

BMO Advantaged Laddered Preferred Share TACTIC™ Fund

This document contains key information you should know about BMO Advantaged Laddered Preferred Share TACTIC™ Fund. You can find more details in the Fund's prospectus. Ask your representative for a copy, contact BMO Nesbitt Burns Inc. at 1-866-750-5190, or visit <https://www.bmonotes.com/Tactic-Funds>

Fund Details

Inception Date	October 1, 2018
RSP Eligible	Yes
Distribution	n.a.
Fund Manager	BMO Nesbitt Burns Inc.
Investment Advisor	Faircourt Asset Management Inc.
Portfolio Manager of Underlying ETF	BMO Asset Management Inc.
Leverage (% of total assets)	Target leverage of 33.3%, Maximum of 40%
Management Expense Ratio*	Class A: TBD Class F: TBD Class D: TBD
Minimum Investment	\$500
Subsequent Investment	\$100

Underlying ETF Details

Underlying ETF Ticker	ZPR
Exchange	TSX
Number of Securities	190
Net Assets (\$ mm)	1,776.15
Weighted Avg. Coupon (%)	0.00
Weighted Avg. Current Yield (%)	0.00
Weighted Avg. Duration	0.00

Source: BMO Global Asset Management, Bloomberg

Fund Codes

Series A	JHN10060
Series F	JHN10062
Series D	JHN10061

Fees/Commissions*

	Management Fee	Sales Commission	Service Fee
Class A	1.05% p.a.	0%–2% (negotiated)	1% of NAV*
Class F	0.05% p.a.	Nil	Nil
Class D	0.05% p.a.	Nil	Nil

*Plus Counterparty Fee of 0.10% p.a. of total assets

Investment Objective and Strategy

BMO Advantaged Laddered Preferred Share TACTIC™ Fund was established to provide tax-efficient, leveraged exposure to the BMO Laddered Preferred Share Index ETF (TSX: ZPR). The Fund will employ leverage, including through the use of derivatives, to increase its exposure to ZPR to a maximum of 1.33:1 as at the time of borrowing.

Underlying ETF

The BMO Laddered Preferred Share Index ETF (ZPR) is designed to replicate, to the extent possible, the performance of the Solactive Laddered Canadian Preferred Share Index, net of expenses. ZPR invests in and holds the constituent securities of the Index in the same proportion as they are reflected in the Index. The Index provides exposure to a diversified portfolio of Canadian preferred shares that meet size, liquidity, listing and quality criteria. The Index uses a five year laddered structure where annual buckets are equal weighted while constituent securities within each bucket are market capitalization weighted.

Fund Benefits

- Invested in a diversified portfolio of rate reset preferred shares
- Lower interest rate sensitivity than the full preferred share market
- Tax-efficient exposure to Underlying ETF
 - Distributions and realized gains from Underlying ETF are permitted to grow and compound tax-free within the BMO Advantaged TACTIC™ Fund
 - No tax payable upon distribution, rebalancing, realized gains or unrealized gains in the Underlying ETF until disposition of the BMO Advantaged TACTIC™ Fund
 - Upon disposition, investor taxed at capital gains rate
- Leveraged exposure to Underlying ETF
 - Increased investment exposure to Underlying ETF to a target of 33⅓% of total assets
 - Leverage will be reduced to at or below 33⅓% of total assets if leverage exceeds 40%
- Daily liquidity and pricing

Growth of ZPR ETF



Fund Performance

Annualized Performance²

For period ending Jan.31, 2019

	1Mo	3Mo	6Mo	YTD	1Yr	3Yr	5Yr	Since Inception
NAV	-0.58%	-9.55%	-11.62%	-0.58%	-11.54%	8.55%	-1.83%	-1.81%
Index	-0.56%	-9.31%	-11.20%	-0.56%	-10.84%	9.62%	-1.20%	-1.10%

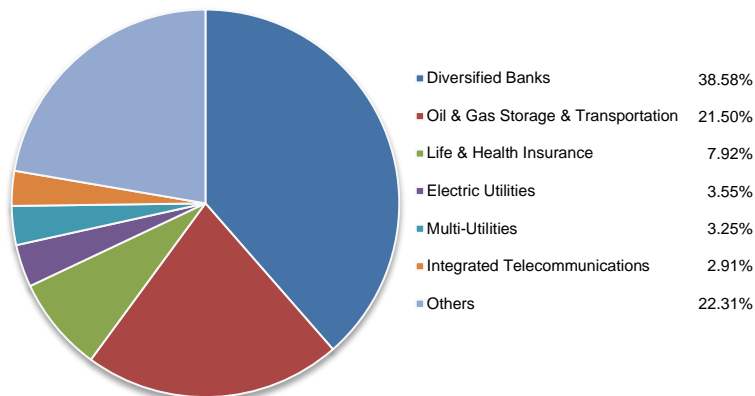
As of January 31, 2019

BMO Advantaged Laddered Preferred Share TACTIC™ Fund

Top Holdings

	%
Toronto-Dominion Bank 4.85 Perp	1.94%
Transcanada Corp 4.9 Perp	1.76%
Royal Bank Of Canada 3.6 Perp	1.50%
Toronto-Dominion Bank 5 1/2 Perp	1.38%
Canadian Imperial Bank of Commerce 4.4 Perp	1.35%
Enbridge Inc 5.15 Perp	1.34%
Bank of Montreal 4.85 Perp	1.10%
Enbridge Inc 4.9 Perp	1.10%

Group Allocations



Risk Rating

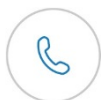
As an additional guide to help you decide whether the Fund is appropriate for you, BMO Nesbitt Burns Inc. has assigned an investment risk rating of medium to high to this Fund. This rating represents the historical volatility of the Fund as measured by the standard deviation of its performance. The risk rating doesn't tell you how volatile the Fund will be in the future and doesn't necessarily correspond to your tolerance assessment. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund's returns, please see the Risk Factors section of the Fund's prospectus.

No Guarantees

Like most mutual funds, this Fund doesn't have any guarantees. The value of the Fund changes frequently and past performance may not be repeated. You may not get back the amount of money you invest.



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Prospective purchasers should take into account risk factors associated with the offering. See "Risk Factors" in the prospectus relating to the offering by the BMO TACTIC™ Funds (the "prospectus") available through the contact information above.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Prospective purchasers should read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Mutual fund investments are not insured by the Canada Deposit Insurance Corporation or any other entity.

Additional information about each BMO TACTIC™ Fund's portfolio, including a complete list of the companies included in the portfolio from time to time, will be available in the most recently filed annual or interim financial statements of the BMO TACTIC™ Funds.

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