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If you are in doubt about the contents of this Announcement, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

## **BMO ETF** (the “**Trust**”)

*(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**

*HKD Counter Stock Code: 3143*

### **BMO Asia High Dividend ETF**

*HKD Counter Stock Code: 3145*

### **BMO MSCI Japan Hedged to USD ETF**

*HKD Counter Stock Code: 3160*

### **BMO MSCI Europe Quality Hedged to USD ETF**

*HKD Counter Stock Code: 3165*

### **BMO MSCI Asia Pacific Real Estate ETF**

*HKD Counter Stock Code: 3121*

### **BMO NASDAQ 100 ETF**

*HKD Counter Stock Code: 3086*

*USD Counter Stock Code: 9086*

(collectively the “**Sub-Funds**”)

## **Announcement**

### **Change of Trustee, Custodian and Administrator and Amendments to Trust Deed**

BMO Global Asset Management (Asia) Limited, the manager of the Trust and the Sub-Funds (the “**Manager**”), wishes to inform Unitholders of the following changes which will come into effect on 25 November 2019 (the “**Effective Date**”): (i) change of Trustee; (ii) change of Administrator and appointment of master global custodian; and (iii) certain amendments to the trust deed of the Trust dated 17 October 2014, as amended and supplemented from time to time (the “**Trust Deed**”).

Investors should exercise caution in dealing with the Units of the Sub-Funds.

Unless otherwise defined in this Announcement, capitalised terms used in this Announcement shall have the same meaning as defined in the Prospectus of the Trust and the Sub-Funds dated 14 March 2017, as amended from time to time (the “**Prospectus**”).

## **(1) Change of Trustee**

As part of the Manager’s proposal to transition the administrative and operational functions of the Trust and the Sub-Funds to State Street Bank and Trust Company and its affiliates (the “**SSBT Group**”), a decision has been made to change the trustee of the Trust and the Sub-Funds from Cititrust Limited (the “**Existing Trustee**”) to State Street Trust (HK) Limited (the “**New Trustee**”) pursuant to Clause 31.1 of the Trust Deed from the Effective Date. The cessation of the Existing Trustee as trustee of the Trust and the Sub-Funds is subject to, and shall take effect at the same time as, the appointment of the New Trustee as trustee of the Trust and the Sub-Funds in place of the Existing Trustee.

The Manager is part of BMO Global Asset Management, which comprises various subsidiaries of Bank of Montreal that provide investment management and trust and custody services in North America, EMEA (Europe, the Middle East and Africa) and Asia. The Manager aims to implement a single fully integrated global operating platform provided by SSBT Group to BMO Global Asset Management. The Manager believes that the transition of the administration and operations of the Trust and the Sub-Funds to the SSBT Group will minimize operational risks and create greater operational efficiencies across BMO Global Asset Management’s global platform by driving consistency and creating a deeper resource pool to better serve investors.

The Manager and the New Trustee are independent of each other. No approval from the Unitholders or an extraordinary resolution passed by the Unitholders is required under the relevant laws of Hong Kong and the Trust Deed for such change of trustee of the Trust and the Sub-Funds.

The New Trustee is a registered trust company in Hong Kong and is licensed by the Companies Registry as a “Trust or Company Service Provider”. The New Trustee is an indirect wholly owned subsidiary of State Street Bank and Trust Company, a bank and trust company organized under the laws of the Commonwealth of Massachusetts, USA and a bank licensed under the Banking Ordinance (Cap. 155 of the Laws of Hong Kong). The New Trustee’s registered office is at 68/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

The assets of the Trust and the Sub-Funds will continue to be managed by the Manager, adopting and utilising the same investment objective and strategy as prior to the change of trustee of the Trust and the Sub-Funds.

## **(2) Change of Administrator and Appointment of Master Global Custodian**

As part of the transition to the SSBT Group, State Street Bank and Trust Company will be appointed as the Administrator of the Trust and the Sub-Funds in place of Citibank, N.A..

State Street Bank and Trust Company will also be appointed by the New Trustee as the master global custodian of the Trust and the Sub-Funds.

**(3) Amendments to the Trust Deed**

From the Effective Date, the Trust Deed shall be amended and supplemented by a deed of retirement and appointment (the “**Deed of Retirement and Appointment**”) to:

- (i) reflect the change of trustee as set out in paragraph (1) above; and
- (ii) add an additional provision to the Trust Deed to reflect that the Manager and the New Trustee shall in the performance of their respective duties under the Trust Deed in relation to Sub-Funds at all times comply with the applicable provisions of the Code and shall act at all times in compliance with and in a manner consistent with the Code (as may be modified by any applicable waivers or exemptions granted by the SFC) and that nothing in the Trust Deed shall diminish or exempt any of the Manager or the New Trustee from any of its duties and liabilities under the Code.

The Trust Deed shall also be amended and supplemented by a supplemental deed (the “**Supplemental Deed**”) in connection with the following:-

- (i) An additional provision will be added to the Trust Deed to clarify that the Manager may execute foreign exchange spot, forward or swap transactions with connected persons of the New Trustee or with dealers or other counterparties that are not affiliated with the New Trustee.
- (ii) Under the Trust Deed, in the event that the Manager enters into any agreement of any kind in writing with any third party for and on behalf of the Trust and/or the relevant Sub-Fund or Sub-Funds, the Manager shall use its reasonable efforts to ensure that any such agreement includes a provision in so far as is reasonably possible in writing by which the liability of the New Trustee to the third party under such agreement is limited to the net amount for which the New Trustee has a right of recovery against or indemnity from the assets of the Trust or the relevant Sub-Fund for its obligations to the third party under such agreement unless the New Trustee's liability arises from its fraud, negligence, wilful default or breach of the Trust Deed. The Trust Deed will be amended to clarify that, if the Manager is unable to include such a limited recourse provision in any third party agreement it shall: (a) immediately notify the New Trustee in writing; and (b) prior to incurring any liability under such third party agreement, establish reasonable procedures and controls in good faith consultation with the New Trustee designed to avoid the potential exposure of the New Trustee to personal liability caused by the inability of the Manager to include a limited recourse provision in the relevant third party agreement.
- (iii) The Trust Deed will also be amended to reflect other clarification, drafting and miscellaneous amendments.

Each of the Manager and the New Trustee has certified that the modification, alteration or addition to the Trust Deed by way of the Deed of Retirement and Appointment does not materially prejudice the interests of Unitholders, does not operate to release to any material extent, the Existing Trustee and the New Trustee (in each case, in respect of the period for which it is trustee of the Trust and the Sub-Funds) or the Manager or any other person from any liability to the Unitholders, and will not result in any increase in the amount of the costs and charges payable from the Trust and the Sub-Funds.

Each of the Manager and the New Trustee has certified that the modification, alteration or addition to the Trust Deed by way of the Supplemental Deed does not materially prejudice the interests of Unitholders, does not operate to release to any material extent, the New Trustee or the Manager or any other person from any liability to the Unitholders, and will not result in any increase in the amount of the costs and charges payable from the Trust and the Sub-Funds.

The amendments to the Trust Deed do not require approval from the Unitholders or an extraordinary resolution passed by the Unitholders.

The Trust Deed together with all its supplemental deeds are available for inspection free of charge at the offices of the Manager at the address set out below and copies of such documents may be obtained from the Manager at a cost of HKD150 (per set of copy documents).

The Prospectus of the Trust and the Sub-Funds and the Product Key Facts Statements (“KFS”) of the Sub-Funds will be amended to reflect the changes set out above in due course. The updated Prospectus and KFS will be available and published on the Manager’s website ([www.bmo.hk](http://www.bmo.hk)<sup>1</sup>) and Hong Kong Exchanges and Clearing Limited’s website ([www.hkex.com.hk](http://www.hkex.com.hk)) in due course.

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

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-Funds following the implementation of the foregoing changes.

Unless otherwise defined, all capitalised terms shall have the same meaning as that in the Prospectus.

Investors who have any enquiries regarding the above may contact the Manager at 36/F & Suite 3808, One Exchange Square, Central, Hong Kong or our enquiry hotline at +852 3716 0990 during office hours.

**BMO Global Asset Management (Asia) Limited  
as Manager of the BMO ETF**

**Date: 24 October 2019**

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<sup>1</sup> The website has not been reviewed by the SFC.