



BANK OF MONTREAL NOTE ANTICIPATED TO BEGIN TRADING ON NASDAQ ON DECEMBER 20, 2016

EXCHANGE-TRADED NOTE

BMO Elkhorn DWA MLP Select™
Index Exchange Traded Notes

SYMBOL

BMLP

CUSIP

063679104

INFORMATION ON THE NOTES

Bank of Montreal (the “Issuer”) has issued the Exchange Traded Notes (the “Notes”) listed above. The scheduled maturity date for the Notes is December 10, 2036. The Notes are priced at \$50 each and do not guarantee any return of principal at maturity and do not pay any interest.

The Notes is linked to the performance of the DWA MLP Select™ Index (the “Index”) The Index includes 15 master limited partnerships (“MLPs”) based on the proprietary Dorsey Wright Relative Strength Ranking Methodology. By comparing the price relationship between each MLP, the Index seeks to determine which MLPs are currently showing outperformance relative to their peers within the Index universe. Each MLP is equally weighted within the Index.

Notes held to maturity will receive a cash payment equal to (a) the product of (i) the Principal Amount and (ii) the Index Ratio as of the last Index Business Day in the Final Measurement Period plus (b) the final Coupon Amount minus (c) the Accrued Tracking Fee as of the last Index Business Day in the Final Measurement Period, plus (d) the Stub Reference Distribution Amount as of the last Index Business Day in the Final Measurement Period, if any. In no event, however, will the payment at maturity be less than zero. Please see the prospectus for further details.

The Notes are redeemable at the option of the holder on a daily basis beginning on December 27, 2016. Redemptions must be made in blocks of 50,000 notes.

The value of the Notes based on the intraday level of the Index (the “Intraday Indicative Value”) will be calculated and published every fifteen (15) seconds on each Trading Day during normal trading hours. The Intraday Indicative Value at any time is based on the most recent intraday level of the Index.

PRINCIPAL RISKS

Interested persons are referred to the discussion in the prospectus for the Note of the principal risks of an investment in each Fund. These include:

- The notes do not guarantee the return of your investment.
- Even if the Final Index Level is greater than the Initial Index Level, you may receive less than the principal amount of your notes due to the Accrued Tracking Fee and the Redemption Fee Amount, if applicable.
- The notes are subject to the credit risk of Bank of Montreal.
- The notes are subject to our Call Right, which does not allow for participation in any future performance of the Index. The exercise of our Call Right may adversely affect the value of, or your ability to sell, your notes. We may call the notes prior to the maturity date.

- If we exercise our right to call the notes prior to maturity, your payment on the Call Settlement Date may be less than the indicative value at the time we gave the notice of our election to call the notes.
- You are not guaranteed a coupon payment.
- The Final Index Level may be less than the Index Level on the Maturity Date, Call Settlement Date or at other times during the term of the notes.
- There are restrictions on the minimum number of notes you may request that we redeem and the dates on which you may exercise your right to have us redeem your notes.
- You will not know the Redemption Amount at the time you elect to request that we redeem your notes.
- You have no partnership interests in any of the constituent issuers or rights to receive any securities.
- Market disruptions may adversely affect your return.
- Significant aspects of the tax treatment of the notes are uncertain and may be less favorable than a direct investment in the Index constituents.
- A 30% U.S. federal withholding tax will be withheld on any Coupon Amounts paid to non-U.S. holders and certain additional adverse U.S. federal tax consequences may apply to non-U.S. holders that acquire the notes.
- The intraday indicative value and the Current Indicative Value are not the same as the closing price or any other trading price of the notes in the secondary market.
- There is no assurance that your notes will be listed or continue to be listed on a securities exchange, and they may not have an active trading market.
- The liquidity of the market for the notes may vary materially over time, and may be limited if you do not hold at least 50,000 notes.
- We may sell additional notes at different prices but we are under no obligation to issue or sell additional notes at any time, and if we do sell additional notes, we may limit or restrict such sales, and we may stop selling additional notes at any time.
- The value of the notes in the secondary market may be influenced by many unpredictable factors.
- Our offering of the notes does not constitute an expression of our view about, or a recommendation of, the Index or any of the Index constituents.
- We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our hedging and other trading activities.
- We or our affiliates may have economic interests that are adverse to those of the holders of the notes as a result of our business activities.
- BMOCM and its affiliates may have published research, expressed opinions or provided recommendations that are inconsistent with investing in or holding the notes, and may do so in the future. Any such research, opinions or recommendations could affect the value of the Index and of each of the Index constituents, and therefore the market value of the notes.
- We or our affiliates may have economic interests that are adverse to those of the holders of the notes due to BMOCM's role as Calculation Agent.
- Dorsey Wright Associates ("DWA" or the "Index Sponsor") and the Index Calculation Agent may adjust the Index in a way that may affect its level, and neither the Index Sponsor nor Index Calculation Agent has any obligation to consider your interests.
- We and our affiliates have no affiliation with the Index Sponsor, the Index Calculation Agent and are not responsible for any of their public disclosure of information.
- The Index Calculation Agent may, in its sole discretion, discontinue the public disclosure of the intraday Index value and the end-of-day closing value of the Index.

- An Index constituent may be replaced upon the occurrence of certain adverse events.
- The Index is based on a proprietary ranking methodology, which may not rank the constituent issuers in the same manner as would other index providers or market participants.
- The historical performance of the Index is not an indication of its future performance.
- The Index has limited actual historical information.
- We are not currently affiliated with any of the constituent issuers.
- The constituent issuers are concentrated in the oil and gas industries.
- Oil and gas MLP market risks may affect the trading value of the notes and the amount you will receive at maturity.

TRADING HALTS

When evaluating the necessity of imposing a trading halt in a Note, Nasdaq may consider, among other factors:

- The extent to which trading has ceased in the underlying security(s);
- Whether trading has been halted or suspended in the primary market(s) for any combination of underlying securities accounting for 20% or more of the applicable current index group value. The value being established to be the value at the close of the prior trading day;
- The presence of other unusual conditions or circumstances deemed to be detrimental to the maintenance of a fair and orderly market.

The trading of an Note, that has been the subject of a trading halt or suspension, may resume when Nasdaq determines that the conditions which led to the halt or suspension are no longer present or that the interests of a fair and orderly market are served by a resumption of trading.

SUITABILITY

Trading in the Shares on Nasdaq will be subject to the provisions of [Nasdaq Rule 2111A](#). Members recommending transactions in the Shares to customers should make a determination that the recommendation is suitable for the customer. Members must have a reasonable basis to believe that the recommendation is suitable for a customer based on information obtained through reasonable diligence to ascertain the customer's investment profile. A customer's investment profile includes, but is not limited to: the customer's age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and any other information the customer may disclose to the member or associated person in connection with such recommendation. Members must also consider the complexity of, and risks associated with, the Shares. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the Nasdaq Conduct Rules ([Nasdaq Rule 2090A](#)).

Members also should review [NASD Notice to Members 03-71](#) for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

FINRA has implemented increased sales practice and customer margin requirements for FINRA members applicable to inverse, leveraged, and inverse leveraged securities and options on such securities, as described in FINRA Regulatory Notices [09-31 \(June](#)

[2009](#), [09-53 \(August 2009\)](#) and [09-65 \(November 2009\)](#) (“FINRA Regulatory Notices”). Members that carry customer accounts will be required to follow the FINRA guidance set forth in the FINRA Regulatory Notices.

Nasdaq notes that, for such inverse, leveraged, and inverse leveraged securities, the corresponding fund seeks leveraged, inverse, or leveraged inverse returns on a daily basis, and do not seek to achieve their stated investment objective over a period of time greater than one day because compounding prevents the fund from perfectly achieving such results. Accordingly, results over periods of time greater than one day typically will not be a leveraged multiple (+200%), the inverse (-100%) or a leveraged inverse multiple (-200%) of the period return of the applicable benchmark and may differ significantly from these multiples.

This Information Circular is not a statutory prospectus. NASDAQ members should consult the prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

- [Ben Haskell](#), Nasdaq Listing Qualifications, at 301.978.8092
- [Nasdaq Market Sales](#) at 800.846.0477