This document contains key information you should know about BMO Private Canadian Special Equity Portfolio (the "Portfolio"). You can find more details in the Portfolio’s simplified prospectus. Ask your representative for a copy, contact BMO Private Investment Counsel Inc. (the "Manager"), at 1-855-852-1026 or contact.centre@bmo.com, or visit www.bmoprivatebanking.com.

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

**Quick facts**

<table>
<thead>
<tr>
<th>Date fund started:</th>
<th>February 25, 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total value of fund on April 13, 2020:</td>
<td>$260.3 million</td>
</tr>
<tr>
<td>Management expense ratio (MER):</td>
<td>0.08%</td>
</tr>
<tr>
<td>Fund manager:</td>
<td>BMO Private Investment Counsel Inc.</td>
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<tr>
<td>Portfolio manager:</td>
<td>BMO Private Investment Counsel Inc.</td>
</tr>
<tr>
<td>Sub-advisor(s):</td>
<td>BMO Asset Management Inc.</td>
</tr>
<tr>
<td>Distributions:</td>
<td>Annually in December (any net income and any net capital gains)</td>
</tr>
<tr>
<td>Minimum investment:</td>
<td>Determined on a contractual basis</td>
</tr>
</tbody>
</table>

**What does the fund invest in?**

The Portfolio’s investment objective is to provide above average capital growth over the long-term by investing in small and mid sized Canadian companies whose shares are listed on a Canadian stock exchange. Up to 35% of the net assets of the Portfolio may be invested in foreign securities.

The charts below provide you with a snapshot of the Portfolio’s investments on April 13, 2020. The Portfolio’s investments will change.

**Top 10 investments (April 13, 2020)**

1. People Corporation 4.3%
2. Winpak Ltd. 4.2%
3. Boyd Group Services Inc. 4.0%
4. Descartes Systems Group Inc., The, Toronto Exchange 3.9%
5. StorageVault Canada Inc. 3.9%
6. Cargojet Inc. 3.8%
7. Morneau Shepell Inc. 3.7%
8. Boralex Inc., Class A 3.6%
9. Tricon Capital Group Inc. 3.5%
10. Kinaxis Inc. 3.5%

**Total percentage of top 10 investments:** 38.4%

**Total number of investments:** 55

**Investment mix (April 13, 2020)**

- **Portfolio Allocation**
  - 26.0% Industrials
  - 16.4% Other
  - 16.2% Real Estate
  - 15.4% Materials
  - 11.0% Information Technology
  - 6.7% Energy
  - 6.3% Health Care
  - 2.0% Cash/Receivables /Payables

**How risky is it?**

The value of the Portfolio 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**

The Manager has rated the volatility of this Portfolio as **Medium to High**.

This rating is based on how much the Portfolio’s returns have changed from year to year. It doesn’t tell you how volatile the Portfolio 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 Portfolio’s returns, see the Risk section of the Portfolio’s simplified prospectus.

**No guarantees**

Like most mutual funds, this Portfolio 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 units of the Portfolio performed over the past 10 years. Returns are after expenses have been deducted. These expenses reduce the Portfolio’s returns.

Year-by-year returns
This chart shows how units of the Portfolio performed in each of the past 10 completed calendar years. The Portfolio dropped in value in 3 of the past 10 years. The range of returns and change from year to year can help you assess how risky the Portfolio has been in the past. It does not tell you how the Portfolio will perform in the future.

Best and worst 3-month returns
This table shows the best and worst returns for units of the Portfolio in a 3-month period over the past 10 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.

<table>
<thead>
<tr>
<th>Return</th>
<th>3 months ending</th>
<th>If you invested $1,000 at the beginning of the period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best</td>
<td>25.2%</td>
<td>November 30, 2010</td>
</tr>
<tr>
<td>Worst</td>
<td>-26.1%</td>
<td>March 31, 2020</td>
</tr>
</tbody>
</table>

Average return
As at March 31, 2020, the annual compounded return of the Portfolio’s units was 6.5% over the past 10 years. If you had invested $1,000 in the Portfolio 10 years ago, your investment would now be worth $1,873.

Who is this fund for?
Consider this Portfolio if you:
• want to invest in a fund which invests in smaller Canadian companies with high growth potential
• are comfortable with medium to high investment risk (i.e., you are willing to accept fluctuations in the market value of your investment)
• have a medium to long-term investment horizon
• do not need regular income or stability of principal, or are not pursuing a short-term investment goal.

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 table shows the fees and expenses you could pay to buy, own and sell units of the Portfolio. The fees and expenses – including any commissions – can vary among classes 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
You pay no sales or redemption charges to buy, redeem or switch units of the Portfolio.
2. Fund expenses
You don’t pay these expenses directly. They affect you because they reduce the returns of the Portfolio.

As of December 31, 2019, the expenses of the Portfolio were 0.18% of its value. This equals $1.80 for every $1,000 invested.

<table>
<thead>
<tr>
<th>Management expense ratio (MER)</th>
<th>Annual rate (as a % of the Portfolio’s value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no management fee applicable to this Portfolio. The MER disclosed here represents the Portfolio’s operating expenses, which are paid directly by the Portfolio. BMO Private Investment Counsel Inc. waived some of the Portfolio’s expenses. If it had not done so, the MER would have been higher.</td>
<td>0.08%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trading expense ratio (TER)</th>
<th>0.10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>These are the Portfolio’s trading costs.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund expenses</th>
<th>0.18%</th>
</tr>
</thead>
</table>

More about the trailing commission
Trailing commissions are not paid in respect of this Portfolio.

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

Wealth Management Fee
BMO Trust Company and the Manager receive an annual fee from you for the wealth management service offered through BMO Financial Group. The annual fee for this service ranges from 0.20% to 1.95% of the assets under management, depending on the nature and size of your investment portfolio. The actual investment management fee payable by you is set out in the fee schedule contained in your account opening agreement that has been provided to you along with your investment management agreement with BMO Trust Company and the Manager. This fee is paid directly by you to BMO Trust Company and the Manager.

Switch Fees and Short-term Trading Fees
Switch fees and short-term trading fees are not applicable to this Portfolio.

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 within two business days after you receive a simplified prospectus or Fund Facts document, 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 Facts document 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 the Manager or your representative for a copy of the Portfolio’s simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Portfolio’s legal documents.

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Website: www.bmoprivatebanking.com

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.