

# Brokerage Services Disclosure Statement

## I. Introduction

BMO Capital Markets Corp. (“BMOCMC,” or “we,” “us” or “our”) is a broker-dealer registered with the U.S. Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation. BMOCMC is also registered with the SEC as an investment adviser. Our financial professionals (“FPs”) are only licensed to provide broker-dealer (“brokerage”) services, and not investment advisory services.

You can find free and simple tools at the SEC’s website, <https://www.investor.gov/>, to research firms and FPs, and explore general educational materials about broker-dealers, investment advisors and investing.

## II. Purpose and Scope of the Brokerage Disclosure Statement

### Why Am I Receiving This Disclosure Statement?

Although we consider ourselves an institutional broker-dealer, we may offer brokerage services to a small number of institutional clients and certain other high net worth clients that generally qualify as institutional accounts within the meaning of applicable FINRA rules, but are considered “retail customers” within the meaning of SEC Regulation Best Interest (“Retail Clients”). As a result, we are delivering this Brokerage Services Disclosure Statement (“Disclosure Statement”) to you.

This Disclosure Statement provides you, in writing, with material facts about the scope and terms of our relationship with you as a brokerage client of BMOCMC. This includes notice that BMOCMC and/or our FPs are acting, respectively, in a broker-dealer or brokerage capacity, except in the case of

Client Services, as defined below; the material fees and costs you will incur related to your brokerage account; and the type and scope of the services to be provided, including any material limitations on the recommendations that could be made to you. Moreover, we must disclose all material facts relating to conflicts of interest associated with recommendations that might incline us and our FPs to make a recommendation that is not disinterested.

### What is a “Recommendation” That Triggers Disclosure?

A “recommendation” includes the recommendation of an account type, securities transaction, or an investment strategy to a Retail Client. Whether a recommendation has been made depends on a number of factors, including whether the communication reasonably could be viewed as a “call to action.”

Not all communications or activities, standing alone or together, constitute recommendations. There is no bright line test of whether a recommendation has been made; rather it is a facts and circumstances determination. Simply put, a communication will be determined to be a recommendation if given its content, context, and manner of presentation it could objectively be viewed by the Retail Client as a suggestion to take, or to refrain from taking, action regarding a security or investment strategy. **We anticipate that most of our communications to you will not be recommendations.**

### What Supplements This Disclosure?

This Disclosure Statement is supplemented by the other information you will have received prior to any recommendations, including information conveyed to you when you open a new account with us. In limited circumstances, this Disclosure Statement will be supplemented by information disclosed to

you orally by our FPs. Additionally, this Disclosure Statement is supplemental to, but does not replace, other disclosures and information you may have received or been required to sign in connection with specific products or services, such as an options agreement or engagement letters.

This Disclosure Statement supplements other disclosures you will receive on or after a recommendation, including trade confirmations, brokerage account statements and product prospectuses, offering memoranda or marketing materials, which provide additional information about the transactions you conduct with us, features of the products you have purchased or sold and other fees and costs applicable to your brokerage account and transactions therein. You should consult any documents referred to or provided to you by us (such as a prospectus) for any security or securities transaction we recommend, for a discussion of fees, commissions, expenses, and risks associated with the product. Upon request, we can provide those documents to you or help you find them to assist you in evaluating recommended products and transactions.

You should consult us with questions about any of these documents and information you receive regarding the transactions you conduct with us, whether received before or after a recommendation.

### III. What Does It Mean For Us And Our FPs To Act In Your Best Interest?

When we provide you with a recommendation as your broker-dealer, we have to act in your best interest and not put our interests or our FPs' interests ahead of yours. At the same time, the way we make money inherently creates some conflicts with your interest. You should understand and ask us about these conflicts. Described throughout this Disclosure Statement are material facts relating to our and our FPs' conflicts of interest and information about actual and potential conflicts of interest associated with our and our FPs' recommendations to help you understand what this means.

#### How Does BMOCMC Manage Conflicts To Act In Your Best Interest?

Generally, these conflicts are mitigated through disclosure, compensation structure, adherence to applicable exemptions or exceptions, and supervisory procedures, on which we train our FPs and supervisors.

#### Our Investment Approach When Making Recommendations to You

To the extent we make a recommendation to you, it will be based on, among other things, your Retail Client investment profile and other information that you provide to us. Our FPs will use this information if and when appropriate to make a recommendation of products relative to your financial needs and goals. It is important that you keep this information current, and provide us with any updates or changes to this information so that recommendations are based on the most recent information.

### IV. Scope of Our Brokerage Services

#### In What Capacity Will We Be Acting?

Acting as a Broker	Acting as an Investment Advisor
As a broker-dealer, we assist you with the purchase and sale of securities based on your instructions. All recommendations regarding securities transactions will be made in our capacity as a broker-dealer.	Our investment advisory services consist solely of providing our clients with access to the following services for special compensation (e.g., "hard dollar" payments): (i) proprietary equity research reports, which are prepared and published by our research department, and (ii) access to the research analysts who prepare such research reports (collectively, the "Client Services"). We do not provide investment advice, including the Client Services, that is tailored to any particular client and do not offer any other form of advisory services. Unless expressly agreed to in writing, all Client Services are based on general considerations and do not purport to meet the objectives or needs of any specific recipient. All Client Services are intended to take advantage of the exemption from the principal and agency trading restrictions in Section 206(3) of the Investment Advisers Act of 1940 and Rule 206(3)-1 thereunder. Accordingly, recipients of Client Services are advised that we may act as principal for our own account or agent for another person in connection with the purchase or sale of any security mentioned in or the subject of such services.

If a Retail Client chooses to execute any transaction through BMOCMC, BMOCMC will be acting solely in the capacity of a broker-dealer and not an investment adviser, even if the Retail Client receives Client Services.

### Capacity Of Our Financial Professionals

Although we are dually licensed as a broker-dealer and an investment adviser, our FPs only act in a brokerage capacity.

### Brokerage Services

Our brokerage services include:

- Executing clients' equity transactions on stock and options exchanges or over-the-counter and making markets for clients in equity-related securities and derivatives, including providing liquidity and hedging products.
- Executing clients' transactions and making markets for clients in fixed income securities, currencies and commodities, including through derivative instruments.
- Originating, structuring, trading, and distributing securitized and structured products within the fixed-income market.
- Providing clients with securities lending services.
- Providing investment banking services, including advisory services (mergers & acquisitions ("M&A"), divestitures, joint ventures and other business combinations) and capital raising services (debt and equity underwriting, private placements and syndicated loans).
- Providing research to our clients that is incidental to our brokerage services and not for special compensation.

See **Appendix A** below for examples of securities services, available products and potential associated fees with respect to which we might make a recommendation.

We do not provide ongoing monitoring of Retail Client accounts. We also do not maintain custody of client funds or securities.

## V. Brokerage Accounts: Type, Account Minimums and Other Requirements

### Brokerage Account Type

Our brokerage accounts are execution-only brokerage accounts in which all transactions are effected at your direction. We do not accept discretionary authority to transact on your behalf in your brokerage account. All brokerage account transactions are self-directed; you must authorize every transaction and you make the ultimate decisions regarding the purchase and sale of securities or other products. In certain circumstances, you may give us limited or temporary authority to execute an order within set parameters with respect to the time, price and quantity, but the ultimate decision to buy or sell with respect to those parameters will be made by you. Your approval will be required before any securities or other transaction takes place. Although we may provide advice or recommendations regarding the purchase or sale of securities, we do not make investment decisions for you, manage your investments or monitor your brokerage account. You also may elect to transact in our products without our recommendation.

### Account Minimums and Other Requirements

We have no account minimums for our brokerage services. We do, however, have requirements for Retail Clients to open a brokerage account. A Retail Client generally must have total assets of at least \$50 million to open a brokerage account with BMOCMC.

## VI. Material Limitations, Material Risks, and Fees and Costs Associated With Our Brokerage Products and Services

### Material Limitations

While we offer a wide range of products and services, the products and services available to you may be limited based on factors such as regulatory requirements and your financial resources. For instance, certain transactions such as Rule 144A transactions can only be made available to qualified institutional buyers.

### Material Risks

Before making any investment or transacting in a security, each client should evaluate if the product is suitable for their needs and financial situation,

and their ability to take on risks. As a reminder, while we will take reasonable care in developing and making recommendations to you, securities and investment products involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that our recommendations will perform as anticipated.

In addition, some investments or securities transactions involve more risk than others. Higher-risk investments may have the potential for higher returns but also for greater losses. The higher your “risk tolerance,” meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns.

We seek to disclose the benefits and risks of each product and consider a client’s investment objectives when making recommendations to a Retail Client. You should consider a number of factors/risks when selecting products, including the potential for market movement, counterparty risk, liquidity, concentration, tax efficiency, comfort with leverage and fees. Additional information regarding risks may be available in the materials provided in connection with specific investments. Ask us if you do not have an understanding of these risks.

### **Fees and Costs**

As a general matter, we earn transaction-based fees and sales charges for our brokerage services. The amount of such compensation varies based on the frequency and size of the transactions. The more trades and/or larger volumes executed in your brokerage account and the more and larger investment banking transactions you execute with us, the more we and our FPs earn.

Commissions will generally be charged in connection with transactions involving equities, exchange-traded funds (“ETFs”), American Depository Receipts (“ADRs”), Global Depository Receipts (“GDRs”), listed options and any other securities where trades are executed on an agency basis. Commission equivalents, such as markups/markdowns and spreads, will be charged in connection with transactions executed on a principal basis including for certain fixed income securities, such as bonds, as well as currency transactions, and certain equity and derivative

transactions. Investment banking transactions, including M&A advisory or private placements, may charge fixed or variable fees depending on the transaction, and those fees would be disclosed in the applicable engagement letter or transaction agreement. Depending on the products in which you transact, you may receive product-specific documentation that includes more information on specific charges associated with those products.

Generally, you will be required to pay our brokerage fees upon settlement of the transaction. Fees for transactions in your brokerage account will generally be reflected on your trade confirmations (either as commissions/commission equivalents for equity securities or included in the net price shown for fixed income or preferred equity securities).

We disclose typical commissions and fees below in **Appendix B** of this brochure.

A portion of the transaction fees (i.e., soft dollars) may be used to pay for our research. You may also elect to pay for our research directly, in which case we will be providing you our research in our capacity as an investment adviser.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you pay by asking our FPs about the range of fees, commissions and other specific fees any or all of which may be negotiated.

### **VII. Material Facts Relating to Conflicts of Interest**

The below describes material facts relating to conflicts of interest concerning our business and the way we and our FPs earn compensation. These conflicts are typical to our industry as a whole. Generally, conflicts (actual and potential) are mitigated through disclosure, compensation structure, policies and procedures, adherence to applicable exemptions or exceptions and supervision on a transactional and operational basis. If the conflict cannot be appropriately managed and/or mitigated, we may decline to engage in the activity giving rise to the potential conflict. Not every conflict disclosed below will apply to each recommendation. This disclosure

should be read in conjunction with our client relationship summary (also called a Form CRS) and the other documents provided to you. Conflicts of interest regarding our investment advisory business are described in our Brochure. Further conflicts may also be disclosed in product-specific materials or agreements, such as engagement letters, prospectuses, offering memoranda and marketing materials.

### **Investments in Proprietary Products**

We may offer you investments in products that are issued by our affiliates, such as Bank of Montreal (“BMO”) (our indirect parent), including senior and structured notes issuances, covered bonds and credit card and other securitizations for which we act as underwriter/initial purchaser/agent. We and our affiliates receive compensation from these products, which gives us an incentive to recommend them to you over other products for which we may not earn as much aggregate compensation.

### **Transaction-Based Compensation**

When you purchase or sell securities in a brokerage account, you pay us transaction-based compensation in the form of a commission, mark-up/mark-down or other sales-charge. When you conduct investment banking transactions with us, we generally earn a fee per transaction that can be fixed or that varies based on the size of the transaction. The amount of fees you will pay in connection with any brokerage transaction is specific to the type and size of a transaction and not the value of your account (we do not custody client funds or securities). The more and larger transactions you conduct with us, the more revenue we earn. We therefore have an incentive to recommend that you transact with us more often, in greater volumes, and in multiple products.

### **Principal Transactions**

In our capacity as broker, we sometimes buy securities from you, sell securities to you or engage in derivative transactions with you for our own account. These transactions create conflicts between our interests as buyer or seller and our responsibility not to put our interests ahead of yours. When trading on a principal basis, we may earn more compensation than when trading with you as an agent, which creates incentives for us to trade with you on a principal basis. We must

disclose whether we are acting in an agency or principal capacity for each transaction (including in trade confirmations), and we have a number of other obligations, policies, and procedures to ensure the quality and fairness of trades. Among the obligations is a best execution obligation that requires us to seek the best execution reasonably available under the circumstances for our clients’ orders. In seeking best execution of orders, we must consider certain factors, including the opportunity to get a better price than is currently quoted, the speed of execution, and the likelihood that the trade will be executed. In certain circumstances, we prohibit principal transactions.

We also underwrite new and secondary securities offerings. As an underwriter or syndicate member, we seek to maximize the success of an offering for the issuer and ourselves, as well as any other syndicate members. We have an incentive to sell underwritten securities at a higher price and in greater amounts to increase the amount we make. Similarly, we have an incentive to sell underwritten securities to you to fulfill our underwriting obligations or to avoid losses. To the extent we are purchasing securities from you in a secondary offering, we have an incentive to maximize the fee we earn to perform such service.

### **Agency Cross Transactions**

We also have the authority to effect “agency cross” transactions (i.e., transactions for which we or one of our affiliates acts as a broker for both the account and the counterparty to the transaction) when permitted by applicable law. We or our affiliates may receive compensation from each party to the transaction, and for that reason, we will have a potentially conflicting division of loyalties and responsibilities regarding the parties to the transaction.

### **Hedging Transactions**

We may, from time to time, take positions in relation to our principal transactions with you to hedge our financial risks relating to the transactions, or we may engage in hedging transactions on behalf of our other clients. These hedging transactions may affect the price of the securities that you are purchasing or selling.

### Market Center Payments

We, in our efforts to seek best execution, route client orders to market centers, including national securities exchanges, alternative trading systems, electronic communication networks and broker-dealers. These market centers may offer credits/rebates or charge fees based upon whether routed orders contribute liquidity to (or remove liquidity from) the market center. We may select execution venues for your orders, when we have not been instructed to route your order to a specific venue, to receive credits/rebates or avoid charges and/or to a market center in which we or our affiliates may have a direct or indirect ownership interest. As a result, we have an incentive to the extent possible to route orders to market centers that compensate us, directly or indirectly, more favorably. In accordance with SEC Rule 606, we make available a quarterly report which identifies the significant market centers to which client orders were routed for execution and other important information concerning those market centers and our relationship with them. The latest report is available online at:

<https://capitalmarkets.bmo.com/en/about-us/regulatory/>

### Material Business Relationships with Affiliates

We are a direct, wholly-owned subsidiary of BMO Financial Corp., which is itself a wholly-owned subsidiary of BMO, a Canadian chartered bank. We have service agreements in place with our affiliates, including referral agreements, and we or one or more of our affiliates may receive fees or other compensation or economic benefits in connection with the provision of products or services that we may recommend, refer you to or make available to you. As a result, we have an incentive to refer clients to use affiliates' services. Our FPs generally are not compensated directly for referrals, except on a limited, exception-only basis.

### Acting in Other Capacities

We are a full-service financial services provider of corporate and investment banking, treasury management, as well as research and advisory services. In providing services to our other clients and as a participant in global markets, we may recommend or engage in activities that compete with or otherwise adversely affect your account or your investments. For instance, we may obtain material non-public information that we cannot

share with you as a result of our internal policies and procedures, which if known could otherwise have impacted the way you invest or transact in securities.

We may recommend securities to you in which we directly or indirectly have a financial interest, and we may buy and sell securities that are recommended to other clients for purchase and sale. Thus, a client may hold securities in which we make a market or in which we, our officers or employees also have positions. We have policies and procedures in place (such as maintaining a Restricted List and requiring employee pre-clearance of certain trades) that must be complied with in these circumstances. We may also, for instance, in limited circumstances vote proxies for the securities we hold as principal, which voting may not be in line with your interests.

We also may make a recommendation to you that differs from a recommendation provided to other clients and take action for ourselves that differs from action taken on behalf of you. For example, we may recommend securities to clients who hold different parts of the capital structure of the same issuer. Our recommendations to clients who hold one class of securities may differ from, or conflict with, recommendations to clients who hold a different class of securities. Particular clients may be negatively affected by these decisions while other clients may be positively affected.

### New Issue Allocations

In addition to factors such as an issuer's input, client hold profiles, and the amount of securities requested for allocation, we may take into account our relationship with you, including the relative revenue we earn from you and potential future revenue opportunities, when making new issue allocations. This means that any allocation you receive may be based in part on how much business you conduct with us, or you may not receive any allocation.

### FP Compensation

Our FPs are compensated based on two elements: (i) base salary, reviewed annually, and (ii) variable incentive-based compensation, which varies according to the performance of BMO (our indirect parent), the FP's business group and the individual FP. Payment of the incentive compensation is

performance-based and discretionary, except in limited circumstances. Incentive-based compensation is awarded to eligible employees and consists of (i) an annual discretionary cash incentive, typically awarded at or around calendar year-end for performance in the previous fiscal year, and (ii) a deferred, equity-based incentive, awarded at year-end to employees of certain seniority.

Because FPs receive compensation that is tied indirectly to the transactions they generate, FPs have incentives that can conflict with your interest. The better our FPs perform, the more they are likely to get paid. This creates an incentive to maximize the number and value of the transactions in which they are involved.

As part of an overall internal compliance program, we have adopted policies and procedures designed to avoid misaligning our financial interests and those of our FPs with your financial interests and to prevent and detect, among other things, any improper or abusive conduct when conflicts arise. For example, we have adopted policies and procedures that govern transactions for our principal accounts and the accounts of our employees, and all of our personnel are subject to our code of conduct and policies and procedures regarding confidential and proprietary information, information barriers, private investments, outside business activities, personal trading, and gifts and business entertainment to or from customers, intermediaries or suppliers. In addition, we have implemented monitoring systems designed to ensure compliance with these policies and procedures.

## VIII. Additional Information

You can obtain a copy of our client relationship summary as well as obtain additional information about our brokerage and investment advisory services by visiting our BMO Capital Markets website at <https://capitalmarkets.bmo.com/>, and, with respect to our advisory services, our Brochure, available at <https://adviserinfo.sec.gov/firm/brochure/16686>.

If you have any questions about this Disclosure Statement or to request a paper copy of it, please contact our BMOCMC FPs or the BMOCMC Chief Compliance Officer at (212) 702-1981.

BMO Capital Markets is a trade name used by BMO Financial Group for the wholesale banking businesses of Bank of Montreal, BMO Bank, N.A. (member FDIC), Bank of Montreal Europe p.l.c. and Bank of Montreal (China) Co. Ltd, the institutional broker dealer business of BMO Capital Markets Corp. (Member FINRA and SIPC) and the agency broker dealer business of Clearpool Execution Services, LLC (Member FINRA and SIPC) in the U.S., and the institutional broker dealer businesses of BMO Nesbitt Burns Inc. (Member Investment Industry Regulatory Organization of Canada and Member Canadian Investor Protection Fund) in Canada and Asia, Bank of Montreal Europe p.l.c. (authorised and regulated by the Central Bank of Ireland) in Europe and BMO Capital Markets Limited (authorised and regulated by the Financial Conduct Authority) in the UK and Australia. "Nesbitt Burns" is a registered trademark of BMO Nesbitt Burns Corporation Limited, used under license. "BMO Capital Markets" is a trademark of Bank of Montreal, used under license. "BMO (M-Bar roundel symbol)" is a registered trademark of Bank of Montreal, used under license. ® Registered trademark of Bank of Montreal in the United States, Canada and elsewhere. TM Trademark Bank of Montreal © 2023 BMO Financial Group.

## Appendix A: Broker Dealer Services, Products and Fees

Examples of securities products and services and associated fees in which we might make a recommendation include the following:

Global Markets		
Broker Dealer Service	Product Profile	Potential Associated Fees
<b>US EQUITY FINANCE SERVICES</b>	Global-Listed Equities, ETF/ADR/GDRs, Financing Trades	Embedded spreads in financing rates.
<b>EQUITIES</b>	Globally-listed Equities, ETF/ADR/GDRs.	<p>A commission for agency trades or an embedded spread or markup (markdown) for principal transactions.</p> <p>ETFs also carry embedded fees that are charged by the manager. Transactions in GDRs and ADRs generally include certain embedded execution costs including conversion or creation fees, foreign exchange costs and foreign tax charges.</p> <p>For initial and secondary public offerings, the offer price includes our embedded underwriting commission – no separate execution charge.</p>
<b>US LISTED EQUITY OPTIONS</b>	US-listed Equities, Equity Options, ETFs, ETF Options, US OTC Options	A commission for agency trades or a commission equivalent for principal trades based on the number of contracts or the principal amount of the trade, as reflected on your trade confirmation.
<b>CONVERTIBLES &amp; PREFERRED</b>	US Convertible and Preferred Securities, Listed Equity Derivatives	<p>For newly issued convertible bonds and preferred securities, the offer price includes our commission.</p> <p>On secondary transactions of convertible bonds that trade on an exchange, we charge a commission on convertible bonds that is reflected on your trade confirmation.</p> <p>With respect to secondary transactions of convertible bonds traded over the counter, we charge a markup or markdown that is included in the total price of the bonds, and may in some cases be disclosed as a markup on your trade confirmations.</p>



<b>US STRUCTURED NOTES</b>	Structured Notes, OTC Options and Derivatives (acting as agent)	<p>Structured securities are sold by BMOCMC acting as agent at the offer price, which may include a markup, ranging in value based on factors including the tenor of the note, the underlying asset class and exposure, and structuring cost.</p> <p>If a structured investment is bought or sold in the secondary market, we may repurchase from or sell to you securities at the bid/offer price, which may include a spread and which may, in some cases, be disclosed as a markup on your trade confirmations. Secondary trading of structured securities also carries an execution charge that varies based on their type, invested amount and duration.</p> <p>OTC options and derivatives transactions carry an embedded markup to compensate for executing the transaction and taking market risk.</p> <p>BMOCMC acts as agent for securities issued by third party trusts that are sold at the offer price, such as BMO GOLDRs where the price takes into account the spot price for gold, plus a deposit fee and a sales &amp; distribution fee.</p>
<b>SECURITIZATION FINANCE</b>	Conduit Servicing & Administration, Term ABS, Advisory Services, GSE Bonds	<p>Fees are charged to the conduit for servicing and administration based upon the residual taxable income of the entity.</p> <p>Underwriting/placement/distribution/structuring fees on term ABS transactions are included in the offer price.</p> <p>Structuring/loan origination fees are separately disclosed in a fee letter agreed to with each client.</p>
<b>US LEVERAGED FINANCE</b>	Floating Rate Bonds, High Yield Bonds, Zeros/PIKS	<p>For newly issued fixed income securities, the offer price includes our commission.</p> <p>Secondary market bond trades may carry a markup (markdown) charge, depending on the type of security and its duration. These execution charges are included in the total price reflected on your trade confirmations, and may in some cases be disclosed as a markup on such confirmations.</p>
<b>US FIXED INCOME</b>	US Government and GSE/SSA Bonds (including FNM, FRE, FHL banks, Federal Farm Credit), Covered Bonds, Canadian Government and Government-related Bonds, Money Market	<p>For newly issued fixed income securities, the offer price includes our commission.</p> <p>Secondary market bond trades may carry a markup (markdown) charge, depending on the type of security and its duration. These execution charges are included in the total price reflected on your trade confirmations, and may in some cases be disclosed as a markup on such confirmations.</p>

	Securities, Securizations and Corporate Bonds	
<b>US REPO &amp; FUNDING</b>	US Government and GSE/SSA Bonds, Highly-rated Corporate debt securities, Fed Funds, Securizations	There are no explicit fees associated with transactions within US Repo Trading desks. Rather, each sales person will set the appropriate rates on a client by client basis.
<b>Investment Banking</b>		
<b>Broker Dealer Service</b>	Product Profile	Potential Associated Fees
<b>US INVESTMENT BANKING</b>	<u>Advisory</u> : M&A, Acquisitions & Divestitures, Strategic Advisory, Fairness Opinions, Takeover Defense, Private Placements, Restructuring / Recapitalizations, Valuation	Negotiated fixed or variable fee per transaction.
	<u>Underwriting/Agenting</u> : Offerings of Equity, Convertible/Preferred Securities, High-Yield Debt, Investment Grade Debt, Securitization	Spread (discounts and commissions) or negotiated fixed or variable fee based on the type of product.

Certain transactions in securities incur additional customary fees and costs, including exchange, alternative trading system fees, required SEC fees or similar fees and transfer taxes. There are charges for transactions in foreign ordinary securities and dealer spreads or markups in connection with foreign currency conversions, including in connection with ADRs. The purchase and sale of non-U.S. securities may have local country costs and fees, stamp taxes, foreign currency exchange or conversion fees and local broker fees. Certain of these fees are included in the execution price for the security. These per transaction fees vary from product to product.

For additional information about any products or services listed in the above chart, please contact us or our FPs.

## Appendix B: Brokerage Fees and Execution Charges for Global Markets Products

Brokerage fees and execution charges for certain of our global markets products outlined below generally fall within the ranges provided.

For fixed income and other securities not shown, the nature of the products is such that there is no customary range of fees and execution charges to disclose. Rather, these costs are variable and/or negotiated on a transaction-by-transaction basis.

All these fees are subject to change and negotiation and may vary, including above or below the stated range, based on a variety of factors such as the amount you transact in your brokerage account, the broader nature of your relationship with BMOCMC or the size, complexity, and type of security that is traded in a given transaction.

See BMOCMC's Form ADV (Fees and Compensation – Fees for Advisory Services) for information regarding fees for advisory services.

Product Type <sup>1</sup>	Fee Range	
<b>Equity Shares and ETFs<sup>2</sup></b>		
Flat DPSH (U.S. / Canada securities)	\$0.005	\$0.03
<b>US Listed Options</b>		
Per Contract (\$)	\$1.00	\$3.00

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<sup>1</sup> DPSH: Dollars Per Share. BPS: Basis Points

<sup>2</sup> ETFs also carry embedded fees that are charged by the manager