Dial Down Your Equity Risk

ZJAN – BMO US Equity Buffer Hedged to CAD ETF – January
ZOCT – BMO US Equity Buffer Hedged to CAD ETF – October

Get Comfort When You Need it the Most

Introducing BMO Buffer ETFs, a dynamic solution designed to suit specific investment objectives. Investors can dial down their equity risk with Buffer ETFs, while maintaining the potential for growth up to a cap. Explore the next frontier of investments, where innovation meets opportunity.

Why BMO Buffer ETFs?

Smoother Ride

Your investment journey doesn't have to be so rocky

When a portfolio declines, it may take a while for it to recover. The road to a recovery can cause frustration when you have specific financial goals in mind. Using a portfolio with a built-in buffer can help mitigate those losses, and potentially provide you with greater certainty over time.

Built-in Buffer

Downside Protection

Buffer ETFs, help you participate in the upside to a pre-determined level or cap —and if the underlying Reference ETF falls, you have a buffer zone to mitigate losses. Effectively, you trade in some upside for added downside protection and have full -15% protection if held from inception and purchased at starting NAV to the end of the Target Outcome Period.

Dividends

Count on Dividends

When the underlying reference ETF pays a dividend, it flows through the Buffer ETF directly to unitholders. Dividends are not subject to the downside buffer or the price cap.

ETF Structure

Packaged just right, for you

Delivered in a cost effective*, flexible†, liquid ETF structure.

BMO | Exchange Traded Funds

* No upfront commissions as opposed to other structures, ETFs are ideal for fee-based and discretionary accounts. Relative to trading options on your own which can have wider spreads. These strategies trade options at scale, benefiting from institutional pricing.

† The liquidity of the ETF structure allows investors to buy and sell on an exchange.

Who are Buffer ETFs for?

- **Investors who are seeking equity exposure with some capital protection**
- **Risk averse investors** who are looking to lower the risk of their equity portfolio and are comfortable with capping potential gains.
- **Investors who are approaching retirement or are already in retirement.**[1] When in the decumulation phase of your life, Buffer ETFs can allow investors the opportunity to participate in rising markets without taking on full market declines. As always, professional advice should be obtained with respect to any circumstance.
- **Investors sitting on cash** looking to invest in equities can use Buffer ETFs to mitigate some downside risk associated with being invested in equities.

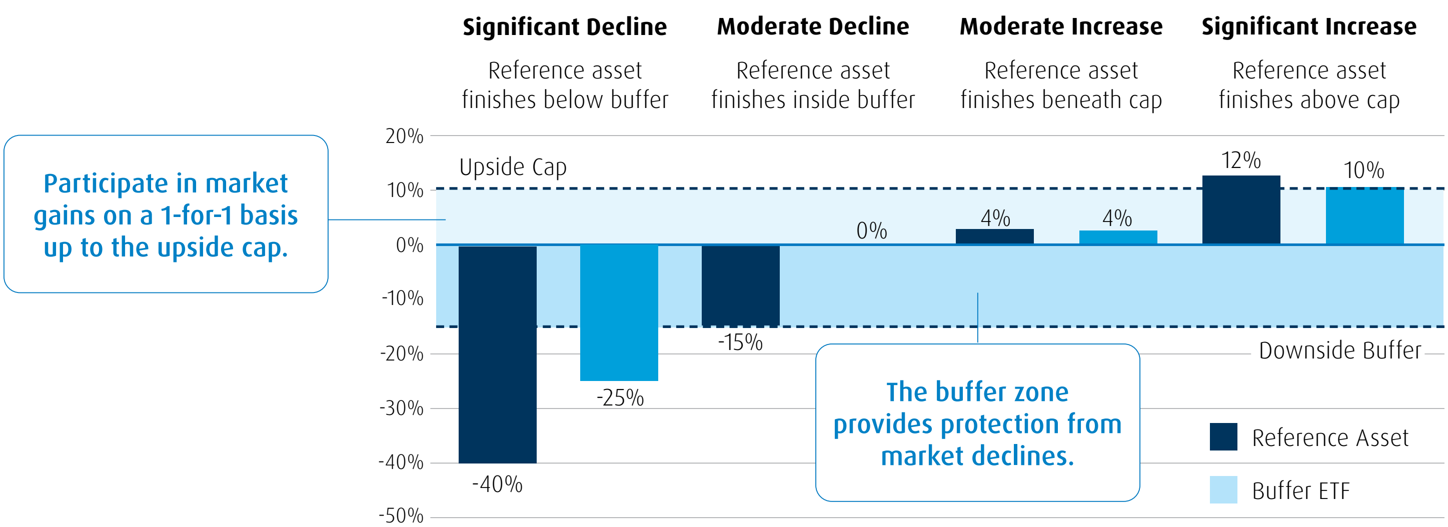
How does it Work?

A Buffer ETF can be similar to riding a bike with shock absorbers. In your investment journey, if the market gets "bumpy", the Buffer ETF can provide "shock absorption" by providing a protective barrier on your investment (a buffer). In the face of market fluctuations, the Buffer ETF can absorb the initial losses within its buffer zone, ensuring a potentially smoother ride for the investor. Buffer ETFs are an important innovation as they combine downside protection with exposure to investment gains (up to the cap) and aims to provide investors with a controlled investment experience.[2]

The buffer zone and cap on market participation is set at the start of the Target Outcome Period and only applies at the end of the such Target Outcome Period. Investors trading the ETFs during the period may have a number of benefits of the product but can experience different performance from the stated downside buffers and upside cap.

Potential Outcomes Scenarios: Day 1 to Day 365

Equity markets can be unpredictable at times. Buffer ETFs can bring more predictability to your portfolio as the Buffer and Cap are already predetermined for its Target Outcome Period. In this chart we illustrate an example of what investors can expect across different market scenarios if a Buffer ETF is purchased at the start of the Target Outcome Period and held to the end of such Target Outcome Period.



For illustrative purposes only, using 10% as an example only. The actual upside cap is for ZOCT is 10.5% and ZJAN is 9%.

Overview for ZJAN & ZOCT

Ticker	Reference ETF	Estimated MER*	Management Fee	Buffer	Upside Cap	Target Outcome Period	Distribution Frequency	Buffer/Cap Reset (Annually)
ZJAN	ZUE	0.73%	0.65%	15%	9%	12 months	Quarterly	January
ZOCT	ZUE	0.73%	0.65%	15%	10.5%	12 months	Quarterly	October

* As the ETFs are less than one year old, the actual Management Expense Ratio (MER) will not be known until the Fund financial statements for the current fiscal year are published. The estimated MER is an estimate only of expected Fund costs until the completion of a full fiscal year and is not guaranteed.

Reference ETF:	BMO S&P 500 Hedged to CAD Index ETF (Ticker: ZUE)
Target **Outcome Period:**	12 months
Dividends:	Participates in dividends on underlying equities
Upside Participation:	1:1 participation in the price return to a cap
Buffer Protection:	ETF seeks to protect against losses in the buffered zone
Liquidity:	Intraday liquidity
Risk Rating:**	Medium

** Risk is defined as the uncertainty of return and the potential for capital loss in your investments.

The **BMO ETFs website** provides important information about the ETF including the Target Outcome Period start and end dates, and the cap and buffer zones, as well as information regarding the potential outcomes of the ETF daily.

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For More on Structured Outcome ETFs please see:
Structured Outcome ETFs – FAQs

[1] Sequence of Returns Risk: When in retirement and in the de-cumulation phase, the wrong sequence of returns can impact retirement income and also negatively impact recovery times after periods of significant market drawdowns.
[2] Structured outcome products aim to achieve a defined outcome if held until the target outcome period.

BMO Buffer ETFs seeks to provide income and appreciation that match the return of a Reference Index up to a cap (before fees, expenses and taxes), while providing a buffer against the first 15% (before fees, expenses and taxes) of a decrease in the Reference Index over a period of approximately one year, starting from the first business day of the stated outcome period.