

BANK OF MONTREAL /CAN/

Form FWP

October 28, 2016

Registration Statement No. 333-196387

Filed Pursuant to Rule 433

Subject to Completion, dated October 28, 2016

Pricing Supplement to the Prospectus dated June 27, 2014, the Prospectus Supplement dated June 27, 2014 and the Product Supplement dated October 1, 2015

US\$ 1

Senior Medium-Term Notes, Series C

Buffered Bullish Enhanced Return Notes due December 29, 2017

Linked to a Basket of the S&P 500<sup>®</sup> Index, the EURO STOXX 50<sup>®</sup> Index and the Russell 2000<sup>®</sup> Index

The notes are designed for investors who seek a 125% leveraged positive return based on any appreciation in the level of a weighted basket (the "Basket") consisting of the S&P 500 Index (25%), the EURO STOXX 50<sup>®</sup> Index (50%) and the Russell 2000<sup>®</sup> Index (25%) (each, a "Basket Component"). Investors should be willing to accept a payment at maturity that is capped at the Maximum Redemption Amount (as defined below), be willing to forgo periodic interest, and be willing to lose 1% of their principal amount for each 1% that the level of the Basket decreases by more than 10% from its level on the Pricing Date.

- Investors in the notes may lose up to 90% of their principal amount at maturity.
- The Maximum Redemption Amount will be \$1,081.25 for each \$1,000 in principal amount (an 8.125% return).
- Any payment at maturity is subject to the credit risk of Bank of Montreal.
- The notes will not be listed on any securities exchange.
- The notes will be issued in minimum denominations of \$1,000 and integral multiples of \$1,000.

The offering is expected to price on or about November 28, 2016, and the notes are expected to settle through the facilities of The Depository Trust Company on or about November 30, 2016.

- The notes are scheduled to mature on or about December 29, 2017.
- The CUSIP number of the notes is 06367TNF3.

Our subsidiary, BMO Capital Markets Corp. ("BMOCM"), is the agent for this offering. See "Supplemental Plan of Distribution (Conflicts of Interest)" below.

Investing in the notes involves risks, including those described in the "Selected Risk Considerations" section beginning on page PS-5 of this pricing supplement, the "Additional Risk Factors Relating to the Notes" section beginning on page PS-5 of the product supplement, and the "Risk Factors" section beginning on page S-1 of the prospectus supplement and on page 7 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or passed upon the accuracy of this pricing supplement, the product supplement, the prospectus supplement or the prospectus. Any representation to the contrary is a criminal offense.

The notes will be our unsecured obligations and will not be savings accounts or deposits that are insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund, the Canada Deposit Insurance Corporation or any other governmental agency or instrumentality or other entity.

Edgar Filing: BANK OF MONTREAL /CAN/ - Form FWP

On the date of this preliminary pricing supplement, based on the terms set forth above, the estimated initial value of the notes is \$972 per \$1,000 in principal amount. The estimated initial value of the notes on the Pricing Date may differ from this value but will not be less than \$950 per \$1,000 in principal amount. However, as discussed in more detail in this pricing supplement, the actual value of the notes at any time will reflect many factors and cannot be predicted with accuracy.

Price to Public<sup>(1)</sup> Agent's Commission<sup>(1)</sup> Proceeds to Bank of Montreal

|                    |           |            |
|--------------------|-----------|------------|
| Per Note US\$1,000 | US\$14.30 | US\$985.70 |
| Total US\$         | US\$      | US\$       |

<sup>(1)</sup> Certain dealers who purchase the notes for sale to certain fee-based advisory accounts may forego some or all of their selling concessions, fees or commissions. The public offering price for investors purchasing the notes in these accounts may be between \$985.70 and \$1,000 per \$1,000 in principal amount.

BMO CAPITAL MARKETS

---

Key Terms of the Notes:

The notes are linked to the level of a weighted basket consisting of the S&P 500<sup>®</sup> Index (the “SPX”), the EURO Basket: STOXX 50<sup>®</sup> Index (the “SX5E”) and the Russell 2000<sup>®</sup> Index (the “RTY”). The Basket Components, their respective Weighting Percentages and their Initial Basket Component Levels are indicated in the table below.

| <u>Basket Components</u>         | <u>Bloomberg Tickers</u> | <u>Weighting Percentages</u> | <u>Initial Basket Component Levels*</u> |
|----------------------------------|--------------------------|------------------------------|---|
| S&P 500 <sup>®</sup> Index       | SPX                      | 25%                          | [ ]                                     |
| EURO STOXX 50 <sup>®</sup> Index | SX5E                     | 50%                          | [ ]                                     |
| Russell 2000 <sup>®</sup> Index  | RTY                      | 25%                          | [ ]                                     |

\* The Initial Basket Component Level of each Basket Component will be its closing level on the Pricing Date.

Payment at Maturity (per \$1,000 in Principal Amount):

If the Percentage Change multiplied by the Upside Leverage Factor is greater than or equal to the Maximum Return, then the payment at maturity will equal the Maximum Redemption Amount.

If the Percentage Change multiplied by the Upside Leverage Factor is positive but is less than the Maximum Return, then the payment at maturity will equal:

$$\text{Principal Amount} + [\text{Principal Amount} \times (\text{Percentage Change} \times \text{Upside Leverage Factor})]$$

If the Percentage Change is between 0% and -10% inclusive, then the payment at maturity will equal the principal amount of the notes.

If the Percentage Change is less than -10%, then the payment at maturity will equal:

$$\text{Principal Amount} + [\text{Principal Amount} \times (\text{Percentage Change} + \text{Buffer Percentage})]$$

If the Percentage Change is less than -10%, investors will lose up to 90% of the principal amount of the notes.

Upside Leverage Factor: 125%

Maximum Redemption Amount: \$1,081.25 per \$1,000 in principal amount of the notes.

Maximum Return: 8.125%

Initial Level: To be set to 100 on the Pricing Date

Buffer Level: 90% of the Initial Level.

Buffer Percentage: 10%. Accordingly, you will receive the principal amount of your notes at maturity only if the level of the Basket does not decrease by more than 10%. If the Final Level is less than the Buffer Level, you will receive less than the principal amount of your notes at maturity, and you could lose up to 90% of the principal amount of your notes.

PS-2

---

Final Level:  $100 \times (1 + \text{Percentage Change})$

Percentage Change: The Percentage Change will equal the sum of the Weighted Percentage Change for each Basket Component.

Weighted Percentage Change: With respect to each Basket Component, its Weighted Percentage Change will be determined as follows:

Final Basket Component Level: With respect to each Basket Component, its closing level on the Valuation Date.

Pricing Date: On or about November 28, 2016

Settlement Date: On or about November 30, 2016, as determined on the Pricing Date.

Valuation Date: On or about December 26, 2017, as determined on the Pricing Date.

Maturity Date: On or about December 29, 2017, as determined on the Pricing Date.

Automatic Redemption: Not applicable.

Calculation Agent: BMO Capital Markets Corp.

Selling Agent: BMO Capital Markets Corp.

The Pricing Date and the Settlement Date are subject to change. The actual Pricing Date, Settlement Date, Valuation Date and Maturity Date for the notes will be set forth in the final pricing supplement.

PS-3

---

Additional Terms of the Notes

You should read this pricing supplement together with the product supplement dated October 1, 2015, the prospectus supplement dated June 27, 2014 and the prospectus dated June 27, 2014. This pricing supplement, together with the documents listed below, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours or the agent. You should carefully consider, among other things, the matters set forth in “Additional Risk Factors Relating to the Notes” in the product supplement, as the notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the notes.

You may access these documents on the SEC website at [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

Product supplement dated October 1, 2015:

<http://www.sec.gov/Archives/edgar/data/927971/000121465915006898/c101150424b5.htm>

Prospectus supplement dated June  
27, 2014:

<http://www.sec.gov/Archives/edgar/data/927971/000119312514254915/d750935d424b5.htm>

Prospectus dated June 27, 2014:

<http://www.sec.gov/Archives/edgar/data/927971/000119312514254905/d749601d424b2.htm>

Our Central Index Key, or CIK, on the SEC website is 927971. As used in this pricing supplement, “we,” “us” or “our” refers to Bank of Montreal.

We have filed a registration statement (including a prospectus) with the SEC for the offerings to which this document relates. Before you invest, you should read the prospectus in that registration statement and the other documents that we have filed with the SEC for more complete information about us and this offering. You may obtain these documents free of charge by visiting the SEC’s website at <http://www.sec.gov>. Alternatively, we will arrange to send to you the prospectus (as supplemented by the prospectus supplement and product supplement) if you request it by calling our agent toll-free at 1-877-369-5412.

PS-4

---

## Selected Risk Considerations

An investment in the notes involves significant risks. Investing in the notes is not equivalent to investing directly in the securities included in the Basket Components. These risks are explained in more detail in the “Additional Risk Factors Relating to the Notes” section of the product supplement.

Your investment in the notes may result in a loss. — You may lose some or substantially all of your investment in the notes. The minimum percentage of your principal that you are entitled to receive under the terms of the notes is only 10%. The payment at maturity will be based on the Final Level, and whether the Final Level of the Basket on the Valuation Date has declined from the Initial Level to a level that is less than the Buffer Level. You will lose 1% of the principal amount of your notes for each 1% that the Final Level is less than the Buffer Level. Accordingly, you could lose up to 90% of the principal amount of the notes.

Your return on the notes is limited to the Maximum Redemption Amount, regardless of any appreciation in the level of the Basket. — You will not receive a payment at maturity with a value greater than the Maximum Redemption Amount per \$1,000 in principal amount of the notes. This will be the case even if the Percentage Change multiplied by the Upside Leverage Factor exceeds the Maximum Return.

Your investment is subject to the credit risk of Bank of Montreal. — Our credit ratings and credit spreads may adversely affect the market value of the notes. Investors are dependent on our ability to pay the amount due at maturity, and therefore investors are subject to our credit risk and to changes in the market’s view of our creditworthiness. Any decline in our credit ratings or increase in the credit spreads charged by the market for taking our credit risk is likely to adversely affect the value of the notes.

Potential conflicts. — We and our affiliates play a variety of roles in connection with the issuance of the notes, including acting as calculation agent. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the notes. We or one or more of our affiliates may also engage in trading the securities included in the Basket Components on a regular basis as part of our general broker-dealer and other businesses, for proprietary accounts, for other accounts under management or to facilitate transactions for our customers. Any of these activities could adversely affect the value of the Basket and, therefore, the market value of the notes. We or one or more of our affiliates may also issue or underwrite other securities or financial or derivative instruments with returns linked or related to changes in the performance of the Basket or the Basket Components. By introducing competing products into the marketplace in this manner, we or one or more of our affiliates could adversely affect the market value of the notes.

Our initial estimated value of the notes will be lower than the price to public. — Our initial estimated value of the notes is only an estimate, and is based on a number of factors. The price to public of the notes will exceed our initial estimated value, because costs associated with offering, structuring and hedging the notes are included in the price to public, but are not included in the estimated value. These costs include the underwriting discount and selling concessions, the profits that we and our affiliates expect to realize for assuming the risks in hedging our obligations under the notes and the estimated cost of hedging these obligations. The initial estimated value of the notes may be as low as the amount indicated on the cover page of this pricing supplement.

Our initial estimated value does not represent any future value of the notes, and may also differ from the estimated value of any other party. — Our initial estimated value of the notes as of the date of this preliminary pricing supplement is, and our estimated value as determined on the Pricing Date will be, derived using our internal pricing models. This value is based on market conditions and other relevant factors, which include volatility of the Basket, dividend rates and interest rates. Different pricing models and assumptions could provide values for the notes that are greater than or less than our initial estimated value. In addition, market conditions and other relevant factors after the Pricing Date are expected to

change, possibly rapidly, and our assumptions may prove to be incorrect. After the Pricing Date, the value of the notes could change dramatically due to changes in market conditions, our creditworthiness, and the other factors set forth in this pricing supplement and the product supplement. These changes are likely to impact the price, if any, at which we or BMOCM would be willing to purchase the notes from you in any secondary market transactions. Our initial estimated value does not represent a minimum price at which we or our affiliates would be willing to buy your notes in any secondary market at any time.

The terms of the notes are not determined by reference to the credit spreads for our conventional fixed-rate debt. — To determine the terms of the notes, we will use an internal funding rate that represents a discount from the credit spreads for our conventional fixed-rate debt. As a result, the terms of the notes are less favorable to you than if we had used a higher funding rate.

PS-5

---



Certain costs are likely to adversely affect the value of the notes. — Absent any changes in market conditions, any secondary market prices of the notes will likely be lower than the price to public. This is because any secondary market prices will likely take into account our then-current market credit spreads, and because any secondary market prices are likely to exclude all or a portion of the agent's commission and the hedging profits and estimated hedging costs that are included in the price to public of the notes and that may be reflected on your account statements. In addition, any such price is also likely to reflect a discount to account for costs associated with establishing or unwinding any related hedge transaction, such as dealer discounts, mark-ups and other transaction costs. As a result, the price, if any, at which BMOCM or any other party may be willing to purchase the notes from you in secondary market transactions, if at all, will likely be lower than the price to public. Any sale that you make prior to the Maturity Date could result in a substantial loss to you.

Any increase in the level of one Basket Component may be offset by decreases in the level of one or more of the other Basket Components. — The level of one Basket Component may increase while the level of one or more of the other Basket Components decreases. Therefore, in determining the value of the Basket at any time, increases in the level of one Basket Component may be moderated, or wholly offset, by decreases in the level of one or more of the other Basket Components. Because the weightings of the Basket Components are not equal, any decrease in the level of the SX5E could have a disproportionately adverse impact upon your notes.

Owning the notes is not the same as owning the securities included in the Basket Components or a security directly linked to the performance of the Basket Components. — The return on your notes will not reflect the return you would realize if you actually owned the securities included in the Basket Components or a security directly linked to the performance of the Basket Components and held that investment for a similar period. Your notes may trade quite differently from the Basket Components. Changes in the levels of the Basket Components may not result in comparable changes in the market value of your notes. Even if the levels of the Basket Components increase during the term of the notes, the market value of the notes prior to maturity may not increase to the same extent. It is also possible for the market value of the notes to decrease while the levels of the Basket Components increase. In addition, any dividends or other distributions paid on the Basket Components or the securities included in the Basket Components will not be reflected in the amount payable on the notes.

You will not have any shareholder rights and will have no right to receive any securities included in the Basket Components at maturity. — Investing in your notes will not make you a holder of any securities included in the Basket Components. Neither you nor any other holder or owner of the notes will have any voting rights, any right to receive dividends or other distributions, or any other rights with respect to these securities.

An investment in the notes is subject to risks associated with foreign securities markets. — The SX5E tracks the value of certain European equity securities. You should be aware that investments in securities linked to the value of foreign equity securities involve particular risks. These foreign securities markets may have less liquidity and may be more volatile than U.S. or other securities markets and market developments may affect foreign markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize these foreign securities markets, as well as cross-shareholdings in foreign companies, may affect trading prices and volumes in these markets. Also, there is generally less publicly available information about foreign companies than about those U.S. companies that are subject to the reporting requirements of the U.S. Securities and Exchange Commission, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

Prices of securities in Europe are subject to political, economic, financial and social factors that apply in that market. These factors, which could negatively affect those securities markets, include the possibility of recent or future changes in European government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to European companies or investments in European equity securities and the possibility of fluctuations in the rate of exchange between currencies, the possibility of outbreaks of

hostility and political instability and the possibility of natural disaster or adverse public health development in the region. Moreover, European economies may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

An investment in the notes is subject to foreign currency exchange rate risk. — The securities composing the SX5E are traded in euros. The value of the notes will not be adjusted for exchange rate fluctuations between the U.S. dollar and the euro. However, any currency fluctuations could affect the level of the SX5E. Accordingly, the market value of the notes and the payments on the notes could be adversely affected as a result of such exchange rate fluctuations.

PS-6

---

An investment in the notes is subject to risks associated in investing in stocks with a small market capitalization. — The RTY consists of stocks issued by companies with relatively small market capitalizations. These companies often have greater stock price volatility, lower trading volume and less liquidity than large-capitalization companies. As a result, the level of the RTY may be more volatile than that of a market measure that does not track solely small-capitalization stocks. Stock prices of small-capitalization companies are also generally more vulnerable than those of large-capitalization companies to adverse business and economic developments, and the stocks of small-capitalization companies may be thinly traded, and be less attractive to many investors if they do not pay dividends. In addition, small capitalization companies are typically less well-established and less stable financially than large-capitalization companies and may depend on a small number of key personnel, making them more vulnerable to loss of those individuals. Small capitalization companies tend to have lower revenues, less diverse product lines, smaller shares of their target markets, fewer financial resources and less competitive strength than large-capitalization companies. These companies may also be more susceptible to adverse developments related to their products or services.

Changes that affect a Basket Component will affect the market value of the notes and the amount you will receive at maturity. — The policies of S&P Dow Jones Indices LLC (“S&P”), the sponsor of the SPX, STOXX Limited (“STOXX”), the sponsor of the SX5E, and FTSE Russell, the sponsor of the RTY (each, an “Index Sponsor”), concerning the calculation of the applicable index, additions, deletions or substitutions of the components of the relevant Basket Component and the manner in which changes affecting those components, such as stock dividends, reorganizations or mergers, may be reflected in the relevant Basket Component and, therefore, could affect the level of the relevant Basket Component, the amount payable on the notes at maturity, and the market value of the notes prior to maturity. The amount payable on the notes and their market value could also be affected if any Index Sponsor changes these policies, for example, by changing the manner in which it calculates the Basket Component, or if it discontinues or suspends the calculation or publication of the relevant Basket Component.

We have no affiliation with any Index Sponsor and will not be responsible for the actions taken by them. — We and our affiliates are not affiliated with any Index Sponsor in any way and have no ability to control or predict their actions, including any errors in or discontinuance of disclosure regarding their methods or policies relating to the Basket Components. These entities are not involved in the offering of the notes in any way and have no obligation to consider your interests as an owner of the notes in taking any actions relating to the Basket Components that might affect the value of the notes.

Lack of liquidity. — The notes will not be listed on any securities exchange. BMOCM may offer to purchase the notes in the secondary market, but is not required to do so. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. Because other dealers are not likely to make a secondary market for the notes, the price at which you may be able to trade the notes is likely to depend on the price, if any, at which BMOCM is willing to buy the notes.

Hedging and trading activities. — We or any of our affiliates may carry out hedging activities related to the notes, including purchasing or selling securities included in the Basket Components, or futures or options relating to the Basket Components, or other derivative instruments with returns linked or related to changes in the performance of the Basket Components. We or our affiliates may also engage in trading relating to the Basket Components from time to time. Any of these hedging or trading activities on or prior to the Pricing Date and during the term of the notes could adversely affect our payment to you at maturity.

Many economic and market factors will influence the value of the notes. — In addition to the levels of the Basket Components and interest rates on any trading day, the value of the notes will be affected by a number of economic and market factors that may either offset or magnify each other, and which are described in more detail in the product supplement.

You must rely on your own evaluation of the merits of an investment linked to the Basket. — In the ordinary course of their businesses, our affiliates from time to time may express views on expected movements in the level of a Basket Component or the prices of the securities included in a Basket Component. One or more of our affiliates have published, and in the future may publish, research reports that express views on a Basket Component or these securities. However, these views are subject to change from time to time. Moreover, other professionals who deal in the markets relating to the Basket or one or more Basket Components at any time may have significantly different views from those of our affiliates. You are encouraged to derive information concerning the Basket from multiple sources, and you should not rely on the views expressed by our affiliates.

Neither the offering of the notes nor any views which our affiliates from time to time may express in the ordinary course of their businesses constitutes a recommendation as to the merits of an investment in the notes.

PS-7

---

Significant aspects of the tax treatment of the notes are uncertain. — The tax treatment of the notes is uncertain. We do not plan to request a ruling from the Internal Revenue Service or from any Canadian authorities regarding the tax treatment of the notes, and the Internal Revenue Service or a court may not agree with the tax treatment described in this pricing supplement.

The Internal Revenue Service has issued a notice indicating that it and the Treasury Department are actively considering whether, among other issues, a holder should be required to accrue interest over the term of an instrument such as the notes even though that holder will not receive any payments with respect to the notes until maturity and whether all or part of the gain a holder may recognize upon sale or maturity of an instrument such as the notes could be treated as ordinary income. The outcome of this process is uncertain and could apply on a retroactive basis. Please read carefully the section entitled “U.S. Federal Tax Information” in this pricing supplement, the section entitled “Supplemental Tax Considerations—Supplemental U.S. Federal Income Tax Considerations” in the accompanying product supplement, the section “United States Federal Income Taxation” in the accompanying prospectus and the section entitled “Certain Income Tax Consequences” in the accompanying prospectus supplement. You should consult your tax advisor about your own tax situation.

PS-8

---

## Hypothetical Return on the Notes at Maturity

The following table and examples illustrate the hypothetical return at maturity on a \$1,000 investment in the notes. The “return,” as used in this section is the number, expressed as a percentage, which results from comparing the payment at maturity per \$1,000 in principal amount of the notes to \$1,000. The hypothetical total returns set forth below are based on the Initial Level of 100, the Buffer Percentage of 10% (the Buffer Level is 90% of the Initial Level), the Upside Leverage Factor of 125%, the Maximum Return of 8.125%, and the Maximum Redemption Amount of \$1,081.25. The hypothetical returns set forth below are for illustrative purposes only and may not be the actual returns applicable to investors in the notes. The numbers appearing in the following table and in the examples below have been rounded for ease of analysis.

| Hypothetical Final Level | Hypothetical Percentage Change | Hypothetical Payment at Maturity (per \$1,000 in Principal Amount) | Hypothetical Return on the Notes |
|--------------------------|--------------------------------|--|----------------------------------|
| 200.00                   | 100.00%                        | \$1,081.25   | 8.125%                           |
| 150.00                   | 50.00%                         | \$1,081.25   | 8.125%                           |
| 130.00                   | 30.00%                         | \$1,081.25   | 8.125%                           |
| 120.00                   | 20.00%                         | \$1,081.25   | 8.125%                           |
| 110.00                   | 10.00%                         | \$1,081.25   | 8.125%                           |
| 106.50                   | 6.50%                          | \$1,081.25   | 8.125%                           |
| 105.00                   | 5.00%                          | \$1,062.50   | 6.250%                           |
| 102.00                   | 2.00%                          | \$1,025.00   | 2.500%                           |
| 100.00                   | 0.00%                          | \$1,000.00   | 0.000%                           |
| 95.00                    | -5.00%                         | \$1,000.00   | 0.000%                           |
| 90.00                    | -10.00%                        | \$1,000.00   | 0.000%                           |
| 85.00                    | -15.00%                        | \$950.00   | -5.00%                           |
| 75.00                    | -25.00%                        | \$850.00   | -15.00%                          |
| 50.00                    | -50.00%                        | \$600.00   | -40.00%                          |
| 0.00                     | -100.00%                       | \$100.00   | -90.00%                          |

## Hypothetical Examples of Amounts Payable at Maturity

The following examples illustrate how the returns set forth in the table above are calculated.

Example 1: The value of the Basket decreases from the Initial Level of 100 to a hypothetical Final Level of 50, representing a Percentage Change of -50%. Because the Percentage Change is negative and the hypothetical Final Level of 50 is less than the Initial Level by more than the Buffer Percentage of 10%, the investor receives a payment at maturity of \$600 per \$1,000 in principal amount of the notes, calculated as follows:

$$\$1,000 + [\$1,000 \times (-50\% + 10\%)] = \$600.00$$

Example 2: The value of the Basket decreases from the Initial Level of 100 to a hypothetical Final Level of 95, representing a Percentage Change of -5%. Although the Percentage Change is negative, because the hypothetical Final Level of 95 is less than the Initial Level by not more than the Buffer Percentage of 10%, the investor receives a payment at maturity of \$1,000 per \$1,000 in principal amount of the notes.

Example 3: The level of the Basket increases from the Initial Level of 100 to a hypothetical Final Level of 105, representing a Percentage Change of 5%. Because the hypothetical Final Level of 105 is greater than the Initial Level and the Percentage Change of 5% multiplied by the Upside Leverage Factor does not exceed the Maximum Return, the investor receives a payment at maturity of \$1,062.50 per \$1,000 in principal amount of the notes, calculated as follows:

$$\$1,000 + [\$1,000 \times (5\% \times 125\%)] = \$1,062.50$$

Example 4: The level of the Basket increases from the Initial Level of 100 to a hypothetical Final Level of 120, representing a Percentage Change of 20%. Because the hypothetical Final Level of 120 is greater than the Initial Level and the Percentage Change of 20% multiplied by the Upside Leverage Factor exceeds the Maximum Return, the investor receives a payment at maturity of \$1,081.25 per \$1,000 in principal amount of the notes, the Maximum Redemption Amount.

PS-9

---

## U.S. Federal Tax Information

By purchasing the notes, each holder agrees (in the absence of a change in law, an administrative determination or a judicial ruling to the contrary) to treat each note as a pre-paid cash-settled derivative contract for U.S. federal income tax purposes. However, the U.S. federal income tax consequences of your investment in the notes are uncertain and the Internal Revenue Service could assert that the notes should be taxed in a manner that is different from that described in the preceding sentence. Please see the discussion (including the opinion of our counsel Morrison & Foerster LLP) in the product supplement under “Supplemental Tax Considerations—Supplemental U.S. Federal Income Tax Considerations,” which applies to the notes.

Recently finalized Treasury regulations provide that withholding on “dividend equivalent” payments (as discussed in the product supplement), if any, will not apply to notes issued before January 1, 2017.

## Supplemental Plan of Distribution (Conflicts of Interest)

BMOCM will purchase the notes from us at a purchase price reflecting the commission set forth on the cover page of this pricing supplement. BMOCM has informed us that, as part of its distribution of the notes, it will reoffer the notes to other dealers who will sell them. Each such dealer, or each additional dealer engaged by a dealer to whom BMOCM reoffers the notes, will receive a commission from BMOCM, which will not exceed the commission set forth on the cover page. This commission includes a selling concession of up to 1.6% of the principal amount that we or one of our affiliates will pay to one or more dealers in connection with the distribution of the notes.

Certain dealers who purchase the notes for sale to certain fee-based advisory accounts may forego some or all of their selling concessions, fees or commissions. The public offering price for investors purchasing the notes in these accounts may be less than 100% of the principal amount, as set forth on the cover page of this document. Investors that hold their notes in these accounts may be charged fees by the investment advisor or manager of that account based on the amount of assets held in those accounts, including the notes.

We own, directly or indirectly, all of the outstanding equity securities of BMOCM, the agent for this offering. In accordance with FINRA Rule 5121, BMOCM may not make sales in this offering to any of its discretionary accounts without the prior written approval of the customer.

We reserve the right to withdraw, cancel or modify the offering of the notes and to reject orders in whole or in part. You may cancel any order for the notes prior to its acceptance.

You should not construe the offering of the notes as a recommendation of the merits of acquiring an investment linked to the Basket or as to the suitability of an investment in the notes.

BMOCM may, but is not obligated to, make a market in the notes. BMOCM will determine any secondary market prices that it is prepared to offer in its sole discretion.

We may use the pricing supplement relating to the notes in the initial sale of the notes. In addition, BMOCM or another of our affiliates may use the final pricing supplement relating to the notes in market-making transactions in any notes after their initial sale. Unless BMOCM or we inform you otherwise in the confirmation of sale, the final pricing supplement is being used by BMOCM in a market-making transaction.

For a period of approximately three months following issuance of the notes, the price, if any, at which we or our affiliates would be willing to buy the notes from investors, and the value that BMOCM may also publish for the notes through one or more financial information vendors and which could be indicated for the notes on any brokerage account statements, will reflect a temporary upward adjustment from our estimated value of the notes that would



otherwise be determined and applicable at that time. This temporary upward adjustment represents a portion of (a) the hedging profit that we or our affiliates expect to realize over the term of the notes and (b) the underwriting discount and the selling concessions paid in connection with this offering. The amount of this temporary upward adjustment will decline to zero on a straight-line basis over the three-month period.

PS-10

---

Additional Information Relating to the Estimated Initial Value of the Notes

Our estimated initial value of the notes on the date of this preliminary pricing supplement, and that will be set forth on the cover page of the final pricing supplement relating to the notes, equals the sum of the values of the following hypothetical components:

- a fixed-income debt component with the same tenor as the notes, valued using our internal funding rate for structured notes; and
- one or more derivative transactions relating to the economic terms of the notes.

The internal funding rate used in the determination of the initial estimated value generally represents a discount from the credit spreads for our conventional fixed-rate debt. The value of these derivative transactions are derived from our internal pricing models. These models are based on factors such as the traded market prices of comparable derivative instruments and on other inputs, which include volatility, dividend rates, interest rates and other factors. As a result, the estimated initial value of the notes on the Pricing Date will be determined based on market conditions at that time.

PS-11

---

## The Basket Components

All disclosures contained in this pricing supplement regarding the Basket Components, including, without limitation, their make-up, method of calculation, and changes in their components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by, the applicable Index Sponsor. The Index Sponsors, who own the copyright and all other rights to the applicable Basket Component, have no obligation to continue to publish, and may discontinue publication of, the Basket Components. The consequences of an Index Sponsor discontinuing publication of a Basket Component are discussed in the section[s] of the product prospectus supplement entitled “General Terms of the Notes—Unavailability of the Level of the Underlying Asset on a Valuation Date”. Neither we nor BMO Capital Markets Corp. accepts any responsibility for the calculation, maintenance or publication of any Basket Component or any successor index.

## The S&P 500<sup>®</sup> Index

The SPX is intended to provide an indication of the pattern of common stock price movement. The calculation of the level of the SPX is based on the relative value of the aggregate market value of the common stocks of 500 companies as of a particular time compared to the aggregate average market value of the common stocks of 500 similar companies during the base period of the years 1941 through 1943.

S&P chooses companies for inclusion in the SPX with the aim of achieving a distribution by broad industry groupings that approximates the distribution of these groupings in the common stock population of its Stock Guide Database of over 10,000 companies, which S&P uses as an assumed model for the composition of the total market. Relevant criteria employed by S&P include the viability of the particular company, the extent to which that company represents the industry group to which it is assigned, the extent to which the market price of that company’s common stock generally is responsive to changes in the affairs of the respective industry, and the market value and trading activity of the common stock of that company. Eleven main groups of companies comprise the SPX, with the approximate percentage of the market capitalization of the SPX included in each group as of September 30, 2016 indicated in parentheses: Information Technology (21.2%); Health Care (14.7%); Financials (12.8%); Consumer Discretionary (12.5%); Consumer Staples (9.9%); Industrials (9.7%); Energy (7.3%); Utilities (3.3%); Real Estate (3.1%); Materials (2.9%); and Telecommunication Services (2.6%). S&P from time to time, in its sole discretion, may add companies to, or delete companies from, the SPX to achieve the objectives stated above.

S&P calculates the SPX by reference to the prices of the constituent stocks of the SPX without taking account of the value of dividends paid on those stocks. As a result, the return on the notes will not reflect the return you would realize if you actually owned the SPX constituent stocks and received the dividends paid on those stocks.

## Computation of the SPX

While S&P currently employs the following methodology to calculate the SPX, no assurance can be given that S&P will not modify or change this methodology in a manner that may affect the Payment at Maturity.

Historically, the market value of any component stock of the SPX was calculated as the product of the market price per share and the number of then outstanding shares of such component stock. In March 2005, S&P began shifting the SPX halfway from a market capitalization weighted formula to a float-adjusted formula, before moving the SPX to full float adjustment on September 16, 2005. S&P’s criteria for selecting stocks for the SPX did not change with the shift to float adjustment. However, the adjustment affects each company’s weight in the SPX.

Under float adjustment, the share counts used in calculating the SPX reflect only those shares that are available to investors, not all of a company’s outstanding shares. Float adjustment excludes shares that are closely held by control groups, other publicly traded companies or government agencies.

In September 2012, all shareholdings representing more than 5% of a stock's outstanding shares, other than holdings by "block owners," were removed from the float for purposes of calculating the SPX. Generally, these "control holders" will include officers and directors, private equity, venture capital and special equity firms, other publicly traded companies that hold shares for control, strategic partners, holders of restricted shares, ESOPs, employee and family trusts, foundations associated with the company, holders of unlisted share classes of stock, government entities at all levels (other than government retirement/pension funds) and any individual person who controls a 5% or greater stake in a company as reported in regulatory filings. However, holdings by block owners, such as depository banks, pension funds, mutual funds and ETF providers, 401(k) plans of the company, government retirement/pension funds, investment funds of insurance companies, asset managers and investment funds, independent foundations and savings and investment plans, will ordinarily be considered part of the float.

PS-12

---

Treasury stock, stock options, restricted shares, equity participation units, warrants, preferred stock, convertible stock, and rights are not part of the float. Shares held in a trust to allow investors in countries outside the country of domicile, such as depositary shares and Canadian exchangeable shares are normally part of the float unless those shares form a control block. If a company has multiple classes of stock outstanding, shares in an unlisted or non-traded class are treated as a control block.

For each stock, an investable weight factor (“IWF”) is calculated by dividing the available float shares by the total shares outstanding. As of September 21, 2012, available float shares are defined as the total shares outstanding less shares held by control holders. This calculation is subject to a 5% minimum threshold for control blocks. For example, if a company’s officers and directors hold 3% of the company’s shares, and no other control group holds 5% of the company’s shares, S&P would assign that company an IWF of 1.00, as no control group meets the 5% threshold. However, if a company’s officers and directors hold 3% of the company’s shares and another control group holds 20% of the company’s shares, S&P would assign an IWF of 0.77, reflecting the fact that 23% of the company’s outstanding shares are considered to be held for control. For companies with multiple classes of stock, S&P calculates the weighted average IWF for each stock using the proportion of the total company market capitalization of each share class as weights.

The SPX is calculated using a base-weighted aggregate methodology. The level of the SPX reflects the total market value of all 500 component stocks relative to the base period of the years 1941 through 1943. An indexed number is used to represent the results of this calculation in order to make the level easier to use and track over time. The actual total market value of the component stocks during the base period of the years 1941 through 1943 has been set to an indexed level of 10. This is often indicated by the notation 1941-43 = 10. In practice, the daily calculation of the SPX is computed by dividing the total market value of the component stocks by the “index divisor.” By itself, the index divisor is an arbitrary number. However, in the context of the calculation of the SPX, it serves as a link to the original base period level of the SPX. The index divisor keeps the SPX comparable over time and is the manipulation point for all adjustments to the SPX, which is index maintenance.

#### Index Maintenance

Index maintenance includes monitoring and completing the adjustments for company additions and deletions, share changes, stock splits, stock dividends, and stock price adjustments due to company restructuring or spinoffs. Some corporate actions, such as stock splits and stock dividends, require changes in the common shares outstanding and the stock prices of the companies in the SPX, and do not require index divisor adjustments.

To prevent the level of the SPX from changing due to corporate actions, corporate actions which affect the total market value of the SPX require an index divisor adjustment. By adjusting the index divisor for the change in market value, the level of the SPX remains constant and does not reflect the corporate actions of individual companies in the SPX. Index divisor adjustments are made after the close of trading and after the calculation of the SPX closing level.

Changes in a company’s shares outstanding of 5.00% or more due to mergers, acquisitions, public offerings, tender offers, Dutch auctions, or exchange offers are made as soon as reasonably possible. All other changes of 5.00% or more (due to, for example, company stock repurchases, private placements, redemptions, exercise of options, warrants, conversion of preferred stock, notes, debt, equity participation units, at the market offerings, or other recapitalizations) are made weekly and are announced on Fridays for implementation after the close of trading on the following Friday. Changes of less than 5.00% due to a company’s acquisition of another company in the SPX are made as soon as reasonably possible. All other changes of less than 5.00% are accumulated and made quarterly on the third Friday of March, June, September, and December, and are usually announced two to five days prior.

Changes in IWFs of more than five percentage points caused by corporate actions (such as merger and acquisition activity, restructurings, or spinoffs) will be made as soon as reasonably possible. Other changes in IWFs will be made

annually when IWFs are reviewed.

PS-13

---

## License Agreement

We and S&P have entered into a non-exclusive license agreement providing for the license to us and certain of our affiliates, in exchange for a fee, of the right to use the SPX, in connection with certain securities, including the notes. The SPX is owned and published by S&P.

The license agreement between S&P and us provides that the following language must be set forth in this pricing supplement:

The notes are not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, Dow Jones, Standard and Poor's Financial Services LLC or any of their respective affiliates (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices make no representation or warranty, express or implied, to the holders of the notes or any member of the public regarding the advisability of investing in securities generally or in the notes particularly or the ability of the SPX to track general market performance. S&P Dow Jones Indices' only relationship to us with respect to the SPX is the licensing of the SPX and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its third party licensors. The SPX is determined, composed and calculated by S&P Dow Jones Indices without regard to us or the notes. S&P Dow Jones Indices have no obligation to take our needs or the needs of holders of the notes into consideration in determining, composing or calculating the SPX. S&P Dow Jones Indices are not responsible for and have not participated in the determination of the prices, and amount of the notes or the timing of the issuance or sale of the notes or in the determination or calculation of the equation by which the notes are to be converted into cash. S&P Dow Jones Indices have no obligation or liability in connection with the administration, marketing or trading of the notes. There is no assurance that investment products based on the SPX will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC and its subsidiaries are not investment advisors. Inclusion of a security or futures contract within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security or futures contract, nor is it considered to be investment advice.

Notwithstanding the foregoing, CME Group Inc. and its affiliates may independently issue and/or sponsor financial products unrelated to the notes currently being issued by us, but which may be similar to and competitive with the notes. In addition, CME Group Inc. and its affiliates may trade financial products which are linked to the performance of the SPX. It is possible that this trading activity will affect the value of the notes.

**S&P DOW JONES INDICES DO NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE SPX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY US, HOLDERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE SPX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND US, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.**

S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks have been licensed for use by Bank of Montreal. "Standard & Poor®", "S&P 500" and "S&P" are trademarks of S&P. The notes are not sponsored,

endorsed, sold or promoted by S&P and S&P makes no representation regarding the advisability of investing in the notes.

PS-14

---



## The EURO STOXX 50<sup>®</sup> Index

The SX5E was created by STOXX, which is currently owned by Deutsche Börse AG. Publication of the SX5E began in February 1998, based on an initial Index level of 1,000 at December 31, 1991. On March 1, 2010, STOXX announced the removal of the “Dow Jones” prefix from all of its indices, including the SX5E. Additional information about the SX5E is available on the STOXX Limited website: <http://www.stoxx.com>. However, information included in that website is not included or incorporated by reference in this pricing supplement.

### Index Composition and Maintenance

For each of the 19 EURO STOXX regional supersector indices, the stocks are ranked in terms of free-float market capitalization. The largest stocks are added to the selection list until the coverage is close to, but still less than, 60% of the free-float market capitalization of the corresponding supersector index. If the next highest-ranked stock brings the coverage closer to 60% in absolute terms, then it is also added to the selection list. All current stocks in the index are then added to the selection list. All of the stocks on the selection list are then ranked in terms of free-float market capitalization to produce the final index selection list. The largest 40 stocks on the selection list are selected; the remaining 10 stocks are selected from the largest remaining current stocks ranked between 41 and 60; if the number of stocks selected is still below 50, then the largest remaining stocks are selected until there are 50 stocks. In exceptional cases, STOXX’s management board can add stocks to and remove them from the selection list.

The index stocks are subject to a capped maximum index weight of 10%, which is applied on a quarterly basis.

The SX5E is composed of 50 component stocks of market sector leaders from within the 19 EURO STOXX<sup>®</sup> Supersector indices, which represent the Eurozone portion of the STOXX Europe 600<sup>®</sup> Supersector indices. The index stocks have a high degree of liquidity and represent the largest companies across a wide range of market sectors.

### Composition and Maintenance of the SX5E

The composition of the SX5E is reviewed annually, based on the closing stock data on the last trading day in August. Changes in the composition of the SX5E are made to ensure that it includes the 50 market sector leaders from within the EURO STOXX Index.

The free float factors for each component stock used to calculate the SX5E, as described below, are reviewed, calculated, and implemented on a quarterly basis and are fixed until the next quarterly review.

The SX5E is subject to a “fast exit rule.” The index stocks are monitored for any changes based on the monthly selection list ranking. A stock is deleted from the SX5E if: (a) it ranks 75 or below on the monthly selection list and (b) it has been ranked 75 or below for a consecutive period of two months in the monthly selection list. The highest-ranked stock that is not already an index stock will replace it. Changes will be implemented on the close of the fifth trading day of the month, and are effective the next trading day.

The SX5E is also subject to a “fast entry rule.” All stocks on the latest selection lists and initial public offering (IPO) stocks are reviewed for a fast-track addition on a quarterly basis. A stock is added, if (a) it qualifies for the latest STOXX blue-chip selection list generated end of February, May, August or November and (b) it ranks within the “lower buffer” on this selection list.

The SX5E is also reviewed on an ongoing basis. Corporate actions (including initial public offerings, mergers and takeovers, spin-offs, delistings, and bankruptcy) that affect the SX5E composition are immediately reviewed. Any changes are announced, implemented, and effective in line with the type of corporate action and the magnitude of the effect.

Calculation of the EURO STOXX 50<sup>®</sup> Index

The SX5E is calculated with the “Laspeyres formula,” which measures the aggregate price changes in the index stocks against a fixed base quantity weight. The formula for calculating the SX5E value can be expressed as follows:

$$\text{Index} = \frac{\text{free float market capitalization of the index at the time}}{\text{divisor of the index at the time}}$$

The “free float market capitalization of the index” is equal to the sum of the products of the closing price, number of shares, free float factor and the weighting cap factor for each component company as of the time that the SX5E is being calculated.

The divisor of the SX5E is adjusted to maintain the continuity of the SX5E’s values across changes due to corporate actions, such as the deletion and addition of stocks, the substitution of stocks, stock dividends, and stock splits.

PS-15

---

## License Agreement

We have entered into a non-exclusive license agreement with STOXX, which grants us a license in exchange for a fee to use the SX5E in connection with the issuance of certain securities, including the notes.

STOXX and its licensors (the "Licensors") have no relationship with us or BMOCM, other than the licensing of the SX5E and the related trademarks for use in connection with the notes.

STOXX and its Licensors do not:

- sponsor, endorse, sell or promote the notes.
- recommend that any person invest in the notes or any other securities.
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the notes.
- have any responsibility or liability for the administration, management or marketing of the notes.
- consider the needs of the notes or the owners of the notes in determining, composing or calculating the SX5E or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with the notes. Specifically,

- STOXX and its Licensors do not make any warranty, express or implied, and disclaim any and all warranty about:

§ the results to be obtained by the notes, the owner of the notes or any other person in connection with the use of the SX5E and the data included in the SX5E;

§ the accuracy or completeness of the SX5E and its data;

§ the merchantability and the fitness for a particular purpose or use of the SX5E or its data;

- STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the SX5E or its data; and
- any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX knows that they might occur.

The licensing agreement among us, BMOCM and STOXX is solely for the benefit of the parties thereto and not for the benefit of the owner of the notes or any other third parties.

PS-16

---

## The Russell 2000® Index

The RTY was developed by Russell Investments (“Russell”) before FTSE International Limited (“FTSE”) and Russell combined in 2015 to create FTSE Russell, which is wholly owned by London Stock Exchange Group. Russell began dissemination of the RTY (Bloomberg L.P. index symbol “RTY”) on January 1, 1984. The RTY was set to 135 as of the close of business on December 31, 1986. FTSE Russell calculates and publishes the RTY. The RTY is designed to track the performance of the small capitalization segment of the U.S. equity market. As a subset of the Russell 3000® Index, the RTY consists of the smallest 2,000 companies included in the Russell 3000® Index. The Russell 3000® Index measures the performance of the largest 3,000 U.S. companies. The RTY is determined, comprised, and calculated by FTSE Russell without regard to the notes.

## Selection of Stocks Comprising the RTY

All companies eligible for inclusion in the RTY must be classified as a U.S. company under FTSE Russell’s country-assignment methodology. If a company is incorporated, has a stated headquarters location, and trades in the same country (American Depositary Receipts and American Depositary Shares are not eligible), then the company is assigned to its country of incorporation. If any of the three factors are not the same, FTSE Russell defines three Home Country Indicators (“HCIs”): country of incorporation, country of headquarters, and country of the most liquid exchange (as defined by a two-year average daily dollar trading volume) (“ADDTV”) from all exchanges within a country. Using the HCIs, FTSE Russell compares the primary location of the company’s assets with the three HCIs. If the primary location of its assets matches any of the HCIs, then the company is assigned to the primary location of its assets. If there is insufficient information to determine the country in which the company’s assets are primarily located, FTSE Russell will use the primary country from which the company’s revenues are primarily derived for the comparison with the three HCIs in a similar manner. FTSE Russell uses the average of two years of assets or revenues data to reduce potential turnover. If conclusive country details cannot be derived from assets or revenues data, FTSE Russell will assign the company to the country of its headquarters, which is defined as the address of the company’s principal executive offices, unless that country is a Benefit Driven Incorporation “BDI” country, in which case the company will be assigned to the country of its most liquid stock exchange. BDI countries include: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bermuda, Bonaire, British Virgin Islands, Cayman Islands, Channel Islands, Cook Islands, Curacao, Faroe Islands, Gibraltar, Guernsey, Isle of Man, Jersey, Liberia, Marshall Islands, Panama, Saba, Sint Eustatius, Sint Maarten, and Turks and Caicos Islands. For any companies incorporated or headquartered in a U.S. territory, including countries such as Puerto Rico, Guam, and U.S. Virgin Islands, a U.S. HCI is assigned.

All securities eligible for inclusion in the RTY must trade on a major U.S. exchange. Bulletin board, pink sheets, and over-the-counter (“OTC”) traded securities are not eligible for inclusion. Stocks must have a closing price at or above \$1.00 on their primary exchange on the last trading day in May to be eligible for inclusion during annual reconstitution. However, in order to reduce unnecessary turnover, if an existing member’s closing price is less than \$1.00 on the last day of May, it will be considered eligible if the average of the daily closing prices (from its primary exchange) during the month of May is equal to or greater than \$1.00. Initial public offerings must have a closing price at or above \$1.00 on the last day of their eligibility period in order to qualify for index inclusion. If an existing stock does not trade on the “rank day” (typically the last trading day in May but a confirmed timetable is announced each spring), but does have a closing price at or above \$1.00 on another eligible U.S. exchange, that stock will be eligible for inclusion. Companies with a total market capitalization of less than \$30 million are not eligible for the RTY. Similarly, companies with only 5% or less of their shares available in the marketplace are not eligible for the RTY.

Royalty trusts, limited liability companies, closed-end investment companies (companies that are required to report Acquired Fund Fees and Expenses, as defined by the SEC, including business development companies, are not eligible), blank check companies, special-purpose acquisition companies, exchange traded funds, mutual funds and limited partnerships are ineligible for inclusion. Preferred and convertible preferred stock, redeemable shares, participating preferred stock, warrants, rights, installment receipts and trust receipts are not eligible for inclusion in the

RTY.

Annual reconstitution is a process by which the RTY is completely rebuilt. On the rank day of May, all eligible securities are ranked by their total market capitalization. The largest 4,000 become the Russell 3000E Index, and the other FTSE Russell indexes are determined from that set of securities. Reconstitution of the RTY occurs on the last Friday in June or, when the last Friday in June is the 29th or 30th, reconstitution occurs on the prior Friday. In addition, FTSE Russell adds initial public offerings to the RTY on a quarterly basis based on total market capitalization ranking within the market-adjusted capitalization breaks established during the most recent reconstitution.

After membership is determined, a security's shares are adjusted to include only those shares available to the public. This is often referred to as "free float." The purpose of the adjustment is to exclude from market calculations the capitalization that is not available for purchase and is not part of the investable opportunity set.

PS-17

---

License Agreement

“Russell 2000” and “Russell 3000” are trademarks of FTSE Russell and have been licensed for use by us.

The notes are not sponsored, endorsed, sold or promoted by FTSE Russell. FTSE Russell makes no representation or warranty, express or implied, to the owners of the notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly or the ability of the RTY to track general stock market performance or a segment of the same. FTSE Russell's publication of the RTY in no way suggests or implies an opinion by FTSE Russell as to the advisability of investment in any or all of the securities upon which the RTY is based. FTSE Russell's only relationship to the Issuer is the licensing of certain trademarks and trade names of FTSE Russell and of the RTY which is determined, composed and calculated by FTSE Russell without regard to the Issuer or the notes. FTSE Russell is not responsible for and has not reviewed the notes nor any associated literature or publications and FTSE Russell makes no representation or warranty express or implied as to their accuracy or completeness, or otherwise. FTSE Russell reserves the right, at any time and without notice, to alter, amend, terminate or in any way change the RTY. FTSE Russell has no obligation or liability in connection with the administration, marketing or trading of the notes.

FTSE RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE RTY OR ANY DATA INCLUDED THEREIN AND FTSE RUSSELL SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. FTSE RUSSELL MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER, INVESTORS, OWNERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE RTY OR ANY DATA INCLUDED THEREIN. FTSE RUSSELL MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE RTY OR ANY DATA A INCLUDED HEREIN WITHOUT LIMITING ANY OF THE FOREGOING. IN NO EVENT SHALL FTSE RUSSELL HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

PS-18

---

## Historical Performance of the Basket Components

The following tables set forth the high and low closing levels of the Basket Components from the first quarter of 2008 through October 25, 2016.

The historical levels of the Basket Components are provided for informational purposes only. You should not take the historical level of any Basket Component as an indication of its future performance, which may be better or worse than the levels set forth below.

Closing Levels of the S&P 500<sup>®</sup> Index

|                    | High     | Low      |
|--------------------|----------|----------|
| 2008 First Quarter | 1,447.16 | 1,273.37 |
| Second Quarter     | 1,426.63 | 1,278.38 |
| Third Quarter      | 1,305.32 | 1,106.39 |
| Fourth Quarter     | 1,161.06 | 752.44   |
| 2009 First Quarter | 934.70   | 676.53   |
| Second Quarter     | 946.21   | 811.08   |
| Third Quarter      | 1,071.66 | 879.13   |
| Fourth Quarter     | 1,127.78 | 1,025.21 |
| 2010 First Quarter | 1,174.17 | 1,056.74 |
| Second Quarter     | 1,217.28 | 1,030.71 |
| Third Quarter      | 1,148.67 | 1,022.58 |
| Fourth Quarter     | 1,259.78 | 1,137.03 |
| 2011 First Quarter | 1,343.01 | 1,256.88 |
| Second Quarter     | 1,363.61 | 1,265.42 |
| Third Quarter      | 1,353.22 | 1,119.46 |
| Fourth Quarter     | 1,285.09 | 1,099.23 |
| 2012 First Quarter | 1,416.51 | 1,277.06 |
| Second Quarter     | 1,419.04 | 1,278.05 |
| Third Quarter      | 1,465.77 | 1,334.76 |
| Fourth Quarter     | 1,461.40 | 1,353.33 |
| 2013 First Quarter | 1,569.19 | 1,457.15 |
| Second Quarter     | 1,669.16 | 1,541.61 |
| Third Quarter      | 1,725.52 | 1,614.08 |
| Fourth Quarter     | 1,848.36 | 1,655.45 |
| 2014 First Quarter | 1,878.04 | 1,741.89 |
| Second Quarter     | 1,962.87 | 1,815.69 |
| Third Quarter      | 2,011.36 | 1,909.57 |
| Fourth Quarter     | 2,090.57 | 1,862.49 |
| 2015 First Quarter | 2,117.39 | 1,992.67 |
| Second Quarter     | 2,130.82 | 2,057.64 |
| Third Quarter      | 2,128.28 | 1,867.61 |

Edgar Filing: BANK OF MONTREAL /CAN/ - Form FWP

|   |          |          |
|---|----------|----------|
| Fourth Quarter                            | 2,109.79 | 1,923.82 |
| 2016 First Quarter                        | 2,063.95 | 1,829.08 |
| Second Quarter                            | 2,119.12 | 2,000.54 |
| Third Quarter                             | 2,190.15 | 2,088.55 |
| Fourth Quarter (through October 25, 2016) | 2,163.66 | 2,126.50 |

PS-19

---



## Closing Levels of the EURO STOXX 50® Index

|   | High     | Low      |
|---|----------|----------|
| 2008 First Quarter                        | 4,339.23 | 3,431.82 |
| Second Quarter                            | 3,882.28 | 3,340.27 |
| Third Quarter                             | 3,445.66 | 3,000.83 |
| Fourth Quarter                            | 3,113.82 | 2,165.91 |
| 2009 First Quarter                        | 2,578.43 | 1,809.98 |
| Second Quarter                            | 2,537.35 | 2,097.57 |
| Third Quarter                             | 2,899.12 | 2,281.47 |
| Fourth Quarter                            | 2,992.08 | 2,712.30 |
| 2010 First Quarter                        | 3,017.85 | 2,631.64 |
| Second Quarter                            | 3,012.65 | 2,488.50 |
| Third Quarter                             | 2,827.27 | 2,507.83 |
| Fourth Quarter                            | 2,890.64 | 2,650.99 |
| 2011 First Quarter                        | 3,068.00 | 2,721.24 |
| Second Quarter                            | 3,011.25 | 2,715.88 |
| Third Quarter                             | 2,875.67 | 1,995.01 |
| Fourth Quarter                            | 2,476.92 | 2,090.25 |
| 2012 First Quarter                        | 2,608.42 | 2,286.45 |
| Second Quarter                            | 2,501.18 | 2,068.66 |
| Third Quarter                             | 2,594.56 | 2,151.54 |
| Fourth Quarter                            | 2,659.95 | 2,427.32 |
| 2013 First Quarter                        | 2,749.27 | 2,570.52 |
| Second Quarter                            | 2,835.87 | 2,511.83 |
| Third Quarter                             | 2,936.20 | 2,570.76 |
| Fourth Quarter                            | 3,111.37 | 2,902.12 |
| 2014 First Quarter                        | 3,172.43 | 2,962.49 |
| Second Quarter                            | 3,314.80 | 3,091.52 |
| Third Quarter                             | 3,289.75 | 3,006.83 |
| Fourth Quarter                            | 3,277.38 | 2,874.65 |
| 2015 First Quarter                        | 3,731.35 | 3,007.91 |
| Second Quarter                            | 3,828.78 | 3,424.30 |
| Third Quarter                             | 3,686.58 | 3,019.34 |
| Fourth Quarter                            | 3,506.45 | 3,069.05 |
| 2016 First Quarter                        | 3,178.01 | 2,680.35 |
| Second Quarter                            | 3,151.69 | 2,697.44 |
| Third Quarter                             | 3,091.66 | 2,761.37 |
| Fourth Quarter (through October 25, 2016) | 3,093.86 | 2,975.04 |

## Closing Levels of the Russell 2000® Index

|   | High      | Low       |
|---|-----------|-----------|
| 2008 First Quarter                        | 753.548   | 643.966   |
| Second Quarter                            | 763.266   | 686.073   |
| Third Quarter                             | 754.377   | 657.718   |
| Fourth Quarter                            | 671.590   | 385.308   |
| 2009 First Quarter                        | 514.710   | 343.260   |
| Second Quarter                            | 531.680   | 429.158   |
| Third Quarter                             | 620.695   | 479.267   |
| Fourth Quarter                            | 634.072   | 562.395   |
| 2010 First Quarter                        | 690.303   | 586.491   |
| Second Quarter                            | 741.922   | 609.486   |
| Third Quarter                             | 677.642   | 590.034   |
| Fourth Quarter                            | 792.347   | 669.450   |
| 2011 First Quarter                        | 843.549   | 773.184   |
| Second Quarter                            | 865.291   | 777.197   |
| Third Quarter                             | 858.113   | 643.421   |
| Fourth Quarter                            | 765.432   | 609.490   |
| 2012 First Quarter                        | 846.129   | 747.275   |
| Second Quarter                            | 840.626   | 737.241   |
| Third Quarter                             | 864.697   | 767.751   |
| Fourth Quarter                            | 852.495   | 769.483   |
| 2013 First Quarter                        | 953.068   | 872.605   |
| Second Quarter                            | 999.985   | 901.513   |
| Third Quarter                             | 1,078.409 | 989.535   |
| Fourth Quarter                            | 1,163.637 | 1,043.459 |
| 2014 First Quarter                        | 1,208.651 | 1,093.594 |
| Second Quarter                            | 1,192.964 | 1,095.986 |
| Third Quarter                             | 1,208.150 | 1,101.676 |
| Fourth Quarter                            | 1,219.109 | 1,049.303 |
| 2015 First Quarter                        | 1,266.373 | 1,154.709 |
| Second Quarter                            | 1,295.799 | 1,215.417 |
| Third Quarter                             | 1,273.328 | 1,083.907 |
| Fourth Quarter                            | 1,204.159 | 1,097.552 |
| 2016 First Quarter                        | 1,114.028 | 953.715   |
| Second Quarter                            | 1,188.954 | 1,089.646 |
| Third Quarter                             | 1,263.438 | 1,139.453 |
| Fourth Quarter (through October 25, 2016) | 1,250.764 | 1,210.136 |

