



This document contains key information you should know about BMO Preferred Share Fund. You can find more details in the fund's simplified prospectus. Ask your representative for a copy, contact BMO Investments Inc. at 1-800-668-7327 or clientservices.mutualfunds@bmo.com or visit www.bmo.com/gam/ca.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

Quick facts

Fund code(s):	JH155730	Fund manager:	BMO Investments Inc.
Date series started:	September 20, 2013	Portfolio manager(s):	BMO Asset Management Inc.
Total value of fund on March 26, 2019:	\$321.3 Million	Distributions:	Monthly (any net income) and in December (any net capital gains)
Management expense ratio (MER):	0.25%	Minimum investment:	Determined on a contractual basis

What does the fund invest in?

This fund's objective is to generate steady income and achieve capital preservation and appreciation by investing primarily in preferred shares of Canadian companies and in other types of securities that are expected to distribute income. The fund may invest up to 30% of the fund's assets in foreign securities.

The charts below give you a snapshot of the fund's investments on March 26, 2019. The fund's investments will change.

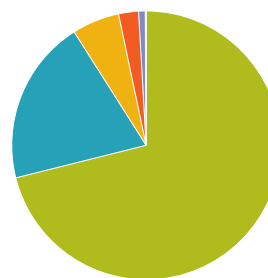
Top 10 investments (March 26, 2019)

1. Government of Canada, Treasury Bills, 1.672% Aug 8, 2019	2.8%
2. BMO Laddered Preferred Share Index ETF	2.4%
3. Royal Bank of Canada, Series BB, 3.900%, Non-Cumulative, Fixed/Floating Rate Preferred, Redeemable, Aug 24, 2019, \$25.00	1.8%
4. Bank of Montreal, Series 27, 4.000%, Non-Cumulative, Fixed/Floating Rate Preferred, Redeemable, May 25, 2019, \$25.00	1.7%
5. Canadian Imperial Bank of Commerce, Series 39, 3.900%, Non-Cumulative, Fixed/Floating Rate Preferred, Redeemable, Jul 31, 2019, \$25.00	1.7%
6. Pembina Pipeline Corporation, Series 5, 5.000%, Cumulative, Fixed/Floating Rate Preferred, Redeemable, Jun 1, 2019, \$25.00	1.6%
7. Brookfield Office Properties Inc., Series N, 3.782%, Cumulative, Fixed/Floating Rate Preferred, Redeemable, Jun 30, 2021, \$25.00	1.6%
8. Toronto-Dominion Bank, The, Series 5, 3.750%, Non-Cumulative, Fixed/Floating Rate Preferred, Redeemable, Jan 31, 2020, \$25.00	1.6%
9. Government of Canada, Treasury Bills, 1.643% Apr 18, 2019	1.6%
10. Brookfield Renewable Partners L.P., Series 7, 5.500%, Cumulative, Fixed/Floating Rate Preferred, Redeemable, Jan 31, 2021, \$25.00	1.5%

Total percentage of top 10 investments 18.3%

Total number of investments: 151

Investment mix (March 26, 2019)



Portfolio Allocation

71.1%	Preferred Shares - Fixed/Floaters
19.9%	Preferred Shares - Straight
5.7%	Money Market Investments
2.4%	Fixed Income Fund
0.8%	Cash/Receivables /Payables
0.1%	Preferred Shares - Floating Perpetual

How risky is it?

The value of the fund can go down as well as up. You could lose money.

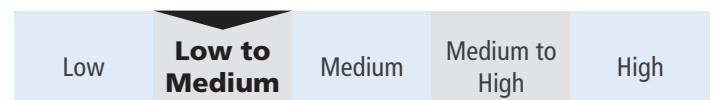
One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

BMO Investments Inc. has rated the volatility of this fund as low to medium.

This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the fund's returns, see the "What are the risks of investing in a mutual fund" section of the fund's simplified prospectus.

No guarantees

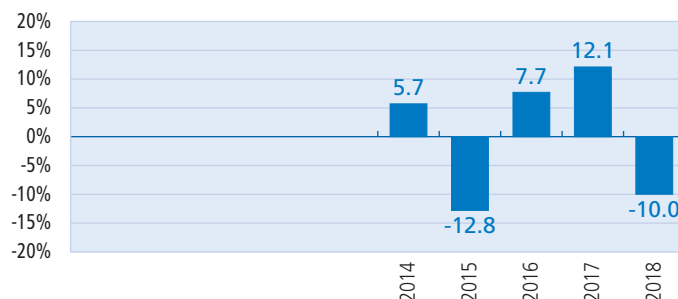
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the fund performed?

This section tells you how Series O units of the fund have performed over the past 5 calendar years. Returns are after expenses have been deducted. These expenses reduce the series' returns.

Year-by-year returns

This chart shows how Series O of the fund has performed in each of the past 5 years. The series dropped in value in 2 of the 5 years. The range of returns and change from year to year can help you assess how risky the fund has been in the past. It does not tell you how the fund will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for Series O units of the fund in a 3-month period over the past 5 calendar years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested \$1,000 at the beginning of the period
Best return	12.1%	May 31, 2016	Your investment would rise to \$1,121
Worst return	-11.5%	December 31, 2018	Your investment would drop to \$885

Average return

The annual compound return of Series O of the fund since inception was 0.2% as of March 31, 2019. If you had invested \$1,000 in this series since inception, your investment would now be worth \$1,011.

Who is this fund for?

Consider this fund if:

- you are looking to diversify your portfolio with a preferred share fund
- you are comfortable with low to medium investment risk (i.e., you are willing to accept some fluctuations in the market value of your investment).

A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series O units of the fund. The fees and expenses, including any commissions, can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. Sales charges

Instead of paying a sales charge on each transaction, you pay an annual fee to your representative's firm based on the value of your assets. You pay no sales or redemption charges if you buy, redeem or switch Series O units.

2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the returns of this series of the fund.

As of September 30, 2018, the Series O expenses of the fund were 0.31% of its value. This equals \$3 for every \$1,000 invested.

	Annual rate (as a % of the series' value)
Management expense ratio (MER) This is the total of the management fee, a fixed administration fee and operating expenses for Series O units of the fund.	0.25%
Trading expense ratio (TER) These are the fund's trading costs.	0.06%
Fund expenses	0.31%

3. Other fees

Series O units are for investors who have entered into an investment management agreement with BMO Private Investment Counsel Inc. or BMO Nesbitt Burns Inc.

Fee	What you pay
Series O fee	Series O investors pay a separate fee directly to their representative's firm, a portion of which may be paid to BMO Investments Inc.
Short-term trading fee	0% to 2% of the amount that you redeem or switch if you buy or switch and then redeem or switch units of the fund within 30 days of purchasing or switching them. This penalty will be paid directly to the fund.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts documents, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Fact documents or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact BMO Investments Inc. or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.