

BANK OF MONTREAL /CAN/  
Form 40-F  
December 06, 2016

**U.S. Securities and Exchange Commission**

**Washington, D.C. 20549**

**Form 40-F**

[Check one]

**Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**  
or

**Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended October 31, 2016

Commission File Number 001-13354

**BANK OF MONTREAL**

**(Exact name of Registrant as specified in its charter)**

**Not Applicable**

**(Translation of Registrant's name into English (if applicable))**

**Canada**

**(Province or other jurisdiction of incorporation or organization)**

**6029**

**(Primary Standard Industrial Classification Code Number (if applicable))**

**13-4941092**

**(I.R.S. Employer Identification Number (if applicable))**

**100 King Street West, 1 First Canadian Place, Toronto, Ontario, Canada M5X 1A1 (416-867-6785)**

**(Address and telephone number of Registrant's principal executive offices)**

**Colleen Hennessy, Bank of Montreal, 111 West Monroe Street, P.O. Box 755, Chicago, Illinois**

**60690 (312-461-7745)**

**(Name, address (including zip code) and telephone number (including area code)**

**of agent for service in the United States)**

**Securities registered or to be registered pursuant to Section 12(b) of the Act:**

**Title Of Each Class**

**Name Of Each Exchange On Which Registered**

**Common Shares**

**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Not Applicable

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not Applicable

For annual reports, indicate by check mark the information filed with this Form:

Annual information form       Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Common Shares	645,761,333
Class B Preferred Shares Series 14	10,000,000
Class B Preferred Shares Series 15	10,000,000
Class B Preferred Shares Series 16	6,267,391
Class B Preferred Shares Series 17	5,732,609
Class B Preferred Shares Series 25	9,425,607
Class B Preferred Shares Series 26	2,174,393
Class B Preferred Shares Series 27 (Non-Viability Contingent Capital (NVCC))	20,000,000
Class B Preferred Shares Series 29 (Non-Viability Contingent Capital (NVCC))	16,000,000
Class B Preferred Shares Series 31 (Non-Viability Contingent Capital (NVCC))	12,000,000
Class B Preferred Shares Series 33 (Non-Viability Contingent Capital (NVCC))	8,000,000
Class B Preferred Shares Series 35 (Non-Viability Contingent Capital (NVCC))	6,000,000
Class B Preferred Shares Series 36 (Non-Viability Contingent Capital (NVCC))	600,000
Class B Preferred Shares Series 38 (Non-Viability Contingent Capital (NVCC))	24,000,000

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes       No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes       No

**TABLE OF CONTENTS**

DISCLOSURE CONTROLS AND PROCEDURES

INTERNAL CONTROL OVER FINANCIAL REPORTING

AUDIT AND CONDUCT REVIEW COMMITTEE FINANCIAL EXPERT

CODE OF ETHICS

PRINCIPAL ACCOUNTANT FEES AND SERVICES

OFF-BALANCE SHEET ARRANGEMENTS

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

IDENTIFICATION OF THE AUDIT AND CONDUCT REVIEW COMMITTEE

SUMMARY OF SIGNIFICANT CORPORATE GOVERNANCE DIFFERENCES

NOTE ON CERTAIN ACTIVITIES

UNDERTAKING

SIGNATURES

EXHIBIT INDEX

Annual Information Form

Management's Discussion and Analysis for the Fiscal Year Ended October 31, 2016

Consolidated Financial Statements for the Fiscal Year Ended October 31, 2016

Consent of Independent Registered Public Accounting Firm dated December 1, 2016

Section 302 Certifications of Chief Executive Officer

Section 302 Certifications of Chief Financial Officer

Section 906 Certifications

## **DISCLOSURE CONTROLS AND PROCEDURES**

The information provided under the heading "Management's Annual Report on Disclosure Controls and Procedures and Internal Control over Financial Reporting - Disclosure Controls and Procedures" (page 119) contained in the Bank's Management's Discussion and Analysis for the fiscal year ended October 31, 2016 ("2016 MD&A"), filed as Exhibit 99.2 to this annual report on Form 40-F, is incorporated by reference herein.

## **INTERNAL CONTROL OVER FINANCIAL REPORTING**

### **a. Management's annual report on internal control over financial reporting**

The information provided under the heading "Management's Annual Report on Disclosure Controls and Procedures and Internal Control over Financial Reporting - Internal Control over Financial Reporting" (page 119) contained in the 2016 MD&A, filed as Exhibit 99.2 to this annual report on Form 40-F, is incorporated by reference herein.

### **b. Auditor's attestation report on internal control over financial reporting**

The Bank's shareholders' auditors, KPMG LLP, have issued an audit report on our internal control over financial reporting. This audit report appears on page 138 of the Bank's Consolidated Financial Statements for the fiscal year ended October 31, 2016 ("2016 Financial Statements"), filed as Exhibit 99.3 to this annual report on Form 40-F and is incorporated by reference herein.

### **c. Changes in internal control over financial reporting**

The information provided under the heading "Management's Annual Report on Disclosure Controls and Procedures and Internal Control over Financial Reporting - Changes in Internal Control Over Financial Reporting" (page 119) contained in the 2016 MD&A, filed as Exhibit 99.2 to this annual report on Form 40-F, is incorporated by reference herein.

## **AUDIT AND CONDUCT REVIEW COMMITTEE FINANCIAL EXPERT**

The information provided under the heading "Audit and Conduct Review Committee Information - Composition of the Audit and Conduct Review Committee" (page 15) identifying the Audit and Conduct Review Committee Financial Experts, and confirming the independence of the Audit and Conduct Review Committee Financial Experts, as set forth in the Bank's Annual Information Form (dated December 6, 2016), filed as Exhibit 99.1 to this annual report on Form 40-F, is incorporated by reference herein.

## **CODE OF ETHICS**

BMO's Code of Conduct is its code of business conduct and ethics, which is applicable to every director and employee of the Bank. BMO's Code of Conduct is available on the Bank's website [www.bmo.com](http://www.bmo.com) and is available in print without charge to any shareholder upon request.

### **PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The information provided under the heading Shareholders Auditors Services and Fees Shareholders Auditors Fees and Pre-Approval Policies and Procedures (page 118) contained in the 2016 MD&A, filed as Exhibit 99.2 to this annual report on Form 40-F, is incorporated by reference herein.

### **OFF-BALANCE SHEET ARRANGEMENTS**

The information provided under the heading Off-Balance Sheet Arrangements (page 78) contained in the 2016 MD&A, filed as Exhibit 99.2 to this annual report on Form 40-F, is incorporated by reference herein.

### **TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS**

The information provided under the heading Note 29: Contractual Maturities of Assets and Liabilities and Off-Balance Sheet Commitments (page 202) as set forth in the 2016 Financial Statements, filed as Exhibit 99.3 to this annual report on Form 40-F, is incorporated by reference herein.

### **IDENTIFICATION OF THE AUDIT AND CONDUCT REVIEW COMMITTEE**

The information provided under the heading Audit and Conduct Review Committee Information Composition of the Audit and Conduct Review Committee (page 15) identifying the Bank's Audit and Conduct Review Committee and confirming the independence of the Audit and Conduct Review Committee as set forth in the Bank's Annual Information Form (dated December 6, 2016), filed as Exhibit 99.1 to this annual report on Form 40-F, is incorporated by reference herein.

### **SUMMARY OF SIGNIFICANT CORPORATE GOVERNANCE DIFFERENCES**

A summary of significant ways corporate governance practices followed by the Bank differ from corporate governance practices required to be followed by U.S. domestic companies under The New York Stock Exchange's listing standards (disclosure required by Section 303A.11 of the NYSE Listed Company Manual) is available on the Bank's website at [www.bmo.com](http://www.bmo.com).

### **NOTE ON CERTAIN ACTIVITIES**

In 2015 and 2016, the Bank maintained a personal chequing account with a Canadian resident citizen that appears on the Specially Designated Nationals (SDN) list of the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) under Executive Order 13224 (the Executive Order). The Bank continues to maintain this account and monitors its use.

In 2014, through a subsidiary, the Bank acquired F&C Asset Management plc (F&C), a company located in the United Kingdom. In 2016, the Bank identified that a subsidiary of F&C maintained an investment account for an individual that appears on the SDN list of OFAC under the Executive Order. The F&C subsidiary continues to maintain this account and monitors its use.

Pursuant to Section 13(r) of the Exchange Act, the Bank is required to disclose whether it or any of its affiliates knowingly engaged in certain activities, transactions or dealings with certain individuals or entities, including those listed on OFAC's SDN list under the Executive Order. Disclosure is generally required even where the activities, transactions or dealings were conducted outside the U.S. in compliance



with applicable law. The Bank is not prohibited from doing business with these customers under applicable law or regulation. Revenues and profits from these relationships were not calculated but would be considered negligible.

### **UNDERTAKING**

Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to the securities in relation to which the obligation to file an annual report on Form 40-F arises or transactions in said securities.

### **SIGNATURES**

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Registrant: BANK OF MONTREAL

By: /s/ Thomas E. Flynn  
Thomas E. Flynn  
Chief Financial Officer

Date: December 6, 2016



**EXHIBIT INDEX**

Exhibits	Description
99.1	Annual Information Form
99.2	Management's Discussion and Analysis for the Fiscal Year Ended October 31, 2016
99.3	Consolidated Financial Statements for the Fiscal Year Ended October 31, 2016
99.4	Consent of Independent Registered Public Accounting Firm dated December 6, 2016
99.5	Certifications of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.6	Certifications of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.7	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002