

This Notice is important and requires your immediate attention. If you have any doubt about the contents of this Notice, you should seek independent professional financial advice.

BMO Global Asset Management (Asia) Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Notice at the date of publication and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the Prospectus of the BMO Funds (the “Trust”) dated November 2019 , as may be amended and supplemented from time to time (the “Prospectus”).

Dear Investors

BMO Balanced Fund (the “Sub-Fund”), a sub-fund of the Trust

We are writing to inform you of the following changes relating to the Sub-Fund, which will come into effect on 2 July 2020 (the “**Effective Date**”).

1. Fractions of Unit

In order to better streamline the internal reporting processes with the fund accounting systems within the Fund Administrator, for orders received and accepted on or after the Effective Date, where fractions of a unit are issued, they shall be rounded down to the nearest 3 decimal places instead of 4 decimal places. Subscription monies representing smaller fractions of a Unit will continue to be retained by the relevant Sub-Fund. Units held by existing Unitholders as of the Effective Date would be rounded up from 4 decimal places to 3 decimal places at no extra cost to the Unitholders.

2. Change of definition of “Dealing Day”

Currently, the Dealing Day of the Sub-Fund is each day (other than a Saturday or Sunday) on which banks in Hong Kong, the United States, the United Kingdom, and Canada are open for normal banking business or such other day or days as the Manager and the Trustee may determine from time to time, provided that where, as a result of a typhoon signal number 8, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, such day shall not be a Dealing Day unless the Manager and the Trustee determine otherwise.

From the Effective Date, the Dealing Day of the Sub-Fund will be amended to exclude any day where the afternoon trading session of the Stock Exchange of Hong Kong (the “SEHK”) is scheduled to be closed or where its trading hours are reduced by the SEHK in accordance with The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, such that the Dealing Day of the Sub-Fund will be:

“each day (other than a Saturday or Sunday) on which banks in Hong Kong, the United States, the United Kingdom, and Canada are open for normal banking business or such other day or days as the Manager and the Trustee may determine from time to time, provided that (1) where, as a result of a typhoon signal number 8, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open for normal banking business on any day is reduced, or (2) where the afternoon trading session of the SEHK is scheduled to be closed (such as Lunar New Year’s eve, Christmas’ eve and New Year’s eve) as indicated at the SEHK’s website, or (3) where SEHK’s trading hours are reduced by SEHK in accordance with The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, such day shall not be a Dealing Day unless the Manager and the Trustee determine otherwise.”

The proposed change is intended to enable the Manager to better manage the liquidity of transacting underlying investments of the Sub-Fund involving securities and ETFs listed on the SEHK in order to better track the Sub-Fund’s asset allocation strategy following a subscription, redemption and/or switching request.

For the avoidance of doubt, the definition of “Valuation Day” will remain unchanged, which means, in relation to any class of Units, the Business Day as at which the Net Asset Value and the Net Asset Value per Unit is to be calculated and/or such other Business Day or Business Days as the Manager may from time to time determine.

Except the changes as mentioned above, there will be no change in the operation and/or manner in which the Sub-Fund is being managed and there will be no implications on the features and risks applicable to the Sub-Fund. The foregoing changes will not materially prejudice the rights or interests of the existing Unitholders of the Sub-Fund.

The costs of implementing the foregoing changes will be borne by the Manager. There will be no change in the fee structure of the Sub-Fund following the implementation of the foregoing changes.

Documents and enquires

The Prospectus will be revised by way of a Second Addendum to reflect the above changes in due course. Investors may access the offering document at the Manager’s website www.bmo.hk¹. Should you require hard copies of the offering document or have any enquiries, please contact the Manager at 36/F & Suite 3808 One Exchange Square, 8 Connaught Place, Central, Hong Kong, or call the Manager at (852) 3716 0990.

BMO Global Asset Management (Asia) Limited

1 June 2020

¹This website has not been reviewed by the SFC.