

Important: If you are in any doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant and other financial adviser for independent financial advice.

This Second Addendum forms an integral part of and should be read in conjunction with the Prospectus dated November 2019, as supplemented and amended by an addendum dated 23 December 2019 (together, the “**Prospectus**”). All the capitalised terms used in this Addendum have the same meaning as in the Prospectus, unless otherwise defined herein.

BMO ETF

(a Hong Kong umbrella unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)

BMO Asia USD Investment Grade Bond ETF

HKD Counter Stock Code: 3141

USD Counter Stock Code: 9141

BMO Hong Kong Banks ETF

Stock Code: 3143

BMO Asia High Dividend ETF

Stock Code: 3145

BMO MSCI Japan Hedged to USD ETF

Stock Code: 3160

BMO MSCI Europe Quality Hedged to USD ETF

Stock Code: 3165

BMO MSCI Asia Pacific Real Estate ETF

Stock Code: 3121

BMO NASDAQ 100 ETF

HKD Counter Stock Code: 3086

USD Counter Stock Code: 9086

Second Addendum to the Prospectus

Effective from the date of this Addendum, the Prospectus is supplemented and amended as follows:

ACCEPTANCE OF APPLICATIONS AFTER DEALING DEADLINE

1. Under the section headed “**THE OFFERING PHASES**”, the second paragraph under the sub-section “*Creations and Redemptions through Participating Dealers*” on pages 11-12 is deleted in its entirety and replaced with the following:

“To be dealt with on a Dealing Day, the relevant Participating Dealer or PD Agent must submit the Creation Applications to the Trustee (with a copy to the Manager) before the Dealing Deadline on the relevant Dealing Day. If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. Notwithstanding, the Manager may

agree to accept a Creation Application in respect of any Dealing Day which is received after the Dealing Deadline but prior to the Valuation Point related to that Dealing Day if it has determined in good faith that such acceptance will not materially prejudice the interest of the other Unitholders and the Trustee has not raised any objections. Participating Dealers are under no obligation to create or redeem generally or for their clients and may charge their clients such fee or fees as such Participating Dealers determine.”

2. The section headed “**CREATIONS AND REDEMPTIONS (PRIMARY MARKET)**” is amended as follows:

(a) the second paragraph under the sub-section “*Creation Process*” on pages 19-20 is deleted in its entirety and replaced with the following:

“If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall, unless otherwise determined by the Manager, be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application.

The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the Recognised Futures Exchange or the Recognised Stock Exchange are reduced. To be effective, a Creation Application must:

- (a) be given by a Participating Dealer in accordance with the Trust Deed, the relevant Participation Agreement and the relevant Operating Guidelines;
 - (b) specify the number of Units and the class of Units (where applicable) which is the subject of the Creation Application; and
 - (c) include the certifications required in the Operating Guidelines (if any) in respect of creations of Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable Securities and other laws in relation to the creation of Units which are the subject of the Creation Application.”
- (b) the fourth paragraph under the sub-section “*Issue of Units*” on page 21 is deleted in its entirety and replaced with the following:

“The creation and issue of Units pursuant to a Creation Application shall be effected on the Dealing Day on which the Creation Application is received (or deemed received) and accepted in accordance with the Operating Guidelines but, for valuation purposes only, Units shall be deemed created and issued after the Valuation Point on the Dealing Day on which the relevant Creation Application was received or deemed received and the register will be updated on the relevant Settlement Day or the Dealing Day immediately following the Settlement Day if the settlement period is extended. If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall, unless otherwise determined by the Manager, be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. An Extension Fee may be payable in relation to such an extension. See the section on “**Fees and Expenses**” for further details.”

- (c) the second paragraph under the sub-section “*Redemption Process*” on page 24 is deleted in its entirety and replaced with the following:

“If a Redemption Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Redemption Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Redemption Application. Notwithstanding, the Manager may agree to accept a Redemption Application in respect of any Dealing Day which is received after the Dealing Deadline but prior to the Valuation Point relating to that Dealing Day if it has determined in good faith that such acceptance will not materially prejudice the interest of the other Unitholders. The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.”

INDEX METHODOLOGY AND OTHER INDEX RELATED AND GENERAL UPDATES

3. Under **Appendix 1: BMO ASIA USD INVESTMENT GRADE BOND ETF** in Part 2 of the Prospectus, the sub-section headed “***General Information on the Index***” on page 81, paragraph 5 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of USD696.07 billion and consisted of 847 constituents out of the following eligible Asian markets: Bangladesh, China, Hong Kong, India, Indonesia, Macau, Malaysia, Mongolia, Pakistan, the Philippines, South Korea, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

4. **Appendix 2: BMO HONG KONG BANKS ETF** in Part 2 of the Prospectus is amended as follows:

- (a) the sub-section headed “***General Information on the Index***” on page 89, paragraph 6 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of HKD2,966.87 billion and 16 constituents.”

- (b) the sub-section headed “***Index Calculation***” on pages 89-90, paragraph 7 is deleted in its entirety and replaced with the following:

“The Index employs a float adjusted modified market capitalisation weighting methodology. Float takes into account strategic and government holdings, as well as foreign ownership limits. At each quarter, the Index is rebalanced such that:

- (1) The largest group entity will be capped at 33% with excess weight being redistributed to all non-capped entities. Weights for group entities that have more than one security are proportionally distributed in accordance to their float market cap weights.
- (2) Second largest group entity and all others are capped at 18% with the excess weight being redistributed to all non-capped entities. Weights for group entities that have more than one security are proportionally distributed in accordance to their float market cap weights.
- (3) The top five (5) securities are capped at 70%, if the aggregate weight of the top five (5) securities is greater than 70%.
- (4) Any security with a weight greater than 18% is capped at 18% and the weight

is proportionally redistributed to those securities in the top five (5) that are not capped such that the top five (5) securities weight totals capped at 70% (if they were above 70%). The remaining weight is proportionally redistributed such that the remaining securities have a total weight of 30% (if the top five (5) were capped at 70%).

The modified market capitalisation weighting is applied to the float capitalisation of each Index security, using the last sale price and spot rate of the security at the close of trading on the last trading day in February, May, August and November and after applying quarterly changes and free float factors to the total shares outstanding. Index Shares are then calculated by multiplying the weight of the security derived above by the new market value of the Index and dividing the float adjusted modified market capitalisation for each Index security by its corresponding last sale price and spot rate. The changes are effective after trading on the third Friday in March, June, September and December.”

5. **Appendix 3: BMO ASIA HIGH DIVIDEND ETF** in Part 2 of the Prospectus is amended as follows:

- (a) the row “**Market Maker**” under the section headed “**Key Information**” on page 93 is deleted in its entirety and replaced with the following:

Market Maker*	BNP Paribas Securities (Asia) Limited Flow Traders Hong Kong Limited SG Securities (HK) Limited
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- (b) the sub-section headed “**General Information on the Index**” on pages 95-96, paragraph 8 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of HKD8,264.25 billion and consisted of 167 constituents out of the following 10 eligible Asian markets: China, Hong Kong, India, Indonesia, South Korea, Malaysia, the Philippines, Singapore, Taiwan and Thailand.”

6. **Appendix 4: BMO MSCI JAPAN HEDGED TO USD ETF** in Part 2 of the Prospectus is amended as follows:

- (a) the sub-section headed “**General Information on the Index**” on page 101, paragraph 4 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of USD3,263.90 billion and 323 constituents.”

- (b) the sub-section headed “**Investable Universe and Index Construction**” on pages 101-102, sub-paragraphs (i) and (ii) under paragraph 2 are deleted in their entirety and replaced with the following:

“(i) *Equity universe minimum size requirement*

This investability screen is applied at the company level. A company must have a full market capitalisation equal to or higher than the minimum full market capitalisation which is determined by (i) sorting all the companies in the equity universe in descending order by full market capitalisation; and (ii) identifying the company when the cumulative coverage of the free float adjusted market capitalisation reaches 99% of the sorted equity universe. The full market capitalisation of this company defines the minimum full market capitalisation. This minimum threshold is updated on a semi-annual basis and, as of the November 2019 semi-annual index review, was USD233

million.

(ii) *Equity universe minimum free float-adjusted market capitalisation requirement*

This investability screen is applied at the individual security level. A security must have a free float-adjusted market capitalisation equal to or higher than 50% of the equity universe minimum size requirement. The minimum threshold is updated on a semi-annual basis and, as of the November 2019 semi-annual index review, was USD116.5 million.”

7. Under **Appendix 5: BMO MSCI EUROPE QUALITY HEDGED TO USD ETF** in Part 2 of the Prospectus, the sub-section headed “**General Information on the Index**” on page 109, paragraph 4 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of USD2,986.38 billion and consisted of 125 constituents out of the following 15 eligible European markets: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and United Kingdom.”

8. **Appendix 6: BMO MSCI ASIA PACIFIC REAL ESTATE ETF** in Part 2 of the Prospectus is amended as follows:

- (a) the sub-section headed “**General Information on the Index**” on page 118, paragraph 4 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of USD485.37 billion and consisted of 104 constituents out of the following 14 eligible markets: Australia, Hong Kong, Japan, China, India, Indonesia, South Korea, Malaysia, New Zealand, Pakistan, the Philippines, Singapore, Taiwan and Thailand.”

- (b) the sub-section headed “*Investable Universe and Index Construction*” on pages 118-120, sub-paragraphs (i) and (ii) under paragraph 2 are deleted in their entirety and replaced with the following:

(i) *Equity universe minimum size requirement*

This investability screen is applied at the company level. A company must have a full market capitalisation equal to or higher than the minimum full market capitalisation which is determined by (i) sorting all the companies in the equity universe in descending order by full market capitalisation; and (ii) identifying the company when the cumulative coverage of the free float adjusted market capitalisation reaches 99% of the sorted equity universe. The full market capitalisation of this company defines the minimum full market capitalisation. This minimum threshold is updated on a semi-annual basis and, as of the November 2019 semi-annual index review, was USD233 million.

(ii) *Equity universe minimum free float-adjusted market capitalisation requirement*

This investability screen is applied at the individual security level. A security must have a free float-adjusted market capitalisation equal to or higher than 50% of the equity universe minimum size requirement. The minimum threshold is updated on a semi-annual basis and, as of the November 2019 semi-annual index review, was USD116.5 million.”

- (c) the sub-section headed “**Investable Universe and Index Construction**” on pages 118-120, the paragraph after sub-paragraph (v) is deleted in its entirety and replaced with the following:

“A coverage target range of 85% ± 5% is applied to the free float-adjusted market capitalisation of the Asia Pacific region to create a size-segment (known as a Standard Index) consisting of the large- and mid-capitalisation stocks in the market investable equity universe of the Asia Pacific region.”

9. **Appendix 7: BMO NASDAQ 100 ETF** in Part 2 of the Prospectus is amended as follows:

- (a) the sub-section headed “**General Information on the Index**” on page 126, paragraph 4 is deleted in its entirety and replaced with the following:

“As at 28 February 2020, the Index had a total market capitalisation of USD9,491.18 billion and 103 constituents. An issuer may have more than one class of securities which are eligible for inclusion in the Index and which will be included as separate constituents.”

- (b) the sub-section headed “**Index Periodical Review**” on page 127, paragraph 1 sub-paragraph (2) is deleted in its entirety and replaced with the following:

“(2) the collective weight of Index securities whose individual weights are each in excess of 4.5%, when added together, exceeds 48% of the Index.”

BMO Global Asset Management (Asia) Limited accepts responsibility for the information contained in this Addendum as being accurate as at the date of publication.

The Prospectus may only be distributed if accompanied by this 2nd Addendum and Product Key Facts Statements.

BMO Global Asset Management (Asia) Limited

Date: 19 March 2020