

This document contains key information you should know about Series R (Series R) units of BMO Diversified Income Portfolio. You can find more detailed information in the simplified prospectus offering this series of units of the fund. Ask your advisor for a copy, contact the manager, BMO Investments Inc., at 1-800-665-7700 or mutualfunds@bmo.com or visit www.bmo.com/mutualfunds.

**Quick facts**

|   |                            |                              |   |
|---|----------------------------|------------------------------|---|
| <b>Date fund created:</b>                 | (Series R) October 9, 2012 | <b>Portfolio manager(s):</b> | BMO Asset Management Inc.   |
| <b>Total value on September 18, 2012:</b> | \$603.7 Million            | <b>Distributions:</b>        | Distribution monthly, comprised of any income, capital gains earned or return of capital. |
| <b>Management expense ratio (MER):</b>    | n/a - new series           | <b>Minimum investment:</b>   | \$500 initial, \$50 additional  |

**What does the fund invest in?**

This fund's objective is to provide a fixed monthly distribution by investing primarily in Canadian and foreign fixed income and equity securities, income trust securities, as well as mutual fund securities.

The charts below provide you with a snapshot of the fund's investments on September 18, 2012. The fund's investments will change.

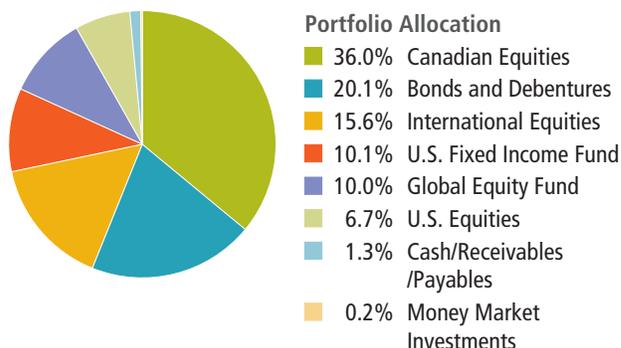
**Top 10 investments (September 18, 2012)**

1. BMO U.S. High Yield Bond Fund, Series I
2. BMO Global Infrastructure Fund, Series I
3. Bank of Nova Scotia
4. Toronto-Dominion Bank, The
5. Royal Bank of Canada
6. Enbridge Inc.
7. Canadian Imperial Bank of Commerce
8. Canadian National Railway Company
9. Cash/Receivables /Payables
10. Intact Financial Corporation

**Total investments 223**

**The top 10 investments make up 35.5% of the fund.**

**Investment mix (September 18, 2012)**



**How has the fund performed?**

This section tells you how this series of the fund has performed since inception. Returns are after expenses have been deducted. These expenses reduce the series' returns.

It's important to note that this doesn't tell you how the series will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

**Average return**

Information about the average return is not available because there were no Series R units of the fund outstanding as at October 9, 2012.

**Year-by-year returns**

Information about year-by-year returns is not available because there were no Series R units outstanding during the previous completed calendar year.

**How risky is it?**

When you invest in a fund, the value of your investment can go down as well as up. BMO Investments Inc. has rated this fund's risk as Low to Medium.

For a description of the specific risks of this fund, see the simplified prospectus offering this series of units of the fund.



**Are there any guarantees?**

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

### Who is this fund for?

**Consider this fund if:**

- you want regular monthly cash flow with the potential for capital gains
- 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)
- you plan to hold this investment for the medium to long term
- it is held in non-registered accounts because it's designed to pay out regular monthly income. Distributions paid on funds you hold in a BMO registered plan must be reinvested in the fund.

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

### A word about tax

Depending on the tax rules and tax rates that apply to you and the fund, you may have to pay tax on your portion of the fund's earnings and gains, whether paid out to you in cash or reinvested in the fund. Also, you may have to pay tax on any gain you realize when you redeem or sell your investment in the fund. However, if you hold your investment in a registered account such as a Registered Retirement Savings Plan or a Tax-Free Savings Account, generally you will not have to pay tax on earnings or gains that are held in the registered account.

### How much does it cost?

The following section describes the fees and expenses you could pay to buy, own and sell Series R units of the fund.

The fund has other series of units. The fees and expenses are different for each series. You should ask about other series of units that may be suitable for you.

#### 1. Sales charges

You pay no sales or redemption charges if you buy, redeem or switch Series R units of the fund through BMO Investments Inc.

#### 2. Fund expenses

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

The fund's expenses are made up of the management fee, operating expenses and trading costs. This series' annual management fee is 1.75% and its annual administration fee is 0.25% of the series' value. Because this series is new, its operating expenses are not yet available.

**Annual rate (as a % of the series' value)**

**Management expense ratio (MER)**

This is the total of the management fee and operating expenses for Series R units of the fund.

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**Trading expense ratio (TER)**

These are the fund's trading costs.

0.08%

**Fund expenses**

**0.08%**

#### Trailing commission

BMO Investments Inc. pays your dealer (including your discount broker) a trailing commission for as long as you own the fund. It is for the services and advice about the fund your dealer provides to you. Your dealer may pay part of the trailing commission to your advisor.

The trailing commission is paid out of the management fee. The rate depends on the sales charge options available:

**No load trailing commission** - up to 1.00% of the value of your investment each year. This equals up to \$10 each year for every \$1,000 invested.

#### 3. Other fees

You may have to pay other fees when you buy, hold, sell or switch units of the fund.

**Fee**

**What you pay**

**Short-term trading fee**

Up 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.

**Switch fee**

None. You may have to pay sales charges, switch fees and redemption charges if you invest through a registered broker or dealer other than BMO Investments Inc.

### 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 fund units or shares within two business days after you receive a simplified prospectus, 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 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 advisor for a copy of the simplified prospectus offering this series of units of the fund and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

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