

Bank of Montreal Solactive Equal Weight Canada Banks 5% AR Index Autocallable Principal Protected Deposit Notes, Series 116



3 Year Term



Annual AutoCall Feature
105% AutoCall Level



AutoCall Coupon: **6.00% p.a.**



100% Principal Protected if held to Maturity

Investment Highlights

AutoCall Feature: The Deposit Notes will be automatically called by Bank of Montreal if the Closing Level is equal to or above the AutoCall Level on any Valuation Date.

Fixed Return in Year 1: 6.00%; Year 2: 12.00%; Year 3: 18.00% (or an annualized return of 6.00%, 5.83%, and 5.67% respectively).

AutoCall Level: 105% of the initial Level, triggering the Deposit Notes to be automatically called by Bank of Montreal if the Closing Level is equal to or above the AutoCall Level on any Valuation Date.

Fundserv: JHN3032

Available until March 3, 2023

www.bmonotes.com

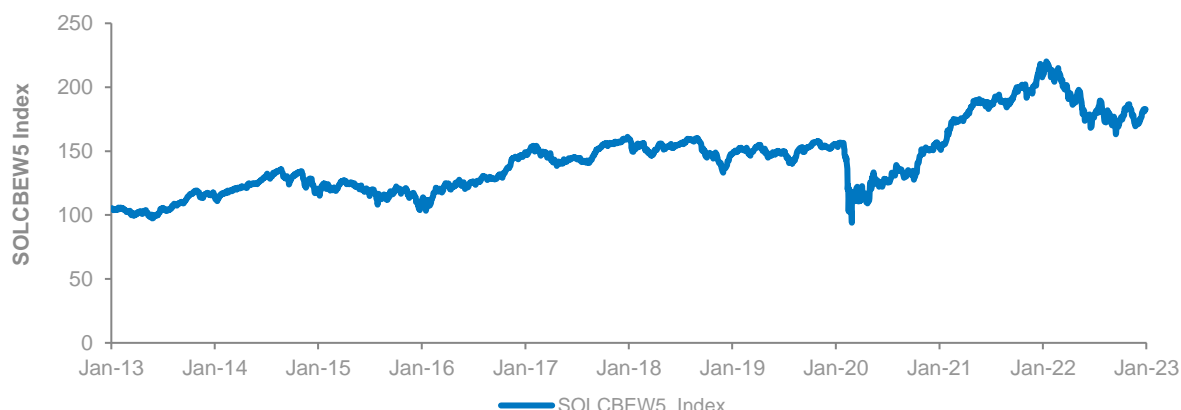
The Index

The Solactive Equal Weight Canada Banks 5% AR Index ("Index") aims to track the gross total return performance of the Solactive Equal Weight Canada Banks Index (the "Underlying Index"), calculated in CAD, subject to an adjusted return factor of 5.00% per annum (the "Adjusted Return Factor"). The Underlying Index is a gross total return index that reflects the price return of its constituent securities and the reinvestment of all dividends and distributions paid in respect of such securities (without deduction of any withholding tax or other amounts to which an investor holding the constituent securities of the Underlying Index would typically be exposed) across all the constituent securities of the Underlying Index.

Index	Solactive Equal Weight Canada Banks 5% AR Index
Ticker	SOLCBEW5 Index
Underlying Index	Solactive Equal Weight Canada Banks Index
Index Type	Adjusted Return
Index Currency	CAD
Dividends	Reinvested

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Historical Performance of Solactive Equal Weight Canada Banks 5% AR Index



Source: Bloomberg as of January 25, 2023.

Note: The Index and the Underlying Index have limited performance histories. The Index and the Underlying Index were first published on May 18, 2020 and August 25, 2017, respectively. Accordingly, there is negligible trading history for the Index and limited trading history of the Underlying Index. Levels of the Index published for a period prior to the May 18, 2020 (the "Launch Date") have been back-tested. Past performance of the Index is not indicative of future performance.

Underlying Index

The Underlying Index is an equally-weighted free-float market capitalization index of common stock of Canadian issuers primarily listed on the Toronto Stock Exchange that are classified by the Index Sponsor as "Major Banks" or "Regional Banks". The issuers included in the Underlying Index must have a minimum free-float market capitalization of \$10 billion for new index members and \$5 billion for current index members and such issuers must have a minimum average daily trading value of \$10 million, as calculated by the Index Sponsor. The Underlying Index is a gross total return index that seeks to replicate the overall return from holding a portfolio consisting of the constituent securities of the Underlying Index, including any dividends and distributions paid in respect of such securities, without deduction of any withholding tax or other amounts to which an investor holding the constituent securities of the Underlying Index would typically be exposed. For the calculation of the level of the Underlying Index, any dividends or other distributions paid on the constituent securities of the Underlying Index are reinvested across all the constituent securities of the Underlying Index. The Underlying Index is a gross total return index that reflects the price return of its constituent securities and the reinvestment of all dividends and distributions paid in respect of such securities (without deduction of any withholding tax or other amounts to which an investor holding the constituent securities of the Underlying Index would typically be exposed) across all the constituent securities of the Underlying Index.

The following table sets forth the top companies that comprise the Underlying Index as of January 31, 2023.

Company	Weight
National Bank of Canada	17.64%
Royal Bank of Canada	17.23%
Bank of Montreal	16.98%
The Toronto-Dominion Bank	16.89%
The Bank of Nova Scotia	15.87%
Canadian Imperial Bank of Commerce	15.38%

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Performance as of January 31, 2023

	30 days	90 days	180 days	360 days
Solactive Equal Weight Canada Banks 5% AR Index	8.67%	6.36%	3.24%	-14.13%

Return Examples

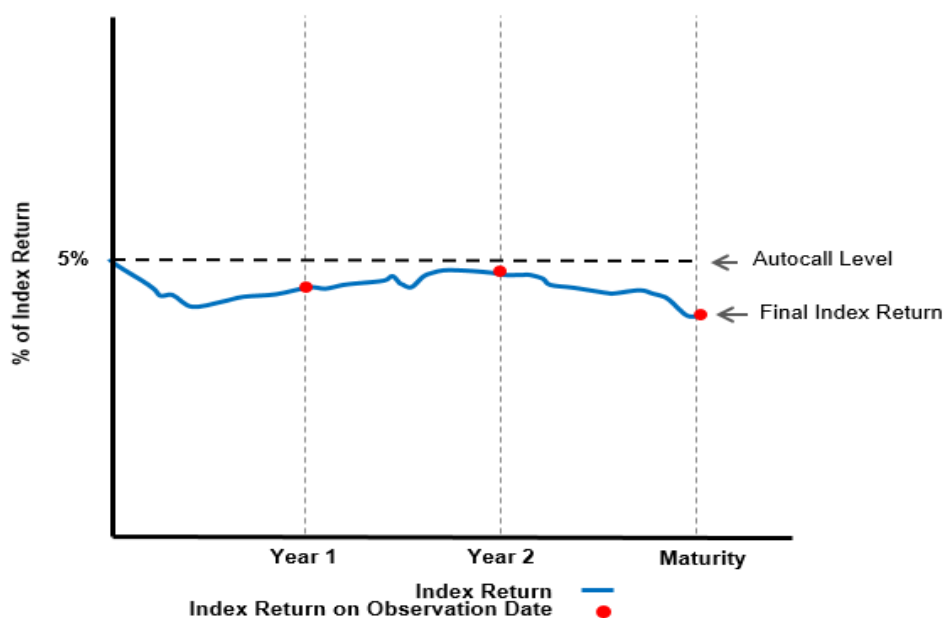
The return examples below are provided for illustration purposes only. These examples assume that a Holder has purchased a Deposit Note with an aggregate principal amount of \$100.00, that a Holder holds the Deposit Notes until the Deposit Notes are automatically called or until Maturity if the Deposit Notes are not automatically called and that no Extraordinary Event has occurred during the term of the Deposit Notes. The three scenarios are hypothetical and are not estimates or forecasts of expected changes in the Closing Price of the Securities from the Closing Date to and including the Final Valuation Date.

Scenario 1: Negative Scenario

- AutoCall Level = 5%

- The Closing Level is below the AutoCall Level on all Valuation Dates during the term of the Deposit Notes so the Deposit Notes are not automatically called by Bank of Montreal and no Variable Return is paid.

Example 1: Negative Return Example



Observation Date	Index Return	Fixed Return	Excess Return
Issue Date			
1	-7.29%	\$0.00	N/A
2	-1.70%	\$0.00	N/A
3	-8.90%	\$0.00	N/A
Maturity Payment		\$100.00	

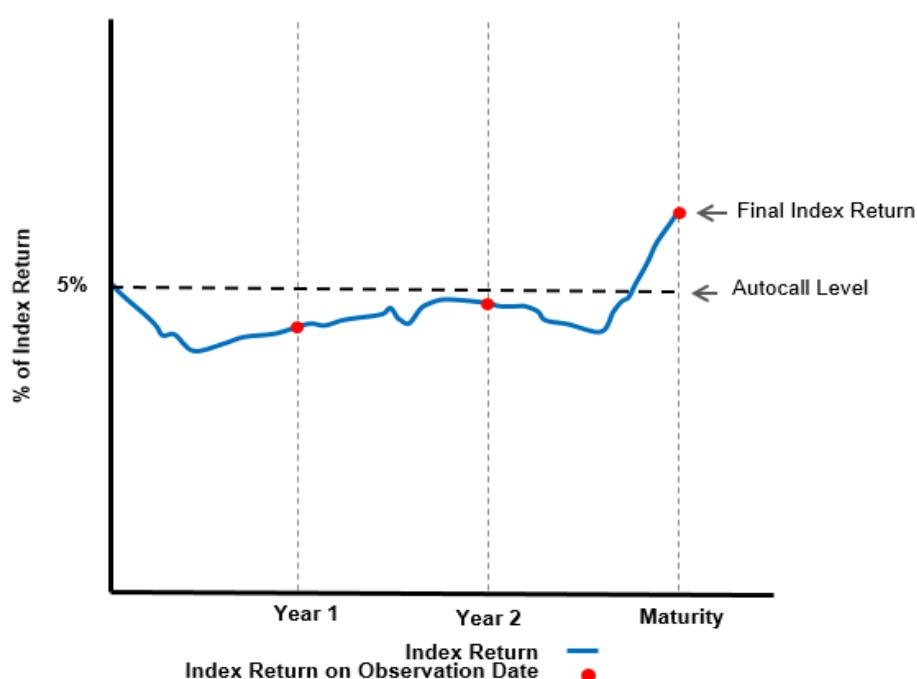
In this hypothetical scenario, the Closing Level is below the AutoCall Level on each Valuation Date, so the Deposit Notes are not automatically called by Bank of Montreal and a Holder would receive no Fixed Return. In addition, since the Closing Level on the Final Valuation Date is below the AutoCall Level, the Index Return is negative and a Holder would receive no Variable Return at Maturity. However, a Holder would receive a Maturity Payment equal to \$100.00 per Deposit Note, which is 100% of the Deposit Amount.

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Scenario 2: Positive Scenario – Notes Called At Maturity

- **AutoCall Level = 5%**
 - The Closing Level is below the AutoCall Level on all Valuation Dates, but the Closing Level subsequently increases and the Final Level is above the AutoCall Level.

Example 2: Positive Return Example



Observation Date	Index Return	Fixed Return	Excess Return
Issue Date			
1	-8.79%	\$0.00	N/A
2	-9.60%	\$0.00	N/A
3	9.26%	\$18.00	N/A
Maturity Payment		\$118.00	

In this hypothetical scenario, the Closing Level is below the AutoCall Level on each Valuation Date, so the Deposit Notes would not be automatically called by Bank of Montreal. Since the Closing Level is above the AutoCall Level on the Final Valuation Date, the Index Return is positive and at Maturity, a Holder will receive the Deposit Amount, plus the applicable Variable Return. The Maturity Payment will be calculated as follows:

$$\begin{aligned}
 \text{Variable Return} &= \text{Deposit Amount} \times (\text{Fixed Return} + \text{Excess Return}) \\
 &= \$100.00 \times (18.00\% + 0.00\%) \\
 &= \$18.00 \text{ per Deposit Note}
 \end{aligned}$$

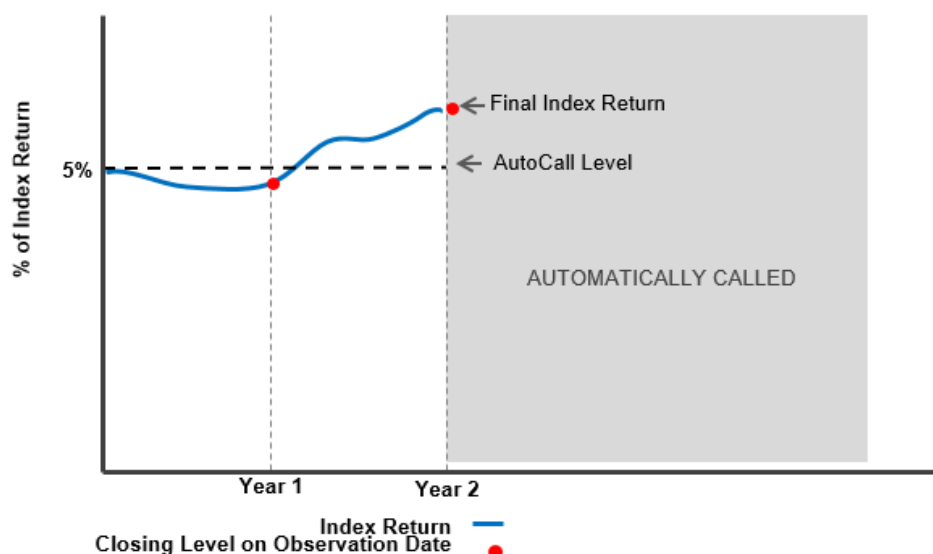
A Holder would receive a Maturity Payment of \$118.00 per Deposit Note on the Maturity Date (or an annualized return of 5.67%). An Index Return of 9.26% is less than the Fixed Return on the Final Valuation Date, so there is no Excess Return reflected in the Variable Return payable on the Call Date.

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Scenario 3: Deposit Note Automatically Called

- AutoCall Level = 5%

- The Closing Level is below the AutoCall Level on the first Valuation Date and then recovers so that the Closing Level is above the AutoCall Level on the second Valuation Date.



Observation Date	Index Return	Fixed Return	Excess Return
Issue Date			
1	-3.79%	\$0.00	N/A
2	15.48%	\$12.00	$(\text{Index Return} - 12\%) \times 5\% = 0.17\%$
3	Automatically Called		
4			
5			
6			
7			
Maturity Payment		\$112.17	

In this hypothetical scenario, the Closing Level is above the AutoCall Level on the second Valuation Date, resulting in the Deposit Notes being automatically called by Bank of Montreal, so the Holders receive the Deposit Amount plus the applicable Variable Return on the Call Date. The Fixed Return for the second Valuation Date is 12.00%. The Maturity Payment will be calculated as follows:

$$\begin{aligned} \text{Excess Return} &= (\text{Index Return} - \text{Fixed Return}) \times 5\% \\ &= (15.48\% - 12.00\%) \times 5\% \\ &= 0.17\% \end{aligned}$$

$$\begin{aligned} \text{Variable Return} &= \text{Deposit Amount} \times (\text{Fixed Return} + \text{Excess Return}) \\ &= \$100.00 \times (12.00\% + 0.17\%) \\ &= \$12.17 \text{ per Deposit Note} \end{aligned}$$

A Holder would receive a Maturity Payment of \$112.17 per Deposit Note on the Call Date (or an annualized return of 5.91%).

Bank of Montreal Solactive Equal Weight Canada Banks 5% AR Index Autocallable Principal Protected Deposit Notes, Series 116

Terms of the Offering

Issuer	Bank of Montreal (the "Bank").												
Issuer Rating	As of the date of the Information Statement, the deposit liabilities of Bank of Montreal with a term to maturity of more than one year are rated "AA" by DBRS, "A+" by S&P and "Aa2" by Moody's. The Deposit Notes have not been rated and there is no assurance that, if the Deposit Notes were specifically rated by such rating agencies, they would have the same rating as the other deposit liabilities of Bank of Montreal. The Deposit Notes will not be deposits insured under the <i>Canada Deposit Insurance Corporation Act</i> or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of the deposit taking financial institution.												
Issue Price	\$100.00 per Deposit Note (the "Deposit Amount").												
Selling Period	Until March 3, 2023.												
Issue Date	On or about March 8, 2023.												
Maturity Date/Term	Each Deposit Note will mature on March 9, 2026 ("Maturity" or "Maturity Date"), resulting in a term to maturity of approximately 3 years.												
Minimum Purchase	\$2,000.00 (20 Deposit Notes).												
The Index	The performance of the Index will determine the amount of Variable Return, if any, Holders will receive at Maturity. The Solactive Equal Weight Canada Banks 5% AR Index (the "Index") aims to track the gross total return performance of the Solactive Equal Weight Canada Banks Index, calculated in CAD, subject to an adjusted return factor of 5.00% per annum applied on a daily basis at the time the Closing Level is calculated (the "Adjusted Return Factor"). Please see "The Index" in the Information Statement for more details.												
AutoCall Feature	The Deposit Notes will be automatically called by Bank of Montreal if the Closing Level is equal to or above the AutoCall Level on any Valuation Date. If the Deposit Notes are automatically called by Bank of Montreal, Holders will receive the Deposit Amount plus the applicable Variable Return on the Call Date, and the Deposit Notes will be cancelled and Holders will not be entitled to receive any subsequent payments in respect of the Deposit Notes.												
AutoCall Level	105% of the Initial Level.												
Payment at Maturity	<p>Subject to the occurrence of an Extraordinary Event, a Holder will receive a payment on either the Call Date or the Maturity Date based on the Closing Level on the applicable Valuation Date or the Final Valuation Date. The Maturity Payment will be determined as follows:</p> <p>(i) If the Closing Level is equal to or above the AutoCall Level on any Valuation Date, the Deposit Notes will be automatically called by Bank of Montreal and a Holder will receive a Maturity Payment equal to the Deposit Amount plus the applicable Variable Return on the applicable Call Date, calculated using the following formula:</p> <p style="text-align: center;">Deposit Amount + Variable Return</p> <p>(ii) If the Deposit Notes are not automatically called by Bank of Montreal and the Closing Level is below the AutoCall Level on the Final Valuation Date, a Holder will receive a Maturity Payment equal to the Deposit Amount on the Maturity Date.</p> <p>If the Deposit Notes are automatically called by Bank of Montreal before Maturity, the Variable Return will be calculated on the applicable Valuation Date and the Maturity Payment will be made on the Call Date. In such circumstances, the Deposit Notes will be cancelled and Holders will not be entitled to receive any subsequent payments in respect of the Deposit Notes. If the Deposit Notes are not automatically called before Maturity, the Maturity Payment will be made on the Maturity Date.</p> <p>If the percentage change in the Closing Level measured from the Closing Date to the Final Valuation Date is zero or negative, no Variable Return will be payable on the Deposit Notes. Beneficial holders of Deposit Notes (each a "Holder") cannot elect to receive any payments prior to Maturity. No Variable Return or distributions will be paid during the term of the Deposit Notes other than the Variable Return in the event the Deposit Notes are automatically called. It is possible that no Variable Return will be payable on the Deposit Notes.</p>												
Variable Return	<p>Subject to the occurrence of an Extraordinary Event, if the Closing Level is equal to or above the AutoCall Level on any Valuation Date, a Holder will be entitled to receive a variable return calculated using the following formula:</p> <p style="text-align: center;">Deposit Amount x (Fixed Return + Excess Return)</p> <p>The Fixed Return and Excess Return for the Deposit Notes will be as follows:</p> <table><thead><tr><th>Valuation Date</th><th>Fixed Return</th><th>Excess Return</th></tr></thead><tbody><tr><td>Valuation Date (Year 1)</td><td>6.00%</td><td>(Index Return – 6.00%) x 5%</td></tr><tr><td>Valuation Date (Year 2)</td><td>12.00%</td><td>(Index Return – 12.00%) x 5%</td></tr><tr><td>Valuation Date (Year 3)</td><td>18.00%</td><td>(Index Return - 18.00%) x 5%</td></tr></tbody></table>	Valuation Date	Fixed Return	Excess Return	Valuation Date (Year 1)	6.00%	(Index Return – 6.00%) x 5%	Valuation Date (Year 2)	12.00%	(Index Return – 12.00%) x 5%	Valuation Date (Year 3)	18.00%	(Index Return - 18.00%) x 5%
Valuation Date	Fixed Return	Excess Return											
Valuation Date (Year 1)	6.00%	(Index Return – 6.00%) x 5%											
Valuation Date (Year 2)	12.00%	(Index Return – 12.00%) x 5%											
Valuation Date (Year 3)	18.00%	(Index Return - 18.00%) x 5%											

This is only a summary of the Offering and should be read in conjunction with the Information Statement dated February 6, 2023.

Bank of Montreal Solactive Equal Weight Canada Banks 5% AR Index Autocallable Principal Protected Deposit Notes, Series 116

Terms of the Offering

Valuation & Call Dates	The Closing Level will be observed every year on the Valuation Date, subject to the occurrence of an Extraordinary Event (see “Special Circumstances” in the Information Statement) or the Deposit Notes being automatically called by Bank of Montreal. The specific Valuation Dates and potential Call Dates for the Deposit Notes will be as follows:							
	Period	Valuation Date					Call / Maturity Date	
	Year 1	March 1, 2024					March 8, 2024	
	Year 2	March 3, 2025					March 10, 2025	
	Year 3	March 2, 2026					March 9, 2026	
Fees and Expenses of the Offering	\$2.50 (2.50% of the Subscription Price) per Deposit Note will be paid out of the proceeds of this offering to BMO Nesbitt Burns Inc. for its services as selling agent (the “Selling Agent”). The Selling Agent will pay all or a portion of this fee to sub-agency groups including other qualified selling members for selling the Deposit Notes.							
Fundserv Code	JHN3032							
Secondary Market	The Deposit Notes will not be listed on any stock exchange. Moreover, Bank of Montreal does not have the right to redeem the Deposit Notes prior to Maturity and a Holder does not have the right to redeem the Deposit Notes prior to Maturity. However, BMO Capital Markets will use reasonable efforts, subject to normal market conditions, to arrange for a secondary market for the sale of Deposit Notes but reserves the right not to do so in the future, without providing prior notice to Holders. Secondary market “redemption” orders and settlements can be made using the Fundserv network. Changes in laws and regulations may impact the procedures and timing relating to selling Deposit Notes on the secondary market. Sale of a Deposit Note prior to Maturity may result in a loss even if the price performance of the Index has been positive.							
Early Trading Charge	If a Holder sells a Deposit Note within the first 360 days from the Closing Date, the proceeds from the sale of the Deposit Note will be reduced by an early trading charge that will be equal to the applicable percentage of the Deposit Amount, as set out in the table below.							
	If sold within	0-60 days	61-120 days	121-180 days	181-240 days	241-300 days	301-360 days	Thereafter
	Early Trading Charge	3.50%	2.92%	2.33%	1.75%	1.17%	0.58%	Nil
No CDIC	The Deposit Notes are not insured under the Canada Deposit Insurance Corporation Act or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of the deposit taking institution.							

This document should be read in conjunction with Bank of Montreal's information statement dated February 6, 2023 (the "Information Statement").

The Variable Return payable under the Deposit Notes, if any, is uncertain and is based on the performance of the Index. Prospective investors should carefully consider all of the information set forth in the Information Statement and, in particular, should evaluate the specific risk factors set out under the heading "Risk Factors" in the Information Statement. BMO Nesbitt Burns Inc. is a wholly-owned subsidiary of Bank of Montreal. As a result, Bank of Montreal is a "related issuer" of BMO Nesbitt Burns Inc. for the purposes of National Instrument 33-105 - *Underwriting Conflicts*. See "Plan of Distribution" in the Information Statement. The Deposit Notes have not been and will not be rated by any credit rating organization. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

The Deposit Notes are issued by and constitute direct, unconditional obligations of Bank of Montreal. This summary is issued for discussion purposes only to provide an overview of the proposed Deposit Notes and does not constitute investment advice or an offer to sell or a solicitation to purchase. Details of certain risks of investing in the Deposit Notes, as well as complete disclosure of how the Variable Return on the Deposit Notes is calculated, are contained in the related Information Statement which will be available through your financial advisor or at www.bmonotes.com. You should read the Information Statement carefully before investing and discuss all the key features of the Deposit Notes, including their suitability for you, with your financial advisor. The Deposit Notes may not be suitable for all types of investors. The prices and value of the Deposit Notes may fluctuate and/or be adversely affected by a number of factors. The fluctuation of the performance of the underlying securities will directly impact the Variable Return, if any, on the Deposit Notes at Maturity. The Deposit Notes will not be listed on any stock exchange. You do not have the right to require Bank of Montreal to redeem the Deposit Notes prior to maturity.

Bank of Montreal makes no recommendations concerning equity investments as asset classes or the suitability of investing in securities generally or Deposit Notes in particular. No person has been authorized to give any information or to make any representation not contained in the Information Statement relating to the Deposit Notes and Bank of Montreal does not accept any responsibility for any information not contained in the Information Statement.

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The Index and the Underlying Index are products of Solactive AG or its affiliates ("Solactive") and has been licensed for use by Bank of Montreal and its affiliates. The Index and the Underlying Index are owned, calculated, administered and published by Solactive assuming the role as administrator (the "Index Sponsor") under the Regulation (EU) 2016/1011. The name "Solactive" is a registered trademark of Solactive AG. Solactive is registered with and regulated by the German Federal Financial Supervisory Authority ("BaFin"). The Index is a product of Solactive, its affiliates and/or its third-party licensors and has been licensed for use by Bank of Montreal and its affiliates. Bank of Montreal's Deposit Notes are not sponsored, endorsed, sold or promoted by Solactive or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the Index or the Underlying Index.

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Bank of Montreal Solactive Equal Weight Canada Banks 5% AR Index Autocallable Principal Protected Deposit Notes, Series 116

Key Information for Investors (Oral Disclosure)

Where an investor is considering a purchase of Deposit Notes, the financial advisor must orally disclose all of the following information to the investor:

Offering Overview:

1. The Bank of Montreal Solactive Equal Weight Canada Banks 5% AR Index Autocallable Principal Protected Deposit Notes, Series 116 will be issued by Bank of Montreal on or about March 8, 2023 and will mature on March 9, 2026. The term of the Deposit Notes is approximately 3 years. The principal amount of \$100.00 per Deposit Note will be repaid at Maturity.
2. The Deposit Notes will be automatically called by Bank of Montreal if the Closing Level is equal to or above the AutoCall Level on any Valuation Date. If the AutoCall feature is triggered, you will receive payment of the Deposit Amount plus a Variable Return that increases each Valuation Date. If the Closing Level is never equal to or above the AutoCall Level on any Valuation Date, the Deposit Notes will not be automatically called by Bank of Montreal and there will be no Variable Return paid on the Deposit Notes.
3. If the Deposit Notes are not automatically called by Bank of Montreal before Maturity, and the Closing Level on the Final Valuation Date is less than the AutoCall Level, a holder will receive the Deposit Amount in respect of each of the holder's Deposit Notes. The Solactive Equal Weight Canada Banks 5% AR Index (the "Index") is an adjusted return index. It aims to track the performance of the Solactive Equal Weight Canada Banks Index (the "Underlying Index") less an adjusted return factor of 5.00% per annum (the "Adjusted Return Factor").
4. If the Deposit Notes are automatically called by Bank of Montreal before Maturity, the Variable Return will be calculated on the applicable Valuation Date and the Maturity Payment will be made on the Call Date. In such circumstances, the Deposit Notes will be cancelled and you will not be entitled to receive any subsequent payments in respect of the Deposit Notes. If the Deposit Notes are not automatically called before Maturity, the Maturity Payment will be made on the Maturity Date.
5. You cannot elect to receive any payments prior to Maturity. No Maturity Payment or distributions will be paid during the term of the Deposit Notes other than the Variable Return in the event the Deposit Notes are automatically called. It is possible that no return will be payable on the Deposit Notes.

Fees and Expenses:

6. A fee of \$2.50 (2.50% of the Subscription Price) per Deposit Note will be paid out of the proceeds of this offering to BMO Nesbitt Burns Inc. for its services as Selling Agent.

Listing and Secondary Market:

7. The Deposit Notes will not be listed on any stock exchange or marketplace. Moreover, subject to the Deposit Notes being automatically called, Bank of Montreal does not have the right to redeem the Deposit Notes prior to Maturity and you do not have the right to require Bank of Montreal to redeem (that is, buy or repay) the Deposit Notes prior to Maturity. However, BMO Capital Markets will use reasonable efforts, under normal market conditions, to arrange for a daily secondary market for the sale of Deposit Notes using the Fundserv network but reserves the right not to do so in the future, in its sole and absolute discretion, without prior notice to holders of Deposit Notes. The price that BMO Capital Markets will pay for Deposit Notes sold in the secondary market prior to maturity will be determined by BMO Capital Markets, acting in its sole discretion.
8. If you sell your Deposit Notes prior to Maturity in the secondary market, you may receive less than the Deposit Amount even if the performance of the Index has been positive. BMO Capital Markets is under no obligation to facilitate or arrange for a secondary market and may suspend any secondary market at any time. If there is no secondary market, you will not be able to sell your Deposit Notes.

Early Trading Charge:

9. If you sell a Deposit Note within the first 360 days from the closing of this offering, the amount you will receive will be reduced by an early trading charge that will be equal to the applicable percentage of the Deposit Amount, as set out in the table below.

If sold within	0-60 days	61-120 days	121-180 days	181-240 days	241-300 days	301-360 days	Thereafter
Early Trading Charge	3.50%	2.92%	2.33%	1.75%	1.17%	0.58%	Nil

Tax Consequences:

10. The Canadian income tax consequences of investing in Deposit Notes are described in the Information Statement. However, in summary, (i) if you hold Deposit Notes on a Call Date or at maturity, you will be required to include in your income the amount, if any, by which the payment on a Call Date or at maturity exceeds the Deposit Amount, and (ii) on a disposition of a Deposit Note by you prior to maturity, you will be required to include in income as accrued interest the amount, if any, by which the price for which the Deposit Note was disposed of exceeds the Deposit Amount.

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Risk Factors:

11. The Deposit Notes may not be suitable for all investors and in deciding whether to invest in Deposit Notes you should take into account various risks associated with such an investment. The Information Statement contains a complete description of these risks, which include the following:

Suitability

An investment in the Deposit Notes may be suitable and appropriate for you if you are prepared to: invest for an uncertain term from one to three years; receive the Deposit Amount at Maturity if the Deposit Notes are not automatically called by Bank of Montreal prior to Maturity and the Closing Level on the Final Valuation Date is less than the AutoCall Level; receive the Deposit Amount and a Variable Return and no further payments if the Deposit Notes are automatically called by Bank of Montreal; obtain exposure to the Index, the performance of which may not match the performance of a direct investment in the constituent securities of the Underlying Index; and accept the risks set out under "Risk Factors" in the Information Statement, including the risks associated with the performance of the Index.

Non-Conventional Deposit Notes

The Deposit Notes are not conventional instruments or debt securities in that they do not provide you with a return or income stream prior to Maturity, or a return at Maturity, that is calculated by reference to a specific fixed or floating rate of interest that can be determined prior to the Final Valuation Date. The return on the Deposit Notes, unlike that on many deposit liabilities of Canadian chartered banks, is uncertain and the Deposit Notes could provide no return.

Deposit Notes May Pay No Return

Holders may not receive a Variable Return on their Deposit Notes. Whether Holders receive a Variable Return and, if so, how much of a Variable Return will depend on the performance of the Index.

Variable Return May Be Limited

Since the Variable Return for each Deposit Note, if any, will equal the Fixed Return plus the Excess Return, of the percentage change, if positive, of the Index from the Closing Date to and including the Final Valuation Date, a Holder's exposure under the Deposit Notes to the Index is not the same as an investment in the Securities and therefore the Variable Return that may be payable at Maturity may be less than the return realized from a direct investment in the Securities.

Automatic Call Feature

The Deposit Notes will be automatically called by Bank of Montreal if the Closing Level is equal to or above the AutoCall Level on any Valuation Date. If the Deposit Notes are automatically called by Bank of Montreal, Holders will receive the Deposit Amount plus the applicable Variable Return on the Call Date, and the Deposit Notes will be cancelled and Holders will not be entitled to receive any subsequent payments in respect of the Deposit Notes.

Risk Factors Relating to the Securities, the Index, the Underlying Index and the Companies

The Variable Return, if any, payable on the Deposit Notes is based on the performance of the Index. Accordingly, certain risk factors applicable to investors who invest directly in the Index, or the Securities are also applicable to an investment in the Deposit Notes to the extent that such risk factors could adversely affect the performance of the Index.

Holders should recognize that it is impossible to know whether the Closing Level at any time will rise or fall. The Closing Level will be influenced by the performance of the Index and the performance of the Underlying Index will be impacted by changes in the market prices of the Securities and the outlook for the applicable Companies and by general economic, industry and market trends. These factors are beyond the control of Bank of Montreal. Historical performance of the Index and the Securities should not be considered as an indication of the future performance of the Index or the Securities.

The Index was established on May 18, 2020 and therefore has limited history to evaluate its likely performance. Past performance of the Index is not indicative of future performance of the Index.

The return on the Deposit Notes is calculated with reference to the performance of the Index which aims to track the gross total return performance of the Underlying Index subject to the Adjusted Return Factor. Although the Underlying Index is a gross total return index that reflects the applicable performance of the constituent securities of the Underlying Index and any dividends and distributions paid in respect of such securities, without deduction of any withholding tax or other amounts to which an investor holding the constituent securities of the Underlying Index would typically be exposed, an investment in the Deposit Notes is not the same as making a direct investment in the constituent securities of the Underlying Index, including the fact that an investor will not have the right to receive any dividends, distributions or other income or amounts accruing or paid on such securities. In addition, the Adjusted Return Factor is not representative of an estimate or a forecast of any dividends that may be paid or payable, or of any distributions that may be made, now or in the future on the constituent securities of the Underlying Index.

You should also recognize that the Index Sponsor has no obligations with respect to the Deposit Notes or to you and that changes to the policies of the Index Sponsor could affect amounts payable on the Deposit Notes and the value of the Deposit Notes in any secondary market. In addition, the Index could be replaced with a replacement index by the Index Sponsor.

None of the Bank, BMO Capital Markets or their respective affiliates or associates has performed any due diligence investigation or review of any of the Index, the Underlying Index, the securities included in the Underlying Index (the "Securities") or the issuers of the Securities (the "Companies"). Any information relating to the Index, the Underlying Index, the Securities or the Companies was derived from and based solely upon publicly available sources and its accuracy cannot be guaranteed. None of the Bank, BMO Capital Markets or any of their respective affiliates or associates has any obligations or responsibility for the provision of future information in respect of the Index, the Underlying Index, the Securities or the Companies. Investors shall have no recourse against the Bank, BMO Capital Markets or any of their respective affiliates or associates in connection with any information about and/or relating to the Index, the Underlying Index, the Securities or the Companies that is not contained in the Information Statement. Prospective investors should undertake an independent investigation to determine if an investment in the Deposit Notes is suitable for them. None of the Companies or the Index Sponsor has participated in the preparation of the Information Statement and the Deposit Notes are not in any way sponsored, endorsed, sold or promoted by any of the Companies or the Index Sponsor.

This is not a complete description of the risks applicable to the Index, the Underlying Index, the Securities and the Companies. For a description of the risks applicable to the Securities and the Companies, an investor should consult the disclosure documents made publicly available by each Company at www.sedar.com. Information about the Index and the Underlying Index can be found at www.solactive.com or other publicly available sources.

Secondary Trading of Deposit Notes

There is currently no market through which the Deposit Notes may be sold and it is possible that no such market will be arranged. Sale of a Deposit Note prior to Maturity may result in a loss even if the price performance of the Index has been positive.

This is only a summary of the Offering and should be read in conjunction with the Information Statement dated February 6, 2023.

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Legislative, Regulatory and Administrative Changes

Changes in laws, regulations or administrative practices, including with respect to taxation, could have an impact on you.

The Bail-In Regulations, which came into effect in September 2018, prescribe the types of shares and liabilities that will be subject to a Bail-In Conversion. In general, any senior debt with an initial or amended term to Maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and has been assigned a CUSIP or ISIN or similar identification number would be subject to a Bail-In Conversion. Shares, other than common shares, and subordinated debt would also be subject to a Bail-In Conversion, unless they are non-viability contingent capital. However, structured notes meeting the requirements of the Bail-In Regulations will not be subject to a Bail-In Conversion. Accordingly, it is not expected that these Deposit Notes will be subject to a Bail-In Conversion.

Conflicts of Interest

In the course of normal business operations, Bank of Montreal and BMO Capital Markets may hold interests linked to the Companies. In addition, BMO Capital Markets, which has undertaken to use reasonable efforts to provide a secondary market, is an affiliate of Bank of Montreal. Conflicts may also arise because Bank of Montreal may engage in trading activities related to the Companies and the Securities that are not for the account of Holders or on their behalf which may present a conflict between the Holders' interest in the Deposit Notes and the interests that Bank of Montreal will have in their proprietary accounts in facilitating transactions. Such trading activities could be adverse to the interests of the Holders. Subsidiaries of Bank of Montreal have published, and in the future expect to publish, research reports with respect to some or all of the Securities. This research is modified from time to time and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Deposit Notes. If Bank of Montreal or BMO Capital Markets take any such actions, Bank of Montreal and BMO Capital Markets will not necessarily take into account the effect, if any, that such actions could have on the Deposit Notes or the return that may be payable on the Deposit Notes.

Credit Rating

There is no assurance that the Deposit Notes, if rated, would receive the same rating as other deposit liabilities of Bank of Montreal.

Credit Risk

The likelihood that you will receive all the payments owing to you under the Deposit Notes will depend on the financial health and creditworthiness of Bank of Montreal.

No Deposit Insurance

Unlike conventional bank deposits, the Deposit Notes are not insured under the Canada Deposit Insurance Corporation Act or any other deposit insurance regime designed to ensure that depositors receive payment of all or a portion of their deposits if the deposit taking financial institution becomes insolvent.

Canadian Investor Protection Fund

There is no assurance that your investment in the Deposit Notes will be eligible for protection under the Canadian Investor Protection Fund.

Special Circumstances (Extraordinary Event)

In certain circumstances, BMO Capital Markets may, as it determines appropriate, (i) adjust the components or variables in calculating the Maturity Payment (ii) defer the timing of the determination of the Closing Price of the Securities or the calculation of the Maturity Payment (iii) change the Securities, or (iv) on the occurrence of an Extraordinary Event, instead of paying the Maturity Payment at Maturity, pay the estimated present value on the occurrence of the Extraordinary Event of such Maturity Payment, that would have been payable at Maturity if the Extraordinary Event had not occurred. See "Special Circumstances" in the Information Statement for a discussion of these circumstances.

No Independent Calculation

Bank of Montreal has no obligation to retain an independent person to make or confirm the determinations and calculations made in respect of the Deposit Notes.

No Ownership of the Index or the Securities

You will have no rights of ownership in the Index or any Securities. The Deposit Notes do not represent a substitute for an investment in the Securities.

Other Important Information

12. Bank of Montreal may amend the terms of the Deposit Notes without your consent after the Deposit Notes have been issued if Bank of Montreal and BMO Capital Markets agree that the amendment would not materially and adversely affect your interests. In all other cases amendments must be approved by the votes of holders representing at least two-thirds of the outstanding Deposit Notes represented at a meeting convened to consider the amendment.
13. If you place an order for Deposit Notes in person or electronically, the agreement to purchase the Deposit Notes will be deemed to have been entered into on the third day after the later of (i) the day your purchase order is received, and (ii) five business days after the postmark date, if the Information Statement is provided to you by mail, or the date the Information Statement is actually received by you, if it is provided other than by mail. If an order to purchase Deposit Notes is received by telephone, the agreement will be deemed to have been entered into at the time your purchase order is received.
14. You may cancel an order to purchase a Deposit Note (or cancel its purchase if the Deposit Note has been issued) by providing instructions to Bank of Montreal through your financial advisor any time up to 48 hours after the later of (i) the day on which the agreement to purchase the Deposit Note is entered into, and (ii) deemed receipt of the Information Statement. You will receive the Information Statement by mail with the trade confirmation.

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15. You may request information about the Deposit Notes or a copy of the Information Statement by calling BMO Capital Markets at 1-866-864-7760 to speak to someone in English and 1-866-529-0017 to speak to someone in French. A copy of the Information Statement will be posted at www.bmonotes.com. During the term of the Deposit Notes, you may inquire as to the net asset value of, and the formula for determining variable return under, a Deposit Note by contacting BMO Capital Markets at the above numbers.

This is only a summary of certain terms of the Deposit Notes. You should read the Information Statement for more detailed and complete information on all aspects of the Deposit Notes.

1-866-750-5190

www.bmonotes.com

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