

U.S. Severance Benefit Plan Summary Plan Description (SPD)

Plan Document and Summary Plan Description for

**BMO U.S. Severance
Benefit Plan**
(Effective as of November 1, 2024)

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Introduction

This Plan Document and Summary Plan Description provides the terms of the BMO U.S. Severance Benefit Plan (the “Plan”). The Plan was formerly known as the BMO U.S. Supplemental Unemployment Benefit and Severance Benefit Plans, which along with the BMO Excess Severance Benefit Plan, were designed to provide supplemental unemployment and severance benefits to certain eligible Employees of BMO Financial Corporation (“BMO Financial”) and Affiliated Companies. The Plan replaces the BMO U.S. Supplemental Unemployment Benefit and Severance Benefit Plans and the Excess Severance Benefit Plan effective November 1, 2024.

The Plan is designed to provide severance benefits to certain Employees of BMO Financial and Affiliated Companies participating in this Plan. The term “BMO” or “Employer” is used in this Plan to refer collectively to BMO Financial and all Affiliated Companies in the U.S.

The Plan reflects BMO’s commitment to assist Employees who suffer an involuntary loss of employment due to a workforce reduction or other qualifying reason. Benefits under the Plan are intended to help bridge the financial gap to the Employee’s next employment.

This Plan is effective for Employees who have a Termination Date on or after November 1, 2024.

Terms to Know

The Plan uses the following defined terms:

Affiliated Companies – any direct or indirect U.S. subsidiary of BMO Financial which has been designated for inclusion in this Plan.

Annual Base Salary – an Employee’s annual base pay as determined by BMO immediately prior to the date the Employee is notified of their Termination Date. Annual Base Pay is exclusive of all other amounts, special adjustments and increments such as shift differentials, overtime, commissions and the cash value of any and all non-cash benefits.

Adjusted Weekly Base Pay – one fifty-second (1/52) of the Employee’s Annual Base Salary immediately prior to the date the Employee is notified of their Termination Date, including 1/52 of the average annual short-term incentive payment received by the Employee for the preceding three plan years. Adjusted Weekly Base Pay is exclusive of all other amounts, special adjustments and increments such as shift differentials, overtime, commissions and the cash value of any and all non-cash benefits. Notwithstanding the foregoing, where an Employee is not and has not been eligible for an annual short-term incentive payment, quarterly or annual sales incentive payment, other annual bonus payment, or an annual award under the BMO Omnibus Restricted Share Unit Plan, then Adjusted Weekly Base Pay shall include 1/52 of the average annual commissions received by the Employee in the preceding three plan years. Commissions for this purpose do not include incentives, sales bonuses, and referral bonuses. Whether a payment constitutes a commission included in the definition of Adjusted Weekly Base Pay is

determined at the sole discretion of BMO. Adjusted Weekly Base Pay is that which is in effect immediately prior to the Employee's notification of their Termination Date.

Cause – means “cause” as defined in the Employee's employment agreement with BMO or an affiliate, or if such term is not defined or if the Employee has not entered into an employment agreement with the BMO or an affiliate, then as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where BMO can terminate an Employee without notice; provided, however, that such circumstances shall be limited to those following the Employee's engagement in any misconduct, dishonesty, insubordination or other act adversely affecting the goodwill of BMO or an affiliate, or adversely affecting BMO's or an affiliate's relationships with their customers or employees, including without limitation, the Employee's conviction of a felony or crime of moral turpitude.

Comparable Job – as determined in BMO's sole discretion, a job that: (a) has a similar work schedule; (b) is one where the Employee has the required skill set to perform the job; (c) is located within a 35-mile radius of Employee's current work location; and (d) has substantially similar compensation.

Eligible Termination – means a termination by BMO of the Employee's employment:

- (a) in connection with a closing of a business department, group, division, location or facility;
- (b) in connection with a reorganization of the operations of BMO;
- (c) as a result of a reduction in force, business downsizing, or job elimination;
- (d) due to the Employee's personal services no longer being required by BMO; or
- (e) as a result of other facts or circumstances determined by BMO, in its sole discretion, to constitute eligibility for purposes of this Plan.

Whether or not an Employee is eligible for Plan Benefits shall be determined by BMO in its sole discretion, which determination shall be conclusive for the purposes of this Plan.

Employee – means an individual employed by BMO who meets the following requirements: (a) any portion of their income is subject to withholding of income tax by BMO and/or Social Security contributions are made for them by BMO and (b) such individual is determined by BMO to be and designated as an Employee. Only individuals who are paid as employees through BMO's payroll system and are classified by BMO as employees will be considered Employees for the purposes of the Plan. Any individual worker who is classified as an independent contractor, contingent worker, temporary worker, or contract worker by BMO is not an Employee. Also, an individual who renders services to BMO pursuant to an arrangement between BMO and a leasing organization, temporary employment agency or any other organization is not an Employee. Any individual who is retroactively or in any other way

determined by a governmental organization or a court to be a “statutory employee” or “common law employee” of BMO is not eligible to participate in the Plan.

Participant – an Employee who is participating in the Plan and who may be entitled to Plan Benefits.

Severance Years of Service – the period of employment that begins on the most recent hire date of an Employee and ends on the earliest to occur of the Employee’s discharge, death or other termination of employment. Plan Benefits are based upon completed full years of service; partial years are not considered.

Plan Benefits – an amount payable under the Plan to an Employee as described in the Plan Benefit provision of this Plan.

Release – a separation agreement or other document in a form satisfactory to BMO which contains a release and waiver of claims, post-employment restrictive covenants (including restrictions on the use or disclosure of confidential information and the solicitation of customers and employees), protections against disparagement, and / or other separation agreement terms. A Release must be signed by an Employee in order for the Employee to potentially be entitled to Plan Benefits.

Termination Date – the final date selected by BMO for the Employee’s cessation of employment with BMO.

Benefit Eligibility and Exclusions

Eligibility

An Employee will be eligible to become a Participant in the Plan and entitled to Plan Benefits if they:

- (a) are designated by BMO to be terminated because of an Eligible Termination and they receive written notice on or after November 1, 2024, stating that their employment will be terminated on a Termination Date and that they are eligible for Plan Benefits under the Plan;
- (b) remain an Employee and their job performance continues to meet the minimum job performance criteria established by BMO in its sole discretion through the designated Termination Date; unless otherwise agreed to in writing by BMO;
- (c) provide a properly signed Release to BMO, at the time and in compliance with procedures established by BMO and the Employee does not revoke the Release;
- (d) terminate employment with BMO on the Termination Date; and
- (e) do not become ineligible for benefits for one of the reasons listed in the Exclusions provision below.

Exclusions

Even if the Employee meets the eligibility criteria described above, the Employee will **not** be entitled to receive Plan Benefits in any of the following circumstances:

- (a) The Employee resigns, retires or abandons the Employee's job prior to the Employee's scheduled Termination Date (i.e., the date the Employee's employment is scheduled by BMO to end); provided, however, that an Employee's death shall not be considered to be such a resignation, retirement or abandonment.
- (b) The Employee receives, on or before the Termination Date, an offer of a Comparable Job with BMO or, in the case of a business sale or outsourcing, with the buyer or vendor or an affiliate thereof.
- (c) The Employee accepts another job at BMO or, in the case of a business sale or outsourcing, with the buyer or vendor or an affiliate thereof.
- (d) The Employee: (i) does not sign a Release in a form satisfactory to BMO within the time frame specified; or (ii) the Employee signs such a Release but then revokes it.
- (e) The Employee is terminated for any reason other than the reasons described in the Eligibility provision in this Plan, including but not limited to termination for Cause or termination for failure to return from an approved leave of absence.
- (f) If after the Employee's Termination Date, BMO determines that the Employee would have been terminated for Cause.
- (g) The Employee is entitled to receive by a separate agreement, or by a group policy, program or plan, provided by BMO, that provides severance, salary continuation, retention bonus or similar benefits in connection with the Employee's termination of employment, except where the separate agreement, policy, program or plan expressly provides that those benefits are in addition to, and not in lieu of, any benefits to which the Employee may be entitled under this Plan.

Plan Benefits

If an Employee becomes a Participant in the Plan, they will receive the Plan Benefits described in the Schedule of Plan Benefits, attached to this Plan, which is determined based on the Employee's number of Severance Years of Service and Adjusted Weekly Base Pay immediately prior to the date the Employee is notified of their Termination Date. The Plan Benefits will be paid as soon as administratively practicable following the Employee's Termination Date but in no event later than two and a half months after the Employee's Termination Date, unless payment of the Plan Benefits must be delayed in accordance with Section 409A of the Internal Revenue Code.

All Plan Benefits are subject to federal, state and local (where applicable) payroll taxes and withholding. Also, in the sole discretion of BMO, the Plan Benefits will be reduced by any amount the Employee owes to BMO on the Employee's Termination Date. Once the Employee has received the Plan Benefits to which they are entitled under the Plan, the Employee will cease to be a Plan Participant.

Plan Benefits are not considered "compensation" for purposes of determining any benefits provided under any pension, savings or other benefit or bonus plan.

Plan Benefits are in addition to any pay for accrued but unused vacation for which the Employee may be eligible.

The Employee's receipt of Plan Benefits may or may not affect the Employee's eligibility for state unemployment benefits. The rules vary from state to state. For more information, contact the state unemployment office for the state in which the Employee was employed by BMO.

If the Employee is entitled to Plan Benefits but the Employee dies prior to the date that the Employee's Plan Benefits are paid, the Plan Benefits shall be paid to the Employee's spouse, or if none, to the Employee's estate or, if none, in a similar manner (e.g., to the Employee's closest relatives) or as permitted or required by applicable law (such as a court order).

In lieu of the lump sum payment option, the Plan previously offered bi-weekly payments, paid over an extended time. If an individual previously made a binding election for this bi-weekly payment option, those bi-weekly payments will continue to be made to the individual for the duration that the individual was entitled to receive them under the terms of the Plan, prior to it being amended in October 2024 (the "Prior Plan Terms"). In addition, Employees who became entitled to Plan Benefits prior to November 1, 2024, but whose Plan Benefits have not yet commenced, may elect the bi-weekly payment option, if BMO Financial Employee Relations receives the Employee's election for the bi-weekly payment option prior to November 1, 2024. All such bi-weekly payments will be made pursuant to the limitations and restrictions contained in the Prior Plan Terms, along with any additional terms contained in this version of the Plan.

Section 409A of the Internal Revenue Code

This Plan is intended to qualify as a "separation pay plan" under Treasury Regulations section 1.409A-1(b)(9), and the payments hereunder are intended to be exempt from the definition of "deferral of compensation" pursuant to the exemption for short-term deferrals under Treasury Regulations section 1.409A-1(b)(4) and/or the exemption for separation pay due to involuntary separation of service under Treasury Regulations section 1.409A-1(b)(9)(iii). To the extent any payment hereunder does not meet an exemption from Code section 409A, then this Plan is intended to comply with the applicable requirements of Code section 409A. The Plan shall be interpreted and administered in a manner consistent with the foregoing intent.

Notwithstanding anything in this Plan to the contrary, the distribution of Plan Benefits to a Participant who is a "specified employee" (within the meaning of Code section 409A(a)(2)(B)(i)) at the time of the Participant's "separation from service" (as such term is defined in Treasury

Regulations issued under Code section 409A) will not be made or commenced before (i) the first day of the month following a period of 6 months after the date of the Participant's separation from service or, (ii) if earlier, the Participant's date of death (the "409A Deferral Period") if any stock of the Employer (or any affiliate that would be treated as a "single employer" with the Employer for purposes of Code section 409A) is publicly traded on an established securities market or otherwise. Upon the expiration of the 409A Deferral Period, the Participant's Plan Benefits will be paid in a single lump sum, together with interest.

General Information

Release Required

No Plan Benefit will be due or paid to an Employee unless the Employee signs and returns a Release within the specified timeframe. The failure or refusal to sign such Release or the revocation of such a Release, to the extent permitted by its terms, will disqualify the Employee from receiving any Plan Benefits.

Non-Duplication of Benefits

If the Federal Worker Adjustment Retraining and Notification Act (WARN Act) or any analogous state or local "plant closing" law results in BMO providing Employee with notice pay and benefits in connection with a workforce reduction or other event, the number of weeks of benefits payable to Employee under this Plan may be reduced by the number of weeks of notice pay and benefits Employee receives in order to avoid the duplication of benefits.

Special Service Leave

If the Employee is placed on special service leave for retiree medical eligibility purposes, that leave will be disregarded for purposes of this Plan. Accordingly, the period of leave will be disregarded for purposes of calculating Severance Years of Service and in determining if a termination of employment has occurred.

Right of Recovery

In the event any payments are made in error, BMO shall have the right to recover any such amounts.

No Other Rights Implied

Nothing in this Plan will constitute a continuation of eligibility for, or the vesting or exercise periods relating to, any employee benefit or compensation plan or arrangement (including bonus, incentive and equity compensation), other than as expressly set forth herein.

Assignment or Alienation

No benefits under the Plan may be assigned or alienated except as required by applicable law.

Plan Documents

This Plan constitutes the governing Plan document and summary plan description.

Your ERISA Rights

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). Your rights are presented here as required by law. Also included is certain information you should know about the Plan and its administration.

Access to Information

You may examine, without charge, at the office of the Plan Administrator all documents governing the Plan, including the official Plan documents, trust agreements and annual financial reports (Form 5500 series) that are filed with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration. You automatically will receive summaries of the Plan’s annual financial reports.

You may obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description (if any then exist). If you would like copies, you may obtain them by writing to the Plan Administrator. You may be charged \$.25 per page for copies.

Fiduciaries

Under ERISA, you have the right to expect that the persons who operate and manage your Plan, called fiduciaries, act solely in your interest and in the interest of other Plan participants and beneficiaries.

These people must also exercise prudence in performing their Plan duties. No one, including your employer, may fire you or discriminate against you in any way to prevent you from obtaining a benefit.

Exercising Your Rights

Under ERISA, you can take action to enforce your rights. You cannot be fired or discriminated against in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Under ERISA, there are steps a participant can take to enforce the above rights. For instance, if you request documents you are entitled to receive and the Plan Administrator does not comply within 30 days, you may file suit in a federal court. The court may require the Plan Administrator to provide the requested materials and pay up to \$110 a day for each day’s delay unless the delay was beyond the Plan Administrator’s control.

If you file a written claim for benefits under the Plan and the claim is denied, you have a right to know why this was done and you will receive a written explanation of the reason for the denial and, within 60 days thereafter, you may make a written request to the Plan Administrator to review and reconsider your claim. If you are dissatisfied with the Plan administrator’s decision, you may file suit in a federal court.

If you believe that a Plan fiduciary has misused the Plan's assets or if you are discriminated against for asserting your ERISA rights, you may file suit in a federal court or seek help from the U.S. Department of Labor. If you file suit and are successful, the court may decide to require the person you have sued to pay court costs and legal fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If a participant has any questions about the Plan, the participant should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you can contact the nearest office of Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. A participant may also obtain certain publications about his or her rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at (866) 444-3272.

Plan Administration

The Plan Administrator is the BMO Benefits Administration Committee. The Plan Administrator shall have all powers necessary to determine, in its sole discretion, all questions concerning the administration of the Plan and to delegate to others any obligations or duties related to the Plan. In addition, the Plan Administrator (or its designee) shall have full authority to interpret and apply the provisions of the Plan, including authority to correct any defects or omissions, to reconcile any inconsistencies in the Plan, or to recover any overpayments, in such a manner and to such an extent, as he or she shall deem necessary or desirable to effectuate the Plan. The Plan Administrator may make such rules and regulations for the administration of the Plan as it deems necessary or desirable. Any determination by the Plan Administrator within the scope of its authority and any action taken thereon in good faith shall be conclusive and binding on all persons.

Claims Procedure

If you believe you are entitled to a benefit under the Plan, including one greater than that initially determined to be payable, you should file a claim with the Plan Administrator in accordance with this section. Send your claim in writing to the Plan Administrator at the address listed below. Within 90 days after receipt of your claim, the Plan Administrator or its delegate will notify you in writing of his or her decision. If your claim is denied, the written notice will tell you the reason for the denial and what additional information is needed, if any, which could change the decision to deny the claim. The notice will also tell you how you can have your decision reviewed. In some cases the Plan Administrator might need more time. If this happens, you will be notified that an additional 90-day period is required.

If your claim has been denied, or if you have not heard anything within 90 days, you can appeal the denial and have your claim reviewed. Your appeal should be sent in writing to the Plan Administrator at the address listed below. You have 60 days to appeal from the time you are notified of the denial, or the end of the original 90-day period if you have not heard anything with respect to the claim by that time. You or your authorized representative can examine any Plan documents related to your claim. You can also submit, in writing, reasons why you think the claim should not be denied. The Plan Administrator will normally respond within 60 days

after receiving your appeal. In special cases, the Plan Administrator may advise you that an additional 60 days will be required to review your appeal. The notice will include specific reasons for the Plan Administrator's decision and references to provisions of the Plan on which it is based. The decisions of the Plan Administrator shall be final and binding on all Employees and their beneficiaries.

You cannot pursue any legal action for benefits until you have exhausted the claims appeal procedure.

Amendment and Termination of the Plan

BMO Financial expects and intends that the Plan will continue indefinitely. However, BMO Financial reserves the right to amend or terminate the Plan at any time, in its discretion. Any amendment to, or termination of, the Plan may discontinue any further payments to terminated Employees; provided, however, that no amendment, suspension, or termination of the Plan will give BMO the right to recover any amounts already paid before the date of such amendment or Plan termination (other than amounts paid in error).

Other Information

Type of Plan

The Plan is an employee welfare benefit plan providing severance benefits.

Employer Identification Number of Plan Sponsor

36-2085229

Plan Number

511

Plan Sponsor and Participating Employers

BMO Financial Corp.

c/o Benefits Planning Division 320 S. Canal Street, Floor 8, Chicago, IL 60606

A complete list of participating employers may be obtained by written request to the Plan Administrator, and is available for examination by Participants and beneficiaries.

Plan Administrator and Agent for Service of Legal Process

BMO Financial Corp. Benefits Planning Division

Benefits Administration Committee

320 S. Canal Street, Floor 8

Chicago, Illinois 60606

312-461-5182

Plan Funding

The Plan is funded through BMO's general assets.

Plan Year

The Plan Year is the calendar year (i.e., January 1 through December 31).

How To Get More Information

If you need additional information or have any questions about your Plan benefits, call the Human Resources Centre (HRC) at 1-888-927-7700.

Schedule of Plan Benefits

Amount of Participant's Plan Benefits

Two weeks of Adjusted Weekly Base Pay for each Severance Year of Service, payable in a lump sum.

The minimum amount of Plan Benefits is six weeks of Adjusted Weekly Base Pay.

The maximum amount of Severance Pay Benefits is fifty-two weeks of Adjusted Weekly Base Pay.