, pays higher commissions than would otherwise be charged (*i.e.*, "pay up"). Before effecting any such transaction, BMO AM determines in good faith that the amount of such commission is reasonable in relation to the value of the brokerage and research services provided by such brokers, viewed in terms of either that particular transaction or BMO AM's overall responsibilities to all of its clients.

Due to the nature of soft dollar arrangements, BMO AM may obtain services from brokerage commissions charged to client's account that may not directly benefit such client at that particular time.

Similarly, clients may benefit from soft-dollar research even if trades placed on their behalf did not contribute to the compensation of the broker-dealer providing such research. While BMO AM does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generated, BMO AM endeavors to ensure that, over time, all clients receive the benefit of services purchased with brokerage commissions charged to their accounts and to the accounts of its other clients.

In addition, BMO AM may receive certain brokerage and research products and services, some of which are permitted under soft dollar arrangements and some of which are not (so-called “mixed-use” products and services). In these instances, BMO AM uses client brokerage commissions to pay for the eligible portions and pays the ineligible portions with its own funds. Although this allocation between eligible and ineligible items is made in accordance with BMO AM’s overall fiduciary responsibilities, clients should be aware of the potential conflicts of interest created by the use and allocations of soft dollar arrangements. Although the allocation between soft dollars and cash is not always capable of precise calculation, BMO AM makes a good faith effort to allocate such items reasonably, and records of such allocations are kept.

BMO AM may have a conflict of interest because it may have an incentive to select broker-dealers based on its interest in receiving research or other products or services rather than on its clients’ interest in obtaining the most favorable execution. BMO AM mitigates this conflict by purchasing the majority of its soft dollar research through commission sharing arrangements (“CSAs”) with some of its key equity broker-dealer relationships. Each broker-dealer participating in the CSA will typically pool the research commissions accumulated during a calendar quarter and then, at the direction of BMO AM, pay various broker-dealers and third-party services from this pool for the research and research services such firms have provided to BMO AM. These CSAs are deemed to be soft dollar arrangements and BMO AM and the CSA intend to comply with the applicable requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. The use of CSAs reduces the incentive for BMO AM to trade with a particular broker to obtain research or research services.

BMO AM regularly monitors and evaluates soft dollar benefits gained from client transactions. As such, BMO AM has adopted policies and procedures that are used to determine whether the amount of commissions paid to broker-dealers is reasonable in relation to the value of the research or brokerage products or services received.

Additional information in accordance with the CFA Institute’s Soft Dollar Standards concerning BMO AM’s soft dollar arrangements is available on request, including (i) a description by broker of the products and services on a firm-wide basis that BMO AM received from brokers, whether proprietary or through a third party research arrangement, and (ii) a report on the total amount of commissions generated for the requesting client account through soft dollar arrangements by broker, as well as the total amount of brokerage directed by the requesting client through directed brokerage arrangements.

Commission Rates. In executing securities transactions, BMO AM will seek to obtain the best combination of price and execution available with respect to each transaction, in light of the overall quality of brokerage and research services provided to it or its clients. While BMO AM seeks reasonably competitive commission rates, the accounts do not necessarily pay the lowest available commission. Receipt of products or services other than brokerage or research is not a factor in allocating brokerage.

Trade Aggregation and Allocation. BMO AM manages accounts with both similar and different investment strategies all of which may trade in the same securities. BMO AM, upon receiving incoming orders of similar purchases and sales of securities for clients, determines the sequencing of such orders among clients. BMO AM attempts to coordinate the timing of orders to prevent BMO AM from “bidding against itself” on such orders.

BMO AM generally aggregates orders for more than one client’s account to form a “block” order for the purpose of seeking a better price and execution. BMO AM may allocate transactions in securities among clients on such basis as BMO AM determines to be reasonable, including a determination that some clients may not purchase or sell the securities at the same time as others; subsequently, BMO AM may not obtain the same commission rates or execution prices for all clients. However, BMO AM typically allocates to each customer’s position within the block on a pro rata basis. When an aggregated order is filled, as ordered, clients receive an average execution price, share transaction costs, and receive pro rata shares. When an aggregated order is only partially filled, the securities are typically allocated on a pro rata basis to each account participating in the aggregated order based upon the initial amount requested for the account, subject to certain exceptions, and each participating account will participate at the average execution price for the aggregated order.

Notwithstanding the foregoing, if an aggregated order involves fixed income securities, the order will generally be allocated based on the needs of the underlying client accounts. In addition, BMO AM for fixed income securities will, from time to time, depending upon circumstances such as account guidelines, objectives, or cash-flow characteristics, place a trade prior to an actual trade allocation being determined. In those instances where an order is only partially filled or when a security is acquired prior to determining the allocation, the portfolio manager and/or trader ultimately allocates the trade in a manner that is fair and equitable to all affected accounts over time. Furthermore, the portfolio manager and/or trader may also seek bonds with similar characteristics, such as credit name, structure, call/put options, credit rating, sector, etc., trading in the market at the time, in such situations.

Orders for directed brokerage clients are sequenced behind orders for non-directed brokerage clients, depending upon factors such as the number of other orders awaiting execution, the type of order, the liquidity of the order, and clients’ cash positions. Model delivery (either via a wrap vehicle or otherwise) participate in a separate sequencing and rotation schedule apart from BMO AM’s separately managed accounts in order that no such account, client type, or strategy is systematically favored or disadvantaged.

In order to start a new strategy, BMO AM may establish an account with funds provided by BMO AM or an affiliate. This account is managed along with other client accounts in such a way that the “proprietary” account does not receive favorable treatment over other client accounts. BMO AM personnel may be investors in certain pooled vehicles for which BMO AM acts as adviser. Such investment vehicles are treated as clients and are not subject to the personal trading restrictions of the Code as described in Item 11 (Code of Ethics, Participation or Interests in Client Transactions and Personal Trading). Orders for such pooled vehicles will be aggregated with orders for other client accounts for purposes of trade execution.

Primary Market Allocations. New issues (“New Issues”), including initial public offerings (“IPO”) and secondary offerings (“Secondaries”), are typically allocated on a pro-rata basis across eligible accounts. Not all clients are eligible to participate in New Issues. New Issues may be limited to the clients of one or more of BMO AM’s investment strategies. In addition, some clients may be limited or

restricted in their ability to participate in a particular New Issue or any New Issue due to certain restrictions, such as client guidelines or New Issue allocation rules issued by the Financial Industry Regulatory Authority, Inc. (“FINRA”). Furthermore, the availability of New Issue securities is typically limited and BMO AM may receive only a limited allocation. Such limited allocations may be insufficient to allow a pro rata allocation to all participating accounts. This may result in some clients not being able to fully participate, or to participate at all, in such opportunities. When BMO AM receives a limited allocation of a New Issue, BMO AM allocates shares to client accounts in a manner that does not systematically favor or disadvantage clients. If the New Issue involves fixed income securities, the order may be allocated based on the needs of the underlying client accounts, as described under Trade Aggregation and Allocation section above. Clients who direct BMO AM to use a particular broker to execute trades for their accounts will generally be unable to participate in New Issues.

If permitted by a client’s investment objectives, and subject to compliance with applicable law, regulations and exemptions, BMO AM may purchase New Issues for client accounts in which a broker-dealer affiliate of BMO AM acts as a manager, co-manager, underwriter or placement agent for the New Issue. Although BMO AM will not purchase any securities directly from its affiliate, BMO AM's affiliate may receive a benefit in the form of management, underwriting or other fees in connection with its participation in the offering. Typically, the “manager’s account” of BMO AM’s affiliate will not be credited with the any purchase on behalf of BMO AM's clients.

Directed Brokerage. BMO AM may permit directed brokerage (situations where clients direct or restrict brokerage for their accounts) on an exception basis, subject to specific terms and limitations, and if such use complies with applicable law and governing instruments. Clients who utilize directed brokerage have the ability to direct all or a portion of their brokerage to a specific broker-dealer, if such use complies with applicable law and governing instruments. BMO AM attempts to fulfill client-directed brokerage subject to achieving best execution. However, the client-directed broker may not offer the lowest commission rate nor obtain the same execution price and efficiency as that obtained by BMO AM for its non-directed account trades. By utilizing directed brokerage for transactions, the client acknowledges that BMO AM is not able to freely negotiate commission rates or spreads or to commingle or group orders with those for other accounts managed by BMO AM. Directed brokerage account trades are handled as separate orders. These orders are placed subsequent to those for BMO AM’s participating non-directed trades, and trades are rotated among these directed accounts to help to ensure that no such account is systematically favored or disadvantaged. For clients who direct only a portion of their transactions, the non-directed portion will be commingled or grouped for the purpose of execution for the same securities for other accounts managed by BMO AM.

Cross Trades. BMO AM may cross transactions between accounts of different clients only if such transactions are fair to both clients, are not prohibited by law or the instruments governing the relationships, and provide no benefits to BMO AM. For all such transactions, evidence of an independent valuation source will be maintained. For example, before executing a cross trade, the trader or portfolio manager may solicit a competitive bid and offer to determine price. Cross trades involving securities held by a mutual fund client must comply with the requirements applicable to joint transactions under the Investment Company Act of 1940, as amended. Crossing transactions between client accounts may cause BMO AM to have a conflict of interest between two client accounts since it is recommending that one client purchase a security it has recommended be sold by another.

Principal transactions are generally defined as transactions for which an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise when an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. BMO AM does not typically engage in principal or agency cross transactions.

Trading Errors. During the course of BMO AM's daily securities order processing activities for client accounts, trading errors may inadvertently occur. BMO AM will take steps to correct the error as soon as practicable. In taking corrective action, BMO AM seeks to ensure that all BMO AM accounts negatively impacted by the error are placed back in the same position they would have been had the error not occurred. Any gains resulting from these transactions will be left to the client's account and any losses, including transaction costs to correct the trade, will be promptly reimbursed to the client's account. Correcting transactions that yield both gains and losses may be netted and BMO AM will reimburse any net loss.

Item 13 - Review of Accounts

BMO AM employs various pre- and post-trade controls and monitoring techniques through automated and manual procedures in an effort to ensure that portfolios are managed in accordance with client-specific guidelines or restrictions.

Separately Managed Accounts. Portfolio managers review the securities and assets held in each client's account no less frequently than monthly.

Prior to acceptance of a new account, BMO AM conducts an initial review of the account's investment objectives. Thereafter, in addition to the monthly portfolio manager reviews, BMO AM performs ongoing monitoring activity in the account against the account's investment objectives.

In general, clients receive a quarterly report that summarizes the performance of their account during the immediately preceding quarter. Clients also meet with relationship managers and/or portfolio managers on a quarterly, semi-annual, or annual basis, or as agreed by the client and the assigned portfolio manager. During such meetings, the relationship managers and/or portfolio managers review with the client relevant objectives, guidelines, securities in the client's account, investment performance and current investment strategy. Moreover, the relationship manager and/or portfolio managers provide a report at such meetings and will occasionally modify the format or information contained in the reports to meet the needs of individual clients. In addition, each client's qualified custodian maintains the official book and record for the account and independently delivers statements to the client and/or client's designated agent. In addition to BMO AM's review and reconciliation, clients should also independently review and reconcile their qualified custodian's records.

Mutual Fund Clients. BMO AM submits quarterly reports to the board of directors of any mutual fund to which it provides investment management services. The reports generally contain information about the fund's holdings, current market and economic conditions, and investment techniques used to implement such fund's investment strategy. In addition, BMO AM provides fund

shareholders an annual report, which discusses investment performance and relevant market and economic conditions affecting the fund, and fund holdings. Additional information on fund investments is also available to shareholders in such fund's semi-annual report. Furthermore, for such funds, a complete schedule of portfolio holdings for the first and third fiscal quarters is filed with the SEC on Form N-Q.

Item 14 - Client Referrals and Other Compensation

As noted in Item 12 (Brokerage Practices), BMO AM receives a variety of services (soft dollar services) from third parties that are paid for by the use of clients' commissions (soft dollars).

BMO AM compensates its employees for client referrals when certain conditions are met. It could also enter into an arrangement to pay employees of BMO Harris Bank or other affiliates of BMO AM for clients referred to BMO AM. Such payments are made at BMO AM's expense and do not result in any additional fee to advisory clients. Employees of those affiliates may receive incentive compensation for the introduction of new client accounts or the retention of existing clients. Alternatively, if officers and employees of BMO AM market products and services of its financial institution and investment advisory affiliates under solicitation agreements with those affiliates, such persons could receive incentive compensation related to such activities when certain conditions are met.

As noted in Item 4 (Advisory Business) BMO AM provides services to affiliates as well as third party wrap programs sponsored by broker-dealers and other non-affiliated financial institutions. BMO AM will receive compensation for providing these services and participating in third party wrap programs.

Item 15 - Custody

BMO AM is deemed to have custody of client assets in certain instances where (i) an affiliated qualified custodian, such as BMO Harris Bank maintains custody of client accounts or (ii) BMO AM serves as general partner for a pooled investment vehicle, described in Item 10 (Other Financial Industry Activities and Affiliations). BMO AM clients, regardless of their advisory relationship, are under no obligation to use BMO Harris Bank, or any other BMO Financial Group affiliate as custodian of their assets.

Clients are responsible for selecting the qualified custodian at which their assets will be maintained. All clients for whom BMO AM is deemed to have custody receive quarterly account statements directly from the qualified custodian. Please compare the information in BMO AM's client statements with the information in account statements provided by the custodian. In addition, the pooled investment vehicles' financial statements are audited by a Public Company Accounting Oversight Board registered accounting firm and distributed to investors in the vehicles.

Item 16 - Investment Discretion

BMO AM performs its advisory services by exercising full discretionary authority with respect to its discretionary accounts. In general, there is no limitation on BMO AM's or any of its portfolio managers' authority to select specific securities or the amount of securities to purchase or sell. BMO AM usually receives discretionary authority to select the identity and amount of securities to be bought or sold for an account through the client's written agreement with BMO AM at the outset of an advisory relationship.

In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment guidelines for the client's account.

When selecting securities and determining amounts, BMO AM observes the investment guidelines, limitations and restrictions of the clients it advises. For registered investment companies, BMO AM's authority to trade securities will also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Clients will from time to time impose reasonable restrictions on the management of their accounts. Investment guidelines and restrictions must be provided to BMO AM in writing. Additionally, a client may be permitted to direct certain investment decisions in accordance with the client's written agreement with BMO AM.

In those instances where BMO AM provides non-discretionary or impersonal advisory services, such arrangements and limitations are outlined in the investment management agreement.

BMO AM may, from time-to-time depending upon account guidelines, objectives, cash-flow characteristics, brokerage direction, and other criteria, give advice to some clients or effect securities transactions for the accounts of some clients that are similar to, or differ from, the advice given to or actions taken on behalf of other clients.

Item 17 - Voting Client Securities

BMO AM has developed joint proxy-voting policies with certain of its affiliates (together and individually, the "BMO Organization"). When acting as a fiduciary, the BMO Organization votes proxies in the sole interest of its fiduciary clients. Unless the client has directed otherwise, the BMO Organization generally votes proxies for securities held in client accounts and has adopted policies and procedures designed to help ensure that those proxies are voted in the best interests of fiduciary clients.

How We Vote Proxies. BMO AM has transitioned its proxy voting to a new global framework. The guiding principle for BMO AM's voting of proxies is to vote proxies in the interest of the beneficiaries, both current and future, with a view to enhancing the value of securities held for the benefit of our clients. What follows is a brief description of the proxy voting process.

Global Proxy Voting Process. The BMO Organization's global proxy voting process is overseen by the Responsible Investment Committee (RIC). The RIC approves policies and guidelines for proxy voting. The RIC has empowered the Governance & Sustainable Investment (GSI) team with administration of the global proxy voting framework and execution of votes that in certain instances is auto-executed within the approved guidelines. The GSI directs the proxy votes using Institutional Shareholder Services Inc. as the Agent. If a proxy issue is not addressed by the global proxy voting guidelines or requires further review, GSI forwards the proxy to the Proxy Working Group (PWG) for research and a voting decision. While the PWG's decision-making is by majority vote, a decision by the PWG will only apply to a region if the regional representative on the PWG supports the decision. In the event a majority vote does not include a regional representative, the vote is escalated to the RIC. When mutual funds are held in client accounts, Portfolio Managers of the client account in certain instances request that the GSI manually vote proxies and liaise with the Portfolio Manager on voting related to the

mutual funds held in their client accounts. Unless otherwise requested, the agent auto-executes the majority of votes in accordance with proxy voting guidelines. When the Agent requires guidance on standing voting instructions, the Agent consults with GSI and subsequently PWG or RIC. In the event the vote involves a potential conflict of interest, BMO GAM's Conflicts of Interest policy sets forth policies that direct BMO AM's vote that represent the best interests of our client. A copy of the BMO GAM Conflicts of Interest Policy – Proxy Voting is available upon request.

Conflicts of Interest. The Agent votes on most proxy matters in accordance with the RIC's procedures, independently of any interest the BMO Organization has in the proposal. A conflict of interest may exist, however, if, the Agent has referred a proxy question to the GSI or PWG as otherwise required by proxy procedures, and BMO AM or an affiliated entity has a business relationship with (or is actively soliciting business from) either the company soliciting the proxy or a third party that itself has either a material interest in the outcome of a proxy vote or is actively lobbying for a particular outcome of a proxy vote. Individual conflicts of interest also may arise if, a member of the RIC or PWG holds a position in a security that is the subject of a proxy vote. When a RIC or PWG member is conflicted, he or she is expected to recuse himself or herself. When the BMO Organization is conflicted, various procedures are generally followed to avoid impropriety, including, as appropriate, retaining the Agent or some other independent third party to vote the proxy in accordance with the shareholders' interests.

Clients retain the right and obligation to vote any proxies relating to securities held by/in their account(s) by providing prior written notice to BMO AM. Any changes to a client's proxy voting instructions must be received in writing. Clients may obtain a copy of BMO AM's complete proxy voting policies and procedures upon request, and may request and receive information about how BMO AM voted any proxies on behalf of their account.

Item 18 - Financial Information

BMO AM does not have any financial condition reasonably likely to impair its ability to meet contractual commitments to clients and has not been the subject of a bankruptcy proceeding. A balance sheet is not required to be provided because BMO AM does not require prepayment of more than \$1,200 in fees per client six months or more in advance.

Additional Information

Privacy Policy. BMO AM's Privacy Notice, which includes information about the collection and sharing of client information by BMO AM (including, the sharing of information with affiliates and third parties), is available upon request.

Anti-Money Laundering. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who or business entity that opens an account.

When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We will typically also ask you to provide a copy of your driver's license or other identifying documents.

BMO Asset Management Corp.
Form ADV, Part 2A

A corporation, partnership, trust or other legal entity will, in certain instances, need to provide other information, such as its principal place of business, local office, employer identification number, certificate of incorporation, government-issued business license, partnership agreement, trust agreement, or other identifying documents.

The information you provide in this form may be used to verify your identity by using internal sources and third party vendors. If the requested information is not provided within thirty (30) calendar days, the account will be subject to closure.

BMO AM may be required to disclose information collected in accordance with our Anti-Money Laundering Program pursuant to applicable laws, rules or regulations, but that information will otherwise be retained in confidence according to BMO AM's privacy policy.