

BMO ETFs

Distribution Reinvestment Plan

1. Introduction

All defined terms used herein are defined under the heading “Important Terms” below.

This Plan has been created by each of the BMO ETFs to provide beneficial holders of Units of the BMO ETF with a method of reinvesting distributions on such Units declared and payable to them in additional Units of the same BMO ETF, as described in the Plan.

Distributions on Units, including Plan Units, will be reinvested on behalf of Unitholders by the Plan Agent, on the terms and conditions contained in the Plan.

2. Important Terms

Beneficial Unitholder – means a beneficial holder of Units, which are not registered in his, her or its name.

BMO ETFs – means any exchange traded fund established and/or managed now or in the future by the Manager, such establishment and/or management communicated to the Plan Agent by the Manager.

Business Day – means a day other than a Saturday, a Sunday, a day observed as a holiday under the laws of the Province of Ontario or a day on which either the Toronto Stock Exchange or the Plan Agent’s principal office in Toronto is closed for business.

CDS or Depository – means CDS Clearing and Depository Services Inc., and includes any successor corporation or any other depository acting or subsequently appointed by a BMO ETF as the depository in respect of Units.

CDS Participant – means a participant in a Depository through which certain Beneficial Unitholders may enroll in the Plan.

Distribution – with respect to a BMO ETF, a distribution of net income, net realized capital gains or return of capital payable in cash by the BMO ETF on its Units in respect of a specific Distribution Record Date.

Distribution Payment Date – means a day that is no later than the 10th Business Day following the applicable Distribution Record Date, on which a BMO ETF pays a Distribution to its Unitholders.

Distribution Record Date – means any date determined by the Manager as a record date for the determination of Unitholders entitled to receive a Distribution.

Fiscal Year – means the financial year of the BMO ETFs, which ends on December 31.

Manager – means BMO Asset Management Inc. (formerly, Jones Heward Investment Counsel Inc.), a corporation incorporated under the laws of Ontario.

Plan Agent – means CIBC Mellon Trust Company, a company existing under the laws of Canada.

Plan Participant – with respect to a BMO ETF, means a Unitholder who has notified the Manager and the Plan Agent via the applicable CDS Participant that such Unitholder wishes to participate in the Plan.

Parties – means the Manager, on behalf of the BMO ETFs, and the Plan Agent, collectively, and **Party** means either one of them.

Plan – means the BMO ETFs' Distribution Reinvestment Plan.

Plan Units – means the Units with respect to a BMO ETF purchased under the Plan by the Plan Agent for a participant.

Registered Participant – means a registered holder of Units, which are registered in the name of CDS.

Tax Act – means the *Income Tax Act* (Canada), as amended from time to time.

TSX – means the Toronto Stock Exchange.

Unit – means in relation to a particular BMO ETF, a redeemable, transferable unit of that BMO ETF, which represents an equal, undivided interest in the net assets of that BMO ETF and **Units** means more than one Unit.

Unitholder – means a holder of a Unit or Units of a BMO ETF.

3. Participation in the Plan

Any eligible Unitholder may participate in the Plan by notifying the CDS Participant through which the Unitholder holds its Units of such Unitholder's intention to participate in the Plan.

Under the Plan, cash distributions will be used to acquire Plan Units in the market and will be credited to the account of the Plan Participant through CDS. The CDS Participant must, on behalf of such Plan Participant, provide a notice to CDS that the Unitholder wishes to participate in the Plan no later than 4:00 p.m. (Toronto time) on the applicable Distribution Record Date in respect of the next expected Distribution in which the Unitholder wishes to participate. CDS shall, in turn, notify the Plan Agent no later than 10:00 a.m. (Toronto time) on the Business Day immediately following the applicable Distribution Record Date that such Unitholder wishes to participate in the Plan. If notice is not received by the Plan Agent prior to this deadline, the Unitholder will not participate in the Plan for that Distribution.

Participation in the Plan is restricted to Unitholders who are residents of Canada for the purposes of the Tax Act. A partnership (other than a “Canadian partnership” as defined in the Tax Act) is not eligible to participate in the Plan. Upon becoming a non-resident of Canada or a partnership (other than a “Canadian partnership”), a Plan Participant shall be required to notify its CDS Participant and terminate its participation in the Plan immediately. The Plan Agent will have no duty to inquire into the residency status or partnership status of Plan Participants, and neither the Plan Agent nor the Manager will be required to know the residency status or partnership status of Plan Participants.

4. Administration

On each Distribution Payment Date, the BMO ETF shall pay to the Plan Agent, on behalf of the Plan Participants, all amounts paid as Distributions in respect of the Units (including Plan Units) for which Plan Participants were beneficial owners as of the applicable Distribution Record Date. The Plan Agent shall purchase Plan Units for the Plan Participants as described below under “Purchase of Units by Plan Agent”. Plan Units will be credited for the benefit of a Plan Participant to the account of CDS through whom a CDS Participant holds Units.

5. Purchase of Units by Plan Agent

Distributions payable to the Plan Participants will be used, on behalf of Plan Participants, to purchase Plan Units in the market. The Plan Agent shall purchase Plan Units in the market on the Distribution Payment Date. The Plan Units purchased in the market will be allocated to CDS based on their entitlement to the Distributions used to purchase Plan Units.

6. Insufficient Funds

The Plan Agent shall not be obligated to purchase Plan Units unless it shall have first received the amounts paid as Distributions on the Units of the Plan Participants.

7. Fractional Units

No fractional Plan Units will be purchased under the Plan. Cash payments for any funds remaining after the Plan Agent has purchased whole Plan Units will be made in lieu of fractional Plan Units by the Plan Agent to CDS, on a timely basis. CDS will credit the Plan Participant via the applicable CDS Participant.

8. Termination of Participation in the Plan

Plan Participants may voluntarily terminate their participation in the Plan as of a particular Distribution Record Date by notifying their CDS Participant sufficiently in advance of the Distribution Record Date. Plan Participants should contact their CDS Participant to receive details of the appropriate procedures for terminating their participation in the Plan. Beginning on the first Distribution Payment Date after which a termination notice has been received from a Plan Participant and accepted by a CDS Participant, distributions to such Plan Participant will be

made in cash. Any expenses associated with the preparation and delivery of a termination notice will be borne by the Plan Participant exercising its right to terminate participation in the Plan.

9. No Issuance of Certificates

Certificates will not generally be issued for Plan Units purchased under the Plan.

10. Voting of Plan Units

Plan Units may be voted in the same manner as the Plan Participants' other Units may be voted.

11. Statements of Account

A Plan Participant will receive, from its CDS Participant for tax reporting purposes, confirmation of the number of Plan Units purchased by the Plan Participant under the Plan in accordance with the CDS Participant's usual practice.

12. Commissions and Administrative Costs

All commissions and administrative costs and brokerage fees and commissions associated with the operation of the Plan with respect to any BMO ETF will be borne by the Manager.

13. Limitation of Liability

None of the BMO ETFs, the Manager or the Plan Agent shall be liable for any act done by any of them in good faith or for any good faith omission to act. In particular, none of the BMO ETFs, the Manager or the Plan Agent shall have any liability with respect to:

- (a) the prices at which Plan Units are purchased for the Plan Participants' accounts or the times at which such purchases are made; or
- (b) any action or responsibilities of CDS or any CDS Participant in relation to the Plan, or otherwise, including, without limitation:
 - (i) any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Units held by and registered in the name of CDS or any CDS Participant; and
 - (ii) any authority, advice, or representation made or given by CDS or any CDS Participant to the Plan Agent or otherwise, including representations with respect to rules of CDS and any action taken or to be taken by CDS or any CDS Participant.

None of the BMO ETFs, the Manager or the Plan Agent can assure a gain or protect against loss as a result of participation in the Plan or the purchase of Plan Units.

14. Termination, Amendment, Modification or Suspension

The Manager may terminate the Plan with respect to any BMO ETF in its sole discretion, upon (a) not less than 30 days' notice to: (i) the CDS Participants through which the Plan Participants hold their Units; (ii) the Plan Agent; and (iii) if necessary, the TSX, and (b) delivery by the Plan Agent of all documents and monies being held by the Plan Agent on the BMO ETF's behalf pursuant to this Agreement.

The Manager may also amend, modify or suspend the Plan with respect to any BMO ETF at any time in its sole discretion, provided that it complies with certain requirements and gives notice of that amendment, modification or suspension to: (i) the CDS Participants through which the Plan Participants hold their Units; (ii) the Plan Agent; and (iii) if necessary, the TSX.

The Plan will terminate automatically with respect to any BMO ETF upon the termination of such BMO ETF.

The Manager may, in its sole discretion, and upon at least 30 days' written notice to the Plan Agent, remove the Plan Agent and appoint a new Plan Agent, provided that the BMO ETF may not remove the Plan Agent until such time as the successor to the Plan Agent is appointed as plan agent.

15. Rules and Regulations

The Manager may from time to time adopt rules and regulations to facilitate the administration of the Plan (subject to obtaining any approvals required by the TSX rules). The Manager reserves the right to regulate and interpret the Plan as it deems necessary or desirable to ensure the efficient and equitable operation of the Plan.

16. No Personal Liability

No Unitholder of a BMO ETF will have any personal liability and no resort will be had to, nor recourse or satisfaction sought from, the property or assets of any Unitholder for any liability whatsoever to any person in connection with the property of a BMO ETF or its affairs, including for satisfaction of any obligations or claims of such BMO ETF arising out of or in connection with the Plan. The property and assets of such BMO ETF only are intended to be liable and subject to levy or execution for satisfaction of any such obligations or claims.

17. Currency

All references in this Plan to dollar amounts refer to Canadian dollars.

18. Notices

All notices required to be given to Plan Participants by a BMO ETF will be given to CDS, to be further provided to the CDS Participants through which Plan Participants hold their Units.

Written communications to any BMO ETF or the Manager should be addressed to:

BMO Asset Management Inc.
77 King Street West, Suite 4200
Toronto, ON M5K 1J5
Attention: Office & Compliance Administrator
Facsimile: 416-359-5950

Written communications from a Registered Participant to the Plan Agent should be addressed to:

CIBC Mellon Trust Company
320 Bay Street
Basement Level
Toronto, ON M5H 4A6
Attention: Associate Director
Facsimile: 1-877-715-0494