401(k) Savings Plan
Summary Plan Description (SPD)

For the
Employees' 401(k) Savings Plan of Bank of Montreal/Harris

Employees' 401(k) Savings Plan

Summary Plan Description

While this Summary Plan Description summarizes the major provisions of this plan, it does not provide you with every plan detail. The plan documents, which govern this plan, provide full details. If there are any discrepancies between this Summary Plan Description and the legal plan documents, the plan documents rule.

Updated January 2014

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About this Summary

This document is the summary plan description (SPD) for the Employees' 401(k) Savings Plan of Bank of Montreal/Harris ("the Company" or "BMO") (the "plan"). Please read this SPD to help you understand and manage your benefits, and keep it for future reference.

If you have questions about the plan or would like a complete copy of the plan document, contact the Human Resources Centre (HRC) at 1-888-927-7700.

Important Notice

The official plan document contains the full plan details. If the SPD or any other written or oral representation differs from the plan document, the plan document prevails.

Overview

The Employees' 401(k) Savings Plan of Bank of Montreal/Harris ("the Employees' 401(k) Savings Plan" or the "plan") is a multi-faceted plan meant to encourage you to put something away for retirement. The plan offers a systematic way for you to save regularly through payroll deductions, tax-deferred savings advantages and a broad range of investment opportunities. The plan also provides an incentive to save. BMO Harris Bank N.A. (the "Company" or "BMO") matches your 401(k) contributions dollar-for-dollar up to the first 5% of annual eligible pay.

You are encouraged to take some time to get better acquainted with all the plan has to offer. The information that follows, including your rights under the Employee Retirement Income Security Act of 1974 (ERISA) and any future supplements, constitutes a prospectus covering securities that have been registered under the Securities Act of 1933. This prospectus sets forth the information a prospective investor should know before investing in the Bank of Montreal (BMO) Stock Fund, and applies to Bank of Montreal Common Shares that may be purchased, offered and sold under the Employees' 401(k) Savings Plan.

In addition, certain documents filed with the Securities and Exchange Commission ("SEC"), including Bank of Montreal's annual and quarterly reports , are incorporated by reference herein, and in the registration statement that has been filed pursuant to the Securities Act of 1933, which covers the plan. These documents are available, without charge, by writing to the plan sponsor, BMO Harris Bank N.A., Benefits Planning 7W, 111 West Monroe Street, Chicago, Illinois 60603, or by calling the Human Resources Centre at 1-888-927-7700. Questions about the plan should be directed to ACCESSBenefits at 1-800-738-2323.

While this summary describes the major provisions of the Employees' 401(k) Savings Plan, it does not provide every plan detail. The plan document, which governs this plan, provides full details. If there are any discrepancies between this summary plan description and the legal plan document, the plan document rules.

Plan Advantages

The Employees' 401(k) Savings Plan can help you invest in your future. Here is a summary of the plan features:

- You don't need large sums of money to save through convenient, regular payroll deductions with 401(k) before-tax contributions.
- Saving with 401(k) before-tax dollars shelters part of your income from taxes, putting more money in your pocket now.
- The Company matches dollar-for-dollar every 401(k) before-tax dollar you save, up to the first 5% of your annual eligible pay, to increase your earnings power and help you accumulate savings faster.
- There are a number of investment options to choose from so that you can create an investment program that suits your needs.
- You have access to your money – while you are still working – through loans to help you meet short-range financial needs.
- You can manage your account quickly and easily online or by phone (see Contact Information).

Employees' 401(k) Savings Plan at a Glance	
Who's Eligible	All regular full-time and part-time employees of the Company, other than reserve force or work-study employees.
When You Can Start Contributing	You can enroll as soon as you receive your PIN, which is sent to your home address within four weeks of your hire date. Once you enroll, contributions will begin with the next possible pay period.
How Much You Can Contribute	You can save from 1% to 25% of your eligible pay in 401(k) before-tax contributions, subject to IRS limits.
The Company Matches Your Contributions	The Company will match your 401(k) contributions dollar-for-dollar, up to the first 5% of annual eligible pay you contribute. You're immediately eligible to receive this match, which is made each pay period.

Contact Information

Online	Go to http://www.myaccessbenefits.com and click on 401(k) Savings under My Accounts. Note: Access to personal account information requires Internet access.
By Phone	Call 1-800-738-2323

Eligibility and Enrollment

You are eligible to participate in the Employees' 401(k) Savings Plan if you are a regular full-time or part-time employee of the Company. The following persons are excluded from participating in the plan:

- reserve force employees;
- work-study employees;
- leased employees;
- persons who provide services to the Company pursuant to a contract, agreement or arrangement that designates the person as an independent contractor or consultant, or otherwise excludes the individual from participation;
- persons providing services to the Company pursuant to a contract, agreement or arrangement between the Company and a third party; and
- persons compensated, directly or indirectly, by the Company whose compensation is treated by the Company at the time of payment as not subject to the Company's tax withholding obligations under the Internal Revenue Code.

Employees covered by a collective bargaining agreement are not eligible to participate in the plan unless the plan has been extended to such group of employees pursuant to the collective bargaining agreement. In addition, employees who elect, pursuant to a written agreement with the Company, to permanently waive eligibility under the plan prior to commencing participation are excluded.

If you are a Bank of Montreal non-U.S. employee who transfers to work in the United States, you will be eligible to participate in the plan on your date of transfer and may enroll after receipt of your PIN.

Work-Study Program Employees (Interns)

You are not eligible to participate in the plan while you are a work-study employee (intern). If you are hired by the Company, you will become eligible to participate on your hire date.

If You Leave the Company and Are Later Rehired

If you resign and are later rehired by the Company, you will be eligible to participate in the plan when you are rehired as a regular full-time or part-time employee.

When Participation Begins

You are immediately eligible to enroll in the plan once you receive your personal identification number (PIN), which you will receive within four weeks of your hire date. Once you enroll, your contributions begin with the next possible pay period. (See the "Quick Reference Guide" for transaction dates and deadlines.)

Joining Later

You don't have to join as soon as your receive your PIN. While it's a voluntary plan that you can join at any time, you may want to take advantage of this savings opportunity right from the start.

It All Starts with Your Contributions

There's no waiting period. Once you receive your PIN, you can start contributing to the plan. And, you will be immediately eligible to receive Company matching contributions, which are added to your account each pay period.

How to Enroll

You will receive a temporary PIN within four weeks of your start date, along with instructions on how to use the features available through the ACCESSBenefits online and interactive phone systems.

When you enroll, you will be required to select a new, personalized PIN. You will use your selected PIN along with your Social Security Number each time you log on or call ACCESSBenefits to ensure that only you can access your account.

How To Start Contributing	
Online	Go to http://www.myaccessbenefits.com and click on 401(k) Savings under My Accounts. Note: Access to personal account information requires Internet access.
By Phone	Call 1-800-738-2323

When you enroll, you decide how much you would like to contribute, and choose the type of investment options in which to invest your contributions. When you enroll, remember to take into account any before-tax contributions made to your former employer's plan this year. There is an annual IRS limit that applies to all before-tax contributions made to any qualified plans in one year. Any amount that exceeds the IRS limits must be refunded and reported as ordinary income on your tax return.

Contribution and investment elections are sent to payroll bi-weekly and will take effect for the next possible pay period. Check the ACCESSBenefits Quick Reference Guide for transaction dates and deadlines.

Lose or Forget Your PIN?

If you lose your PIN, or changed it and have forgotten the number, you can register for the "Forgot Your Pin" feature, which allows access to your account in case you forget your PIN, or you can request a PIN that will be mailed to your home.

Naming a Beneficiary

All participants are asked to name a beneficiary. This will determine who receives your account balance if you die. (See "Final Distributions.") If you are married at the time of your death, your account balance will be paid to your surviving spouse unless you have designated another beneficiary and your spouse has also consented to this designation in writing. Your spouse's consent must be witnessed by a notary public.

Keeping Your Records Up to Date

Since account information and payments are mailed to your home address, it is important to keep these records up to date. You can contact the Human Resources Centre (HRC), or go to Forms and Documents on www.myaccessbenefits.com for a form to update your beneficiary designation by completing the 401(k) Savings Plan Designating your Beneficiaries Form. Your completed form can be sent via fax or mail. The fax number and mailing address are shown at the bottom of the form.

Contributions

How Your Account Is Funded

Your account is funded with your contributions (made through payroll deductions) and Company 401(k) matching contributions made on your behalf. Your account may also include after-tax contributions and profit sharing contributions made prior to 2002, or rollover deposits. Whatever money you contribute is invested in plan investment fund options you select. Company 401(k) matching contributions are invested in the same funds as your own contributions.

Your "Pay" for Plan Purposes

Where the plan is concerned, your eligible pay is your base annual pay, overtime, shift differential and any variable pay that is related to work performance that you receive while an "active" plan participant. Variable pay includes:

- Team-based plans (based on Company, corporate, department or unit performance, including production and productivity plans)
- Managerial Plan
- Sales, Incentive and Commission-based plans
- Business Referral plans
- Ad hoc cash awards related to performance

The plan considers these kinds of pay your "eligible pay," and uses this pay in determining your contribution amounts to the plan. Any contributions you make are deducted from your eligible pay. The Company's matching before-tax contributions are also determined using your eligible pay, up to IRS limits. See "Annual IRS and 401(k) Plan Limits" below for information on how the limits may affect your contribution amounts.

In addition, there are certain types of pay not included in your eligible pay. The plan does not include mid- and long-term incentive pay, severance pay, signing bonuses, employee referral bonuses, moving expenses or, if you leave the Company, any pay paid more than 30 days after your termination date from the Company.

Your Contributions

The plan offers you an easy, tax-deferred way to save for the future. You can save from 1% to 25% of your eligible pay on a before-tax basis, subject to IRS limits. The money you contribute comes out of your regular paycheck and any variable pay that you receive. How much you save is your decision.

But it's important to know that you will receive a one-dollar matching contribution for each dollar you save, up to the first 5% of your annual eligible pay. You can also take advantage of the Plan's Auto-Save feature that lets you automatically increase your contribution rate each year up to a savings target you choose.

Advantages of Saving with 401(k) Before-Tax Contributions

In addition to increasing your earning power, saving with before-tax contributions has some very definite advantages. Because your contributions are deducted from your paycheck before federal taxes and most state and local taxes are withheld, you shelter part of your pay from taxes. This lowers your taxable income, so that you pay less tax now. And, your 401(k) contributions stay sheltered for as long as the money remains in your account. You pay taxes on your before-tax contributions and their investment earnings only when you take this money from your account. Your Social Security deductions stay the same, so your future Social Security retirement benefits will not be affected.

For example: If you contribute $2,000 of your pay to the plan, you can lower your current income taxes by as much as $560. That means more take home pay. The effect is the same as if you were to save $2,778 after-tax. Note: This example assumes a 28% tax rate, but the actual amount of taxes you pay depends on the current tax rate and your financial situation.

Annual IRS and 401(k) Plan Limits

The Employees' 401(k) Savings Plan must meet certain criteria under the Internal Revenue Code in order for plan contributions to qualify for favorable tax treatment. Employee contributions are also subject to annual contribution limits. The limits are subject to change annually, and you will be advised of the new limits each year. For 2014, the IRS limit on the overall before-tax contributions you can make is $17,500. The IRS also sets a maximum on the pay from which you may contribute. That maximum is $260,000 for 2014.

If you contributed before-tax contributions to another employer's plan during the year before being hired by the Company, you are responsible for limiting your contribution to the Company's plan so as not to exceed the annual limit.

Catch-Up Contributions

The plan allows "catch-up" contributions as permitted under federal law. If you are at least age 50 or will reach age 50 during a given calendar year, you have the option to make catch-up contributions to the plan for that year. Your catch-up contributions are in addition to the normal plan limit of 25% of compensation and the annual IRS dollar limit ($17,500 for 2014). For 2014, the catch-up contribution is $5,500, which may be contributed in addition to the normal annual IRS dollar limit of $17,500. You must be age 50 or older by the end of the calendar year to make catch-up contributions for that year.

Company 401(k) Matching Contributions

The Company will match your 401(k) contributions dollar for dollar, up to the first 5% of annual eligible pay (capped at $260,000, per current IRS limits). The Company's matching contributions are added to your account each pay period. Matching contributions are always 100% vested. Note: You must contribute at least 5% for the *entire year* in order to receive the full 5% maximum match.

Company 401(k) Matching Contributions Examples

The following three examples show how Company matching contributions are added each pay period.

Example 1: Tom's annual salary is $30,000 (or $2,500 a month). He contributes 5% of his pay to the plan.

	Monthly Pay	Tom Contributes 5%	Company Matches Dollar for Dollar Up to 5% of Eligible Pay
Jan	$2,500	$125	$125
Feb	$2,500	$125	$125
Mar	$2,500	$125	$125
Apr	$2,500	$125	$125
May	$2,500	$125	$125
June	$2,500	$125	$125
July	$2,500	$125	$125
Aug	$2,500	$125	$125
Sept	$2,500	$125	$125
Oct	$2,500	$125	$125
Nov	$2,500	$125	$125
Dec	$2,500	$125	$125
Total	$30,000	$1,500	$1,500

Example 2: Susan's total annual pay is $274,000: base annual salary of $174,000 (or $14,500 a month) plus a $100,000 bonus she receives in February. She's contributing 20% to the plan. Susan reaches the IRS before-tax contribution limit of $17,500 in February, so her contributions stop automatically. However, as long as she works at the Company, she continues to receive Company matching contributions each pay period (up to the first 5% of eligible pay, capped at $260,000).

	Monthly Pay	Susan Contributes 20%	Company Matches Dollar for Dollar Up to 5% of Eligible Pay
Jan	$14,500	$2,900	$725
Feb	$114,500 (base pay + bonus)	$14,600 IRS contribution limit reached ($17,500) *	$5,725
Mar	$14,500	$0	$725
Apr	$14,500	$0	$725
May	$14,500	$0	$725
June	$14,500	$0	$725
July	$14,500	$0	$725
Aug	$14,500	$0	$725
Sept	$14,500	$0	$725
Oct	$14,500	$0	$725
Nov	$14,500	$0	$725
Dec	$14,500	$0	$25 IRS maximum reached (5% of $260,000) **
Total	$250,000	$17,500	$13,000

* IRS before-tax contribution limit is reached. The IRS places a limit on the before-tax contributions an employee can make in one year. The 2014 before-tax limit is $17,500.

** The IRS also sets a maximum of pay from which you can contribute. That maximum is $260,000 for 2014.

Example 3: Javier's total annual pay is a base annual salary of $150,000 (or $12,500 a month). He begins contributing 10% to the plan in August. Javier will receive Company matching contributions each pay period (up to the first 5% of eligible pay, capped at $260,000). Javier's match-eligible pay as of the end of August is his monthly pay of $12,500.00 x 8 months, or $100,000. Since 5% x $100,000.00 = $5,000.00, Javier is eligible for match on all of his August contributions.*

	Monthly Pay	Javier Contributes 20%	Company Matches Dollar for Dollar Up to 5% of Eligible Pay
Jan	$12,500	$0	$0
Feb	$12,500	$0	$0
Mar	$12,500	$0	$0
Apr	$12,500	$0	$0
May	$12,500	$0	$0
June	$12,500	$0	$0
July	$12,500	$0	$0
Aug	$12,500	$1,250.00	$1,250.00
Sept	$12,500	$1,250.00	$1,250.00
Oct	$12,500	$1,250.00	$1,250.00
Nov	$12,500	$1,250.00	$1,250.00
Dec	$12,500	$1,250.00	$1,250.00
Total	$150,000	$6,250.00	$6,250.00

* As annual pay increases, so does the amount of your potential Company matching contribution. Remember, the Company will match your 401(k) contributions dollar for dollar, up to the first 5% of

annual eligible pay (capped at $260,000, per current IRS limits). But note that Javier missed out on maximizing his matching contributions by not making contributions earlier in the year. Javier's annual pay of $150,000.00 x 5% = $7,500 of available matching contributions. Because he only contributed $6,250 to the plan (*i.e.*, less than 5% of his annual eligible pay), his matching contribution was limited to $6,250.

Pre-2002 Profit Sharing and After-Tax Contributions

Prior to January 1, 2002, the Company made annual profit sharing contributions to the plan. Effective January 1, 2002, profit sharing contributions were discontinued, with the final contribution for 2001 made in March 2002. Any profit sharing contributions made to your plan account remain in your account until they are distributed in accordance with the plan terms.

In addition, prior to January 1, 2002, participants were permitted to make after-tax contributions to the plan. This feature was discontinued as of January 1, 2002. Any after-tax money contributed before that date remains in your account. You are free to leave the money in your account, elect a withdrawal, or elect a direct rollover of your after-tax contributions to an IRA or qualified employer plan that accepts after-tax money.

Direct Rollovers from Other Plans

In addition to your own contributions and Company matching contributions, the plan accepts direct rollovers (excluding shares of stock) from other U.S. tax-qualified plans under Internal Revenue Code Sections 401(a), 402(c) and 408(d)(3). Some examples include 401(k) plans, pension plans, money purchase plans, 403(a), 403(b) and 457 plans. The plan does not accept rollovers from stock purchase plans or stock option plans, as these are not qualified plans. The plan does not accept rollovers from the Retirement Plan of BMO/Harris, traditional IRA accounts or conduit IRA accounts. If you participated in a previous employer's qualified retirement plan, you can "roll over" to your account the taxable portion of any distribution from that plan. The distribution must be by check, payable to the Employees' 401(k) Savings Plan of Bank of Montreal/Harris. You must also complete a Rollover Deposit Form. Only eligible participants and retirees with an account balance may elect a direct rollover into the plan.

Rollover deposits receive the same tax treatment at distribution as any 401(k) before-tax contributions in your account. These deposits are also available for loans and withdrawals.

Investment of Rollover Deposits

The amount of your rollover will be deposited into your account based on your election of investment options. If you do not make an investment election, your rollover amount will be invested in the BlackRock LifePath fund based on the year you were born. You can change this investment at any time through ACCESSBenefits. To request a rollover form, please call ACCESSBenefits or connect online via the Internet (see Contact Information). Rollover deposits are processed weekly. If your rollover check and forms are received by 4:00 p.m. ET on Thursday, and the check is approved, your account will be updated by 12:00 p.m. ET on the following Wednesday.

How to Change or Discontinue Contributions

You can elect to change or stop all types of contributions at any time. To change your contributions, visit the Contribution Rate section of the ACCESSBenefits website. Enter 0% to stop your contributions. The last contribution rate elected as of 4:00 p.m. ET on the 15^{th} (or prior business days if the 15^{th} is a non-business day) or the last business day of the month is the rate that is reported to payroll and applied to subsequent pay periods. Both your regular and catch-up contribution rates (if applicable) remain in effect until you discontinue them. Your payroll deductions for these contributions will automatically stop when you reach the annual limit.

Investments

You decide how your plan account is invested by choosing among the investment options made available under the plan. The plan contains several investment funds, each with a different investment objective and risk. You may invest your entire account in one of these funds or divide your account among two or more funds. For information on plan investment funds and their past performance, see the Employees' 401(k) Savings Plan home page at www.myaccessbenefits.com.

The Investment Options

The plan's various investment options allow you to develop a savings strategy that best fits your long-range and short-range savings needs. Each option represents a different type of investment and has its own degree of risk and return.

The BMO Harris Bank N.A. Investment Committee periodically reviews the performance of the investment funds offered under the plan. The Investment Committee, in its discretion, may at any time add or delete investment funds as it determines such actions are in the best interests of plan participants. You will be notified of any changes in the investment funds.

Carefully consider a fund's investment objectives, risks, charges and expenses before investing. You can obtain the fund fact sheets, prospectuses, other disclosures and recent performance results for the fund options by going to the Employees' 401(k) Savings Plan home page at www.myaccessbenefits.com or by calling 1-800-738-2323. Read the applicable prospectus and other disclosures carefully before you invest.

Investing Your Contributions

The contributions you and the Company make to the plan are credited to your account. You decide how to invest the balance in your account. You can invest in one or in all of the options, as long as you allocate your investments in whole percentages that add up to 100%.

Company 401(k) matching contributions are spread among the investment options you select for your own savings contributions. If you do not make an investment election, your entire account balance will be invested in the BlackRock LifePath Fund based on the year you were born. You can change this investment election at any time.

Plan Participants with a Current Account Balance

If you currently have an account balance under the Employees' 401(k) Savings Plan, your account and any future contributions to your account will be invested in accordance with the investment elections on file with the plan. To determine your current investment elections, you should call ACCESSBenefits Customer Service Representatives at 1-800-738-2323 or log on to the website at www.myaccessbenefits.com.

Your investment elections also appear on the quarterly statements you receive from the plan. For information on plan investment alternatives and their past performance, and the method for changing your investment elections, go online or call ACCESSBenefits.

Plan Participants without a Current Account Balance

If you currently do not have an account balance under the Employees' 401(k) Savings Plan, future contributions to your account will be invested in accordance with your investment elections under the plan. The plan's investment alternatives, and the method for making and changing your investment elections, are described in ACCESSBenefits available at www.myaccessbenefits.com. If you do not make an investment election, contributions to your account will be automatically invested in the Qualified Default Investment Alternative (QDIA) under the plan.

Notice of Qualified Default Investment Alternative (QDIA)

The default fund or QDIA for your plan account is the BlackRock LifePath Target Date Fund based on the year you were born. This fund satisfies the requirements of a "qualified default investment alternative" under ERISA, as set forth in regulations issued by the Department of Labor (DOL). You will be notified if the plan's qualified default investment alternative changes.

You may transfer, at any time without financial penalty, all or any portion of your 401(k) account balance from the QDIA to any other investment alternative available under the plan. Such a transfer will not be subject to any restrictions, fees or expenses, including surrender charges, liquidation or exchange fees, and redemption fees. If you remain in the QDIA, your investment in the QDIA will be subject to certain fees and expenses that are charged on an ongoing basis for the operation of the BlackRock LifePath Target Date Funds, such as investment management fees.

You may request additional financial information regarding the Employees' 401(k) Savings Plan Funds such as a list of the assets held in each fund, information on the operating expenses of the funds, copies of prospectuses and other financial reports provided to the plan, information on the value of your interest in each fund, and past and current performance of each fund by calling ACCESSBenefits at 1-800-738-2323, or visiting the website at www.myaccessbenefits.com.

The Value of Your Account

You are always 100% vested in your contributions (including rollovers) and the Company's matching contributions. The value of your account varies depending on investments and their performance (gains and losses). Changes in the value of your investment options will increase or decrease the value of your account. Your account is valued and updated by midnight (ET) each valuation date and its current value is available by calling ACCESSBenefits or going online (see Contact Information). A valuation date is any business day where both the U.S. securities exchanges are open for trading and the Company is open for business.

Investment Changes

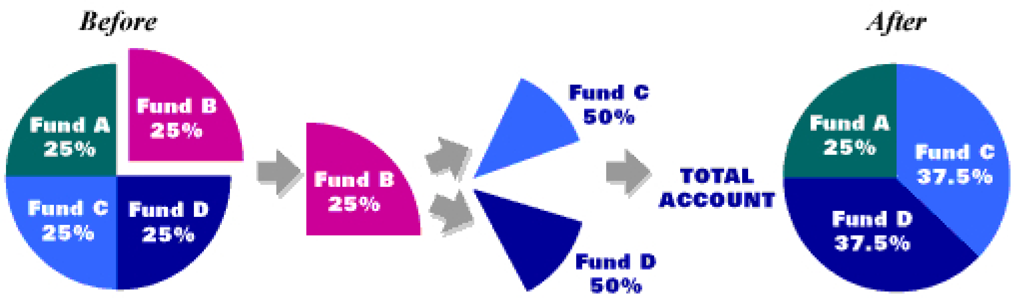
You are not locked into your contribution choices or your investment strategy. You can change your contribution percentage, stop contributing or change the investment of future contributions, and/or move or transfer existing account balances. Through ACCESSBenefits (see Contact Information), you have the flexibility to make changes in your account on any business day subject to the restrictions described. The daily cutoff for all changes is 4 p.m. ET. Changes made on or before this time take effect that day. Changes made after 4 p.m. ET take effect the following business day.

Moving Existing Account Balances (Fund Transfers)

You can move your existing account balances by making a "*fund-to-fund*" transfer in which you specify the fund(s) from which you wish to move your balance and indicate where you wish to invest that portion of your account. It works like this:

- You decide how much (what percentage from 1% to 100%) of the balance in a particular fund you would like to move.
- You select the fund (or funds) you want to transfer that money into from the plan's available investment options.
- You indicate what percentage of the amount moved goes to each fund.

In the example below, 100% of the balance in Fund B is moved out of the fund. Of that amount, 50% is invested in Fund C and 50% is invested in Fund D.



Reallocating Your Current Fund Balances

A fund reallocation is a total redistribution of your existing balances among the plan's investment funds.

- A fund reallocation does not affect the way your future contributions (and future loan repayments, if any) are invested. If you want to change how your future contributions (and future loan repayments, if any) are invested in the available funds, you also need to change your future investment options.
- Keep in mind that making a sudden transfer, especially a large one, is not always the safest course of action. Gradually shifting your existing balances may minimize your exposure to sudden market changes.
- If a fund in the plan is not open for new investments, you may transfer out of that fund, but you may not transfer into the fund.
- Redemption fees may apply to the disposition of certain plan funds. There is no standard for redemption fee calculations. Each fund family has a different definition of how long investments in the fund must be held before they can be sold without incurring a fee, and the fee that will be charged when a sale occurs before the end of that time period.

To reallocate your funds, visit the Actions section of the ACCESSBenefits website. You must specify a percentage of your balance to invest in each of the available funds. The percentages must be in whole increments (e.g., 5%, not 5.5%) and must total 100%.

If a request is received before 4 p.m. ET, the request will be processed at that day's closing net asset value. After 4 p.m. ET, the request will be processed the next business day. Should the market close early, the closing time will be the last opportunity for the trade to occur that day.

You will receive a confirmation statement at your mailing address with the details of your new elections.

Safeguarding the Plan and its Participants

Fund Transfers and Reallocations—Frequency Restriction

There may be a 30-day transfer/reallocation frequency restriction in place for some of the plan's investment funds. The fund's manager prohibits you from selling and then buying shares within a rolling 30-day period. This means that if you transfer or reallocate amounts out of a fund with a frequency limit, you will be restricted from transferring or reallocating back into that fund for 30 calendar days, based on your last transfer-out date.

Please refer to each fund's prospectus and other disclosures for trading frequency restrictions. See "Quarterly Trading Blackouts for Those Subject to BMO's Trading Window Restrictions" in this Summary Plan Description for more information regarding additional trading restrictions.

Redemption Fees

Subject to certain exceptions described in the funds' prospectuses, one plan investment option — T. Rowe Price Institutional Emerging Markets Equity Fund — offered through the plan imposes a redemption fee (2%) on amounts *transferred into* this fund if those amounts are *transferred out* before ninety (90) days have passed. Rollovers to the plan invested in this fund will also be subject to redemption fees if they are moved from the fund in which they were initially invested before the end of the ninety 90-day period.

Keep in mind that frequent transfers into and out of any investment options in the plan – whether or not frequency limits or redemption fees apply – may be deemed inappropriate, as described in "Safeguarding the Plan and its Participants."

Please refer to each fund's prospectus and other disclosures carefully for redemption fee requirements.

More about Redemption Fees

It is important to understand the following information as you make decisions regarding your account transactions:

How is the redemption fee assessed?	The redemption fee is a percentage of the value of the investments sold in connection with your transfer in a specified fund that has been held for a specified time from the time of purchase. The oldest holdings or transfers are considered redeemed first, and the newest holdings are treated as redeemed last. This method is known as the "First In, First Out" ("FIFO") method. In the specified funds within the Employees' 401(k) Savings Plan, only acquisitions of fund shares made in connection with a fund transfer or rollover are subject to the redemption fee calculation.
How will I know if my transfer or reallocation request will cause a redemption fee?	ACCESSBenefits cannot tell in advance whether your transaction will cause a redemption fee. Whether or not your transaction triggers a redemption fee will depend on the circumstances of your account at the time your transfer is processed. That determination is based on whether: ▪ your transaction affects a fund that charges a redemption fee; ▪ you transferred money or deposited a rollover into the fund; ▪ your holdings (transferred money or rollover deposit) have been invested in the fund for less than the specified time; ▪ those holdings (transferred money or rollover deposit) are needed to satisfy your fund transfer request.
How and when are redemption fees deducted?	The redemption fee is charged to your account at the same time your transaction is requested. It will reduce the total amount of money that is moved from one fund to another in connection with your transfer. If you elect a fund transfer or reallocation, ACCESSBenefits will remind you that your transaction may cause a redemption fee. Once your account has been updated and your transfer has been processed, you will be able to see the amount of the fee on the ACCESSBenefits website by viewing your *Account Activity*. Here is an example of how the fees are calculated. ▪ The T. Rowe Price Institutional Emerging Markets Equity Fund charges a 2% redemption fee on any money that has been

	invested 90 days or less. ▪ On June 1, you transfer $100 into the T. Rowe Price Institutional Emerging Markets Equity Fund and purchase 100 shares at $1.00 per share. ▪ On June 15, the share price is still $1.00 per share, and you elect to transfer your entire investment from the T. Rowe Price Institutional Emerging Markets Equity Fund to the High Yield Bond Fund. ▪ Because your money has been in the T. Rowe Price Institutional Emerging Markets Equity Fund less than 90 days, you will be charged a 2% redemption fee on the entire sale. ▪ In connection with your transfer request, you will have a redemption fee of $2.00 ($100.00 x .02). ▪ The remaining $98.00 ($100.00 - $2.00) will be transferred to the High Yield Bond Fund.

For more details, please refer to the fund's prospectus.

Quarterly Trading Blackouts for Those Subject to BMO's Trading Window Restrictions

BMO's trading window restrictions prohibit trading by certain individuals in securities of Bank of Montreal before and after the date BMO releases each of its quarterly earnings reports and in connection with other corporate events. "Trading" includes increasing or decreasing your contributions, changing the investment of future contributions or making a fund transfer that would include the BMO Stock Fund. Under U.S. law, such restrictions are considered "blackout periods" and, therefore, consistent with BMO's trading window restrictions, your ability to trade in BMO stock under the Employees' 401(k) Savings Plan during such periods imposed before and after the date BMO releases each of its quarterly earnings report will be prohibited. If this restriction applies to you, you will be notified when such blackouts occur. This disclosure is provided pursuant to Section 101(i)(7)(B)(ii) of the Employee Retirement Income Security Act of 1974, and Reg. Sec. 2520.101-3(d)(1)(ii)(B).

As a reminder, regardless of whether or not the blackout period applies to you, all employees cannot trade in securities of Bank of Montreal while they are in possession or have material confidential information. "Material confidential information" is information that has not been effectively disseminated to the general public and that would:

- likely be viewed by a reasonable investor as important in deciding whether to purchase, sell or hold a Bank of Montreal security; or
- reasonably be expected to significantly affect the market price or value of Bank of Montreal securities if it were generally known.

If you are unsure about whether you are in possession of material confidential information or do not know if you are subject to the blackout periods, contact BMO Corporate Compliance at 1-416-359-6841, or refer to BMO's First Principles.

Investment Earnings

Interest, dividends and capital gains are re-invested in the investment option in which they are earned. Investment earnings, if any, are tax-deferred until you receive a distribution from the plan. Dividends and capital gains are generally posted to your account on the "payable date," with the exception of the BMO Stock Fund, which posts within two business days of the payable date.

To find the payable dates for dividends and capital gains, refer to the Annual Dividend/Capital Gains Calendar online. Note: The calendar is updated annually but may be changed at any time.

Interest is earned on the monies you have invested for those investment options in which interest is earned, and is credited to your account daily.

Dividends are earned on the underlying securities in an investment option. For fixed-income investment options, dividends are distributed to accounts daily. For equity investment options, dividends are distributed to accounts quarterly, semi-annually or annually. You may have *capital gains* from the sale of securities in an investment option that has increased in price. These gains are distributed to accounts either annually or semi-annually.

The *"ex date"* is the date on which each investment option's share of its earned dividend or capital gain is determined and deducted from the investment option's net asset value. Your account balance may decrease on this date. However, on the *"payable date,"* which is the date when the investment option pays the dividend or capital gain to your account, the decrease that was reflected on the ex date will be offset by the increase posted on the payable date.

Note

If you change investment options or engage in other transactions on or near the "ex dates" and payable dates, your account may lose value because you must be invested in the investment option on those dates in order to receive the dividends and capital gains.

Administration Fees

The expenses incurred to administer the plan are paid by the plan in accordance with the guidelines established by the Department of Labor. Plan administration fees will be (are) periodically deducted directly from participants' accounts, unless the plan sponsor elects to pay some or all of the plan administrative expenses directly. To the extent these expenses are not paid by the plan sponsor, the total amount of the fees will be divided equally among all participants with an account balance. Plan administrative fees deducted from your accounts will be reflected and separately displayed on your quarterly statement.

Quarterly Statements

You will receive a complete statement of your account after the end of each quarter. The statement will show your quarterly account activity. You may also access your statement online at any time. To access your online statement you may log into your ACCESSBenefits online account and choose the "401(k) Savings Plan". Select "Account Details" and choose "Online Statement" to view and print your quarterly statement.

You may also request a snapshot of your account to date by calling ACCESSBenefits at 1-800-738-2323 or visiting ACCESSBenefits online (see Contact Information).

Quick Reference Guide for ACCESSBenefits

Go to http://www.myaccessbenefits.com and click on
401(k) Savings under My Accounts.
By Phone: 1-800-738-2323

Transaction Dates and Deadlines	
Enroll in the Plan	Elections are sent to payroll bi-weekly and will take effect with the next possible pay period. Eligible employees can enroll as soon as they receive their pre-assigned PIN.
Change Your Contribution Percentage	Changes are sent to payroll bi-weekly and will take effect with the next possible pay period.
Review Contributions and Loan Repayments	Employee contributions, Company matching contributions and payroll loan repayments are generally updated on ACCESSBenefits on payday.
Change the Investment of Future Contributions	Changes made by 4 p.m. (ET) on any business day take effect at the end of that day.
Fund Transfer or Reallocation of Existing Balances (Transfer)	Changes made by 4 p.m. (ET) on any business day take effect at the end of that day. Note: Redemption fees or frequency restrictions may also apply (see section on redemption fees, frequency restrictions and funds' prospectus).
Request a Statement	Statement as of the previous day will be mailed to your home within 3 business days.
Request a Loan	Loans requested by 4 p.m. (ET) Tuesday are updated on ACCESSBenefits by midnight (ET) and generally mailed out to your home address on that Friday. $1,000 minimum. $50 processing fee netted from your loan check.
Loan Payoffs and Rollovers-In	Loan payoff checks and rollover checks received and approved by Thursday at 4 p.m. (ET) will be updated on ACCESSBenefits by midnight (ET) Wednesday.
Request a Withdrawal or Final Distribution	Withdrawals ($1,000 minimum) and final distributions requested by 4 p.m. (ET) Tuesday are updated on ACCESSBenefits by midnight (ET) and generally mailed out to your home address on that Friday.
Quarterly Statements	Generally mailed 30 days after the end of the calendar quarter and available online.

Access To Your Account

The Employees' 401(k) Savings Plan is a long-term savings plan designed to encourage you to put away something for retirement, but you may have access to your account while you are still working through loans and withdrawals. However, to ensure that your account will be used primarily for retirement, the Internal Revenue Service has established rules regarding both loans and withdrawals. The rules affect how much you can borrow or withdraw from your account, the repayment of borrowed funds and the amount of tax you must pay on withdrawals.

BMO's trading window restrictions prohibit trading by certain individuals in securities of Bank of Montreal before and after the date BMO releases each of its quarterly earnings reports and in connection with other corporate events. See "Quarterly Trading Blackouts for Those Subject to BMO's Trading Window Restrictions" in this Summary Plan Description for more information on trading restrictions.

Loans

If you are considering using the money in your account while you are still working at the Company, taking out a loan may have more advantages than withdrawing money. This is because you are borrowing your own money and, therefore, the interest you pay is to yourself. Also, a loan preserves the tax-deferred status of your money, while withdrawals are taxed as ordinary income and may be subject to penalty taxes. Here's a summary of what you need to know about taking out a loan.

Loan Questions and Answers	
Who may borrow?	Active participants including employees on authorized leave of absence and those on long-term disability.
What money can I borrow from my account?	You may borrow money from your 401(k) before-tax and after-tax contributions, Company 401(k) matching contributions, rollover contributions and profit sharing contributions – plus any investment earnings on these contributions.
How much can I borrow?	You can borrow up to the lesser of (i) 50% of your account balance, or (ii) $50,000, reduced by the highest outstanding balance of your plan loans during the previous 12 months. This means that repaying an existing loan may not allow you to immediately take more money out of your account via a new loan request. For example, assume your account balance is $150,000 on January 1, 2013. You requested and received a loan on March 15, 2012 for $40,000. On January 1, 2013, you request a new loan, when the outstanding balance of your first loan is $15,000. The maximum amount of your second loan is $10,000, determined as follows: the lesser of (i) $75,000, or (ii) $50,000 minus $40,000 (*i.e*, the highest outstanding balance of your plan loans during the previous 12 months), which is $10,000. The minimum loan amount is $1,000. Note: A $50 loan processing fee is netted from your loan check.
Will I pay interest on the loan?	Yes. New loans are made at the prime rate, as published in The Wall Street Journal on the last business day of each month. The interest rate is locked in at the time of the loan request and remains fixed over the loan term.
Where do my loan repayments go?	Principal and interest repayments are credited to your account according to your current investment elections. Repayments are made through after-tax payroll deductions in equal installments. You can pay your full outstanding loan balance at the end of any month. Partial payments are not accepted.
How long do I have to repay the loan?	You choose the loan repayment schedule, which can be from 12 to 60 months. (Loan repayments are spread over whole months only.)

How many loans can I have at one time?	You can have up to two loans outstanding at any given time.
What if I leave the Company before paying back my loan?	If you terminate employment or retire and have an outstanding loan, you must repay the balance you owe within three months following the end of the month in which your termination occurs, or prior to requesting your final distribution. If you do not, the outstanding balance will be reported to the IRS as taxable income. To repay your loan in full, call ACCESSBenefits at 1-800-738-2323 or connect online to request a loan payoff form (see Contact Information).
How do I request a loan?	Call ACCESSBenefits at 1-800-738-2323 or connect online (see Contact Information) to get information on how much you have available to borrow or to model a loan. See "Requesting or Modeling a Loan."
When will I receive my loan?	When your request for a loan is made by the weekly cutoff date of 4 p.m. (ET) Tuesday, the check is generally mailed out to your home address on that Friday. You should allow 5 to 7 days for mail delivery.
What if I default on my loan?	If you cannot repay your loan and it goes into default, you will not be able to request another loan from the plan unless you repay your loan in full, including all accrued interest.
Can I pay off my loan after it goes into default?	If you pay off your loan after it goes into default, the taxable event cannot be reversed. Interest on a defaulted loan continues to accrue until the loan balance is fully repaid.

Order of Loans

When you take out a loan, it will be taken from your account proportionally from each investment option and deducted from your account in the following order:

1. 401(k) before-tax account
2. Qualified Non-elective Contribution (QNEC)*
3. Profit Sharing account
4. Company 401(k) match account
5. Rollover account
6. Post-1986 after-tax account
7. Pre-1987 after-tax account
8. Safe Harbor Company Match Account (Post 01/01/2002)

Note: Loans are repaid to your account in the reverse order.

*QNECs are Company contributions, other than elective contributions or Company matching contributions, that are 100% vested, have the same distribution rules as 401(k) deferrals and do not discriminate in favor of highly compensated employees. In some circumstances, the Company may contribute QNECs to the accounts of non-highly compensated employees in order to satisfy IRS requirements.

Requesting or Modeling a Loan

If you need a loan or are considering one, you can find out how much you have available to borrow by going online or calling ACCESSBenefits (see Contact Information). The loan modeling option lets you determine in advance what your repayment amounts will be. Just enter the amount you want to borrow and for how long.

Withdrawals

The IRS has rules that govern withdrawals and how they are taxed. In general, the amount you can withdraw from your account depends on the type of contributions and your age. The minimum amount you can withdraw is $1,000. The rules that govern each type of withdrawal are described below. If you have an outstanding loan at the time of withdrawal, that portion of any after-tax and/or before-tax contributions used to fund the loan will not be available for withdrawal. Former employees and beneficiaries with an account balance can also request withdrawals from the plan.

Certain IRS rules and limits apply to in-service withdrawals. Also, any monies not already taxed, such as investment earnings, rollover deposits, 401(k) before-tax contributions, Company matching contributions and profit sharing contributions, are subject to income taxes. In-service withdrawals may also be subject to an additional 10% early-withdrawal penalty imposed by the IRS, unless you roll them over to an Individual Retirement Account (IRA) or another qualified plan.

The Plan Allows Three Types of Withdrawals	
Withdrawal of After-Tax Contributions made before January 1, 2002	After-tax contributions were discontinued effective as of January 1, 2002. Any after-tax money contributed before that date remains in your account. You can request a withdrawal of your after-tax contributions at any time. When you withdraw any portion of your after-tax contributions made after December 31, 1986, you must also withdraw a portion of the investment earnings on those contributions. Income taxes and an additional 10% penalty tax may apply to your withdrawal, unless it is rolled over. You may roll over your after-tax contributions to an IRA or another qualified plan that accepts this type of rollover.
Regular Withdrawals	Your after-tax and rollover contributions (plus earnings) are available for withdrawal at any time. Your pre-2002 Company 401(k) matching contributions, QNEC contributions, and Company profit sharing contributions plus the earnings thereon are eligible for withdrawal after these contributions have been in your account for two years. Income taxes and an additional 10% penalty tax may apply. If you are age 59½ or older, you can withdraw your entire account balance for any reason. Except for any after-tax contributions, these withdrawals are taxed as ordinary income (unless you roll over the taxable portion), though the 10% early-withdrawal penalty tax does not apply.

Hardship Withdrawals	If you have not attained age 59-1/2, you may withdraw all or a portion of your 401(k) before-tax contributions made after 2001 (but no earnings thereon), but only if you have exhausted all other available withdrawals and loans and the Plan Administrator determines that such withdrawal is necessary to meet an immediate and heavy financial need. An immediate and heavy financial need means one of the following hardships: ▪ significant medical expenses incurred by you, your spouse, your dependents, or your designated primary beneficiary under the plan that are not covered by insurance; ▪ ▪ the purchase of your principal residence (excluding mortgage payments); ▪ tuition and related education-related fees for the next 12 months of post-secondary education for you, your spouse, your children, your dependents, or your designated primary beneficiary under the plan; ▪ the need to prevent your eviction from or foreclosure on your principal place of residence; ▪ burial or funeral expenses for your parent, your spouse, children, your dependents, or your designated primary beneficiary under the plan; and ▪ payments to repair damage to your principal residence that would qualify for a casualty loss deduction. You will be required to submit documentation of the hardship. All hardship requests must be approved by ACCESSBenefits. You can request a hardship withdrawal form at ACCESSBenefits or by calling 1-800-738-2323. If ACCESSBenefits determines that an immediate and heavy financial need exists, you must certify, in writing, that you cannot reasonably obtain the funds by one of the following: (i) reimbursement or compensation by insurance, (ii) reasonable liquidation of your assets (unless the liquidation would create a hardship), (iii) cessation of your 401(k) before-tax contributions, (iv) other plan distributions or loans, or (v) loans from commercial resources on reasonable terms. You may not withdraw an amount greater than necessary to satisfy the immediate financial need, plus any income taxes or penalties that may result from the withdrawal. Following receipt of a hardship withdrawal, you are prohibited from making 401(k) before-tax contributions and receiving matching contributions under this plan and all other plans maintained by the company for the next six months. Your contributions will automatically begin again, at the same contribution level, after expiration of the six-month suspension period. Your hardship withdrawal is subject to federal income taxes. If you are under age 59-1/2, the amount you take out of the plan as a hardship distribution will be subject to a 10% penalty tax, in addition to regular income taxes. A hardship withdrawal cannot be rolled over to an IRA or another qualified plan.

Order of Withdrawals

Withdrawals are made from your account proportionally from each investment option and deducted from your account in the following order:

1. Pre-1987 after-tax contributions
2. Post-1986 after-tax contributions, plus earnings
3. Pre-1987 after-tax earnings
4. Rollover deposits, plus earnings
5. Pre-2002 Company 401(k) matching contributions, plus earnings
6. Company profit sharing contributions, plus earnings
7. Post-2001 Company 401(k) matching contributions, plus earnings (only if age 59½ or older)

8. Qualified Non-elective Contribution (QNEC)*
9. 401(k) before-tax contributions plus earnings (only if age 59½ or older)
10. IRA contributions plus earnings (only if age 59½ or older)

*QNECs are Company contributions, other than elective contributions or Company matching contributions, that are 100% vested, have the same distribution rules as 401(k) deferrals and do not discriminate in favor of highly compensated employees. In some circumstances, the Company may contribute QNECs to the accounts of non-highly compensated employees in order to satisfy IRS requirements.

Final Distributions

You are eligible for payment of the full value of your account if:

- You retire at age 55 or older,
- You terminate employment for any reason before age 55, or
- You die while actively employed (in this case, the full value of your account is transferred and payable to your beneficiary).

Accounts of $1,000 or Less

If the value of your account is $1,000 or less when your employment ends, your account will automatically be paid as a single lump sum. Payment will generally be made within 90 days following the end of the month in which your termination occurs. You can receive payment sooner if you request a final distribution through ACCESSBenefits online or by phone. (See "Timing of Loans, Withdrawals and Distributions.")

Accounts Over $1,000

If the value of your account exceeds $1,000, to receive your account distribution you must request a final distribution through ACCESSBenefits online or by phone (see Contact Information).

Note

At the end of each calendar year, any distribution checks that are not cashed after two years from the date issued will be used to offset plan expenses. However, even if this offset occurs, a participant may later claim payment at any time and receive the full distribution (without interest).

BMO Stock Fund

If you are invested in the BMO Stock Fund, you may request the value of this fund be paid to you in either cash or BMO stock. Fractional shares will be paid in cash.

Outstanding Loans

If you have an outstanding loan, you must repay the balance within three months following the end of the month in which your termination occurs and before you request a final distribution from the plan. If you do not repay the loan, the loan will be defaulted in the month following the three-month period. For example, if you terminate employment with the company on October 15, 2013, your loan will default on January 31, 2014. The loan default will be reported as taxable income in the year of default distribution. You may not request another loan while you have an unpaid, defaulted loan balance. To repay your loan, please contact ACCESSBenefits at 1-800-738-2323 or connect online (see Contact Information) to request a loan payoff form.

Timing of Loans, Withdrawals and Final Distributions

The cutoff to request a loan, withdrawal or final distribution is 4 p.m. (ET) each Tuesday. Your check will generally be mailed out to your home address by that Friday. You should allow 5-7 days for mail delivery.

Note

You may request both a loan and a withdrawal during the same week processing cycle. Your loan will be processed first, then the withdrawal. If, after your loan is processed, the full amount of the withdrawal request is not available, the withdrawal will be for the maximum amount available (minimum of $1,000).

If You Leave Your Savings in the Plan

If the value of your account was more than $1,000, you may leave your savings in the plan until the earlier of age 70½ or death. If you are under age 55 when you terminate from the Company, a distribution in a lump sum must be made in the year you reach age 70½. However, if you are 55 or older, you can elect partial withdrawals or a series of installment payments.

If You Die While Employed by the Company

If you die while an active employee, your entire account balance (including any outstanding loan balance) will be transferred to your beneficiary. If you are married, your account balance will be transferred to your spouse, unless you have designated another beneficiary and your spouse has consented in writing to this designation. (See "Naming Your Beneficiary.") Your spouse or beneficiary is eligible for payment of the full value of your account. (See "Final Distributions.") If you do not designate a beneficiary, payment will be made to your spouse or, if you are unmarried, to your estate.

In accordance with IRS rules, if a non-spouse beneficiary does not elect a distribution by the 5th anniversary of the date of death of the employee, the distribution will be paid to the non-spouse beneficiary automatically in the form of a lump sum, less applicable federal income tax withholding.

Your Payment Options

The payment options available to you depend on your age and the reason your employment ends. Keep in mind, the choices you make will affect the amount of tax you owe (see "Important Tax Information").

Lump Sum

You may choose this form of payment regardless of your age when your employment with the Company ends. Distribution of your account balance will be made as a single, lump-sum payment.

Installments

You may elect this form of payment if you leave at age 55 or older. Installment payments are made annually and paid over a specified number of years, either over your life only or the life of you and your designated beneficiary. If you die with a benefit in the plan, your beneficiary can choose to elect installment payments.

Partial Withdrawals

Once your employment with the Company ends, you have the option of taking a partial withdrawal from your account. If you die with a benefit in the plan, your beneficiary can also choose a partial withdrawal. In any case, partial withdrawals are subject to a $1,000 minimum.

Other Investment Information

Important Information About the BMO Stock Fund

The BMO Stock Fund allows you to invest in BMO stock. Whenever you direct contributions to the BMO Stock Fund – 401(k) before-tax contributions, Company matching and rollover deposits – your contributions are used to buy stock on the New York Stock Exchange (NYSE) at the close of business. Any transfers or the reinvestment of existing balances to this option are also used to buy BMO stock, as discussed below.

This option is invested in BMO stock with approximately 1% to 2% held in the EB Temporary Investment Fund for daily liquidity purposes. The rate of return on investments in this option will fluctuate with changes in the market value of BMO stock. As you no doubt know, every investment carries with it an element of risk. The BMO Stock Fund is no exception. How this fund has performed in the past is no guarantee of future performance.

To obtain print copies of the Bank of Montreal annual report, (the annual report relating to the plan as filed with the SEC on Form 11-K, or with the U.S. Department of Labor), or any of the other documents filed or to be filed with the SEC that are or will be incorporated by reference into the Registration Statement on Form S-8 relating to the plan, without charge, contact:

Corporate Communications Department
BMO Financial Group, 28^{th} Floor
1 First Canadian Place
Toronto, ON M5X 1A1

Dividends

Any dividends stay in the plan and are automatically reinvested in the BMO Stock Fund. Dividends are tax deferred until you receive a distribution from the plan.

A U.S. citizen or resident holding Canadian stock is normally subject to Canadian withholding tax of 15% on all dividend payments. However, since the option is an investment option of the Employees' 401(k) Savings Plan, it has received a special tax exemption from Revenue Canada and is exempt from the 15% withholding on dividends paid and reinvested in the option. This exemption will no longer apply should your employment end and you request distribution of Bank of Montreal Common Shares. If you keep the Common Shares, this automatic 15% tax will be withheld whenever a dividend is subsequently paid.

Voting Your Shares

As a participant, you are a named fiduciary under Section 403(a)(1) of the Employee Retirement Income Security Acts of 1974 (ERISA) with respect to voting and Common Shares. This means you are entitled to instruct the trustee on how to vote the Bank of Montreal Common Shares of stock in your account. Before each shareholders meeting, you will receive materials explaining any issues that are under consideration on which the shareholders must vote. You will also receive a proxy card and voting instructions. You can direct the trustee of the plan how to vote for you by filling out and returning the proxy card by the specified date. The way you vote is kept confidential and may not be disclosed by the trustee. The trustee will vote shares held for your account according to your instructions. The trustee will also vote shares held for participants' accounts for which no instructions are received and shares not yet allocated to participants' accounts, in the same proportion as it votes for those shares for which participants actually provide instructions.

Tender Offers

In general, tender or exchange offers are requests to purchase your stock in an acquisition or merger. In the event of a tender offer, you are entitled to direct the trustee on how to respond to a requested tender or exchange for the Bank of Montreal Common Shares allocated to your account. The trustee will not tender shares in any account for which no instructions are received or for which the participant instructs the trustee not to tender. The trustee will tender unallocated shares only in a proportion that reflects the overall number of shares directed to be tendered in relation to the total of a) all shares for which instructions are received, and b) shares for which no instructions are received.

Certain Safeguards Apply

If you request account transactions that involve the Bank of Montreal Common Shares Option, such as changes to your contribution amount(s), investment of future contributions and/or transfer of your existing account balances, it is important that you are not in possession of material information about the Bank of Montreal that has not been made publicly available. If you are uncertain whether you have such information, or do not know the trading window requirements, contact BMO Corporate Compliance at 1-416-359-6841.

Additional Information Related to Investment Options

The Employees' 401(k) Savings Plan is intended to qualify as a participant-directed account plan under Section 404(c) of ERISA, which means you are responsible for your investment decisions under the plan. Under Section 404(c) of ERISA, the Company, the Benefits Administration Committee, the Investment Committee, the trustee, and any other plan fiduciaries are relieved of liability for any losses which result from you exercising your investment decisions.

An investment option's yield and return will vary. An investment option's value will also vary and your account may have a gain or loss when you transfer between investment options. Past performance does not guarantee future results.

The Company makes absolutely no guarantees or assurances regarding the performance of any investment option. The value of your plan account will ultimately be determined by the investment results of the investment option or options in which your account has been invested. The value of your account is not protected against loss. No employee, officer or agent of the Company has authority to make any statement or give any assurances inconsistent with this notice.

The Investment Committee may place restrictions on your investment elections to prevent harm to other participants, to prevent abusive trading practices, or to comply with the terms relating to any investments (including but not limited to prospectuses). The Investment Committee may establish rules pursuant to which additional fees may be imposed upon you due to your trading activity in an investment fund, and may have the fees paid to a service provider, an investment fund or the Plan. You will be notified whenever the Investment Committee establishes such rules, which may apply prospectively or retroactively.

In particular, it is the policy of the Investment Committee to discourage and, when possible, to eliminate market timing in any mutual fund investments available as options of the Employees' 401(k) Savings Plan. The Company and the Investment Committee may monitor the trading activity of plan participants to ensure that the prospectus requirements against those engaging in improper frequent trading are enforced. Engaging in any frequent trading activity that violates prospectus requirements is prohibited. Failure to comply with this requirement will be reported to senior management and will be subject to appropriate corrective action, up to and including termination. The Investment Committee has further authority to impose restrictions on trading by plan participants. Specifically, if the Investment Committee (or any two members) determines that any participant has engaged in frequent trading, it may impose any restriction it deems appropriate, including a prohibition on trading, for a period the Committee deems appropriate to each case. If the issuer of shares of any mutual fund that is an investment option under the plan determines that frequent trading has occurred, the Investment Committee will impose trading restrictions on that participant's account. Although, the Investment Committee is not obligated to do so, it may, prior to imposing trading restrictions, escalate for clarification the issuer's determination. The Investment Committee's determination of what constitutes frequent trading will not be subject to "hard-and-fast" rules. As it makes such determinations, it intends to communicate periodically to participants' information about patterns it has identified as objectionable. However, you should be aware that even if a fund's prospectus sets forth trading rules which impose a redemption fee on short-term trades, *this does not constitute a license to trade frequently in the plan*, even if the fund assesses and you pay a redemption fee.

The plan is intended for long-term investment, not for the execution of short- or medium-term trading strategy.

There is a 30-day transfer/reallocation frequency restriction in place for some of the plan's investment funds. The fund's manager prohibits you from selling then buying shares within a rolling 30-day period. This means that if you transfer or reallocate amounts out of a fund with a frequency limit, you will be restricted from transferring or reallocating back into that fund for 30-calendar days, based on your last transfer-out date. The plan funds affected by this frequency restriction are the Government Money Market Fund and the High Yield Bond Fund.

The Investment Committee may establish rules pursuant to which an additional fee may be imposed upon you due to your trading activity in an investment fund, and may have the fee paid to a service provider or an investment fund. Whenever the Investment Committee establishes such rules, you will be notified, and the rules will apply only prospectively.

How to Get More Information

You can obtain additional information online as follows:

Online	Go to http://www.myaccessbenefits.com and click on 401(k) Savings under My Accounts. Note: Access to personal account information requires Internet access.
By Phone	Call 1-800-738-2323

Important Tax Information

Before you receive a distribution from the plan, you should understand which tax rules apply to your payment. When you request a withdrawal or a final distribution from the plan, you will receive a document entitled "Special Tax Notice." You are required to read this notice prior to receiving your distribution from or withdrawal from the plan. The choices you make will affect the amount of tax you owe. Following is a summary of tax information regarding distributions. However, tax laws are complex and subject to change. The tax treatment of payments also can vary from person to person, depending on the reason for payment and the recipient's age. We strongly recommend you consult a tax expert before making a withdrawal or receiving a distribution from the plan.

Important Tax Information

Taxes Upon Distribution

You have two choices for a lump sum distribution. You may elect to have your account balance:

- Directly rolled over to an IRA or another employer's qualified plan, 457, 403(a) or 403(b) plan; or
- Paid to you.

If You Choose a Direct Rollover:

You or your beneficiary (spouse or non-spouse) may roll over all or part of the taxable portion or non-taxable portion of your distribution directly to a traditional IRA, Roth IRA (if you qualify), or another employer's qualified plan, a 457, 403(a) or 403(b) plan -- in which case you continue to defer paying taxes on the taxable portion you roll over. Your payment will be taxed when you withdraw it from the subsequent plan or IRA.

If You Choose to Have Plan Benefits Paid to You:

You will receive only 80% of the benefit because the Company is required to withhold 20% of the taxable amount and send it to the IRS to be credited against your taxes.

Your payment will be taxed in the year you receive it unless you roll it over within 60 days after you receive it. You may be able to use special tax rules that could reduce the tax you owe. However, if you receive payment before age 59½ (age 55 if the distribution is because of your termination of employment), you may also have to pay an additional 10% penalty tax.

If you want to roll over 100% of your benefit to an IRA or qualified employer plan after you receive it, you must come up with other money to replace the 20% that was withheld. If you roll over only the 80% received, you will be taxed on the 20% that was not rolled over.

Installment distributions over a period of at least 10 years are not eligible to be rolled over to an IRA, employer plan, 457, 403(a) or 403(b) plan, but they are not subject to the mandatory 20% federal income tax withholding.

The BMO Stock Fund – Distribution Options and Tax Consequences

There are special rules that apply to payments that include shares of BMO stock. When you terminate employment, you can receive a distribution from the BMO Stock Fund either in cash or in Common Shares. The payment options and the tax consequences of your election follow. However, you should consult a tax expert or financial advisor before receiving a distribution.

If You Receive a Cash Distribution

The cash value of your BMO stock will be determined as of a plan valuation date. The distribution will be taxed in the manner described in the "Taxes Upon Distribution" section.

If You Roll Over a Distribution in the Form of Whole Shares of Bank of Montreal Common Shares
If you elect to receive a distribution of whole Bank of Montreal Common Shares (the value of any fractional share will be distributed in cash) and directly roll it over to an IRA or other employer's qualified plan, your distribution will not be taxed to you until you take it out of the IRA or other qualified plan. However, you may lose the special tax treatment for employer stock described below. It is your responsibility to ensure that the rollover institution will accept a rollover of Bank of Montreal Common Shares. If the rollover is rejected, a share certificate will be issued in your name.

If You Keep a Distribution in the Form of Bank of Montreal Common Shares
If you receive a distribution of Bank of Montreal Common Shares and retain the shares (that is, you do not directly roll over the shares to an IRA or qualified plan), you will be taxed only on the "cost basis" of those shares to the plan, and not on their current value. When you subsequently sell the shares, the difference between the sales proceeds and this cost basis will be taxed to you as a capital gain. If you are under age 55, the 10% early distribution penalty tax will also apply. The mandatory 20% federal income tax withholding rules apply to a distribution of Bank of Montreal Common Shares. However, this amount may only be withheld from cash that you receive from the plan and do not directly roll over to an IRA or other qualified plan.

Surviving Spouses, Alternate Payees and Other Beneficiaries
The rollover rules also apply to payments to surviving spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the plan results from a Qualified Domestic Relations Order (QDRO). Surviving spouses, including spouses who are alternate payees, are eligible to roll over their distributions to an IRA, other qualified plan, 457, 403(a) or 403(b) plan. No other beneficiaries are eligible to roll over their payments. The elective withholding rules apply to distributions to other beneficiaries.

Other Plan Provisions

Alternate Payees and Qualified Domestic Relations Orders (QDROs)

A Qualified Domestic Relations Order (QDRO) is a court order, judgment or decree in connection with alimony, marital property rights or child support requirements. If a QDRO is entered with respect to your benefits, which complies with the Retirement Equity Act of 1984, the Company will recognize the Order and make payments to the alternate payee (spouse, former spouse, child or other dependent) as specified in the Qualified Domestic Relations Order. The amount payable to you will be adjusted for the amounts payable to the alternate payee. A participant may request a copy of the plan's QDRO procedures without charge.

A QDRO as described above is a judgment, decree or order, made in accordance with domestic relations law and subject to provisions under federal law, that requires the plan administrator to pay all or a portion of your benefit to a spouse, former spouse or dependent. With the exception of a QDRO, your benefit from the plan generally cannot be assigned to anyone else. A court may issue a Domestic Relations Order (DRO) under state domestic relations law directing the plan administrator to pay all or a portion of your plan benefit to an alternate payee.

The plan administrator has hired a third party expert to review DROs and advise it if they meet the requirements of a QDRO. All inquiries about QDROs should be directed to:

QDRO Administration
Mercer
400 West Market Street, Suite 700
Louisville, Kentucky 40202

You may call 1-888-598-7260 to speak with a representative or request governing procedures, which are provided without charge. Alternatively, you may email your questions or request governing procedures at QDRO@mercer.com.

QDRO Administration will provide you with a packet of information that contains the plan's procedures for reviewing DROs as well as sample forms that your attorney can use to prepare an order for the court to sign.

Administrative Information

The Summary Plan Description explains major features of the Employees' 401(k) Savings Plan in everyday language but may not contain all the details. Benefits are determined based on the official plan documents, which you can see upon request to Human Resources as described under Access to Information.

Your Rights Under ERISA

As a participant in the Bank of Montreal/Harris Employees' 401(k) Savings Plan, you are guaranteed certain rights and protections under ERISA. Your rights are presented here as required by law. Also included is certain information you should know about the plans and their administration.

Access to Information

You may read all plan documents, including the official plan documents, trust agreements and annual financial reports that are filed with the U.S. Department of Labor. You automatically will receive summaries of the plan's annual financial reports.

You may examine any of the plan documents, without charge, at the office of the plan administrator. If you would like a copy of any of them for yourself, you may obtain one at up to $.25 per page by writing to the plan administrator.

Statements

Although you will be kept up-to-date through quarterly statements of your Employees' 401(k) Savings Plan activity and may request this information through ACCESSBenefits (see Contact Information), you may obtain once a year, upon written request and at no charge, a statement of your account balances with the Employees' 401(k) Savings Plan.

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.

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.

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 a plan and the claim is denied, 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 state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in 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 your court costs and legal fees. However, if you lose, for example, and the court decides your claim is frivolous, you will have to pay those costs and fees yourself. These costs can be considerable. The plan administrators must take any legal action necessary to protect their plan and participants against frivolous suits.

If any judicial proceeding is undertaken to appeal the denial of a claim or bring any other action under Section 502 of ERISA other than a breach of fiduciary duty claim, the evidence presented will be strictly limited to the evidence timely presented to the Benefits Administration Committee. In addition, any such judicial procedure must be filed within 6 months after the Committee's final decision.

If you have any questions about this statement or about your rights under ERISA, you can contact the nearest office of Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication's hotline at 1-866-444-3272.

Plan Administration

The BMO Harris Bank N.A. Benefits Administration Committee administers the plan. As plan administrator, the Committee formulates and carries out all rules necessary to operate the plan. The Committee makes decisions regarding the interpretation or application of plan provisions and determines all questions as to the rights, benefits and eligibility of employees, participants and beneficiaries. The Committee has full authority to act in its discretion when carrying out the provisions of the plan. Any decision made by the Committee in good faith is final and binding on all parties.

Claims Procedures

If you or your beneficiary files a claim for benefits under a plan, such a claim must be in writing and filed with the plan administrator. If a claim is denied, the plan administrator, within a reasonable time after it receives the claim, will furnish the claimant with written notice of its decision, setting forth the specific reasons for the denial, references to the plan provisions on which the denial is based, additional information necessary to perfect the claim, if any, and a description of the procedure for review of the denial.

A claimant (or his or her duly authorized representative) may request a review of the denial of a claim for benefits by filing a written application with the plan administrator within 60 days after he receives such notice of the denial. Such a claimant is entitled to review pertinent plan documents and submit written issues and comments to the plan administrator. The plan administrator, within a reasonable time after it receives a request for review, will furnish the claimant with written notice of its decision, setting forth the specific reasons for the decision and references to the pertinent plan provision on which the decision is based.

The plan administrator's decision on all claims and appeals is final and binding, and benefits will be paid only if the plan administrator determines, in its discretion, that a participant or beneficiary is entitled to them. *You may not file a lawsuit in federal court to enforce your rights under the plan until you have exercised, and exhausted, all administrative claim and appeal rights described in the plan and this Summary Plan Description, and then, further legal action, if any, must be filed in a court of law no later than six months after the plan administrator's final decision regarding the claim.*

Benefits Not Insured

Unlike the Retirement Plan, benefits under the Employees' 401(k) Savings Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC). The Company, the Benefits Administration Committee, the Investment Committee, the trustee, and other plan fiduciaries are relieved of liability for any losses which result from you exercising your investment decisions.

Miscellaneous

Your benefits under the plans are not assignable (except pursuant to a Qualified Domestic Relations Order), nor can you pledge your benefits as security for a loan.

The Company expects and intends that the plan will continue indefinitely. However, the Company has reserved the right to amend or terminate the plan at any time. An unlimited number of shares of BMO common stock may be offered pursuant to the plan.

The previous sections summarize the main features of the Employees' 401(k) Savings Plan of Bank of Montreal/Harris. This summary has been written in everyday language, but the plan is governed by an official plan document and trust agreement. This Summary Plan Description does not supersede or modify the plan or trust in any way. Should there be any unintended inconsistency between this summary and the plan or trust, the terms of the plan document and trust agreement must govern, and no benefits shall exist under this plan summary unless such benefits exist under the terms of the plan and trust.

Administrative Facts

Plan Name

Employees' 401(k) Savings Plan of Bank of Montreal/Harris

Plan Number

001

Type of Plan

Defined contribution

Administration

Trust

Funding

Employee and employer contributions

Employer Identification/Number of Plan Sponsor

36-2085229

Plan Sponsor

BMO Harris Bank N.A.

Plan Administrator

Benefits Administration Committee

The plan sponsor and plan administrator can be contacted at:

BMO Harris Bank N.A.
Benefits Administration Committee
Benefits Planning
111 West Monroe Street, 7W
Chicago, IL 60603

Human Resources Centre (HRC): 1-888-927-7700

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. Legal process may also be served upon the Trustee.

Trustee
BNY Mellon
One Mellon Center, Suite 1315
Pittsburgh, PA 15258-0001

Recordkeeper
Xerox
BMO Financial Group U.S. Service Center
P.O. Box 199725
Dallas, TX 75219-9786

Plan Year
The 12-month period beginning January 1 and ending the following December 31.

How to Get More Information
If you need additional information or have any questions about your plan benefits or your rights under the law, call the Human Resources Centre at 1-888-927-7700.

While this Summary Plan Description summarizes the major provisions of this plan, it does not provide you with every plan detail. The plan documents, which govern this plan, provide full details. If there are any discrepancies between this Summary Plan Description and the legal plan documents, the plan documents rule.