

This document contains key information you should know about the BMO Nesbitt Burns Balanced Fund Class F units. You can find more detailed information in the simplified prospectus. Ask your investment adviser for a copy, contact BMO Nesbitt Burns Inc., the manager, at 1-800-361-1392 or contactcentre@bmonb.com or visit www.bmonesbittburns.com.

Quick facts

| | | | |
|---|----------------------------|------------------------------|--|
| Date fund created: | (Class F) October 31, 2008 | Portfolio manager(s): | BMO Asset Management Inc. |
| Total value on September 26, 2012: | \$33.8 Million | Distributions: | Variable distributions of net income, if any, semi-annually in June and December; net capital gains, if any, in December |
| Management expense ratio (MER): | 0.83% | Minimum investment: | \$1,000 |

What does the fund invest in?

The principal investment objective of BMO Nesbitt Burns Balanced Fund is to achieve long-term capital growth consistent with the preservation of capital and liquidity by investing primarily in equities and fixed income securities. The portfolio advisor may adjust the asset mix according to its outlook for equities and fixed income securities. The fund may invest up to 10% of its net asset value in foreign securities.

The charts below provide you with a snapshot of the fund's investments on September 26, 2012. The fund's investments will change.

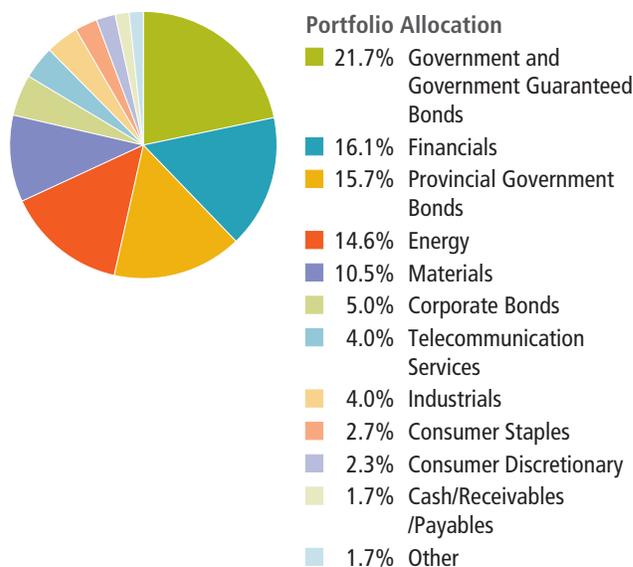
Top 10 investments (September 26, 2012)

1. Government of Canada, 3.000%, June 1, 2014
2. Toronto-Dominion Bank
3. Bank of Nova Scotia
4. Government of Canada, 8.000%, June 1, 2023
5. TransCanada Corporation
6. Suncor Energy Inc.
7. Government of Canada, 3.500%, June 1, 2013
8. Telus Corporation
9. Cenovus Energy Inc.
10. Kinross Gold Corporation

Total investments 84

The top 10 investments make up 35.3% of the fund.

Investment mix (September 26, 2012)



How has the fund performed?

This section tells you how this class of the fund has performed over the past 3 years. Returns are after expenses have been deducted. These expenses reduce the class' returns.

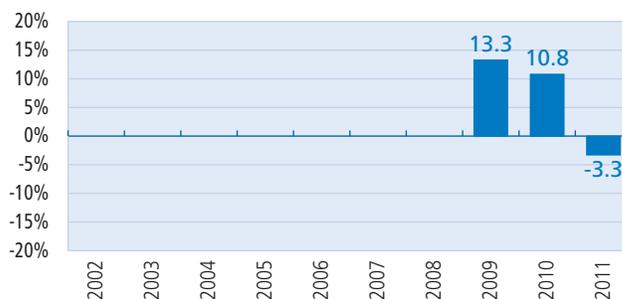
It's important to note that this doesn't tell you how the class will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

Average return

As at September 30, 2012, a person who invested \$1,000 in this class of the fund since its inception now has \$1,253. This works out to an annual compound return of 5.9%.

Year-by-year returns

This chart shows how the class has performed in each of the past 3 completed calendar years. The class dropped in value in 1 of the 3 years.



How risky is it?

When you invest in a fund, the value of your investment can go down as well as up. BMO Nesbitt Burns Inc. has rated this fund's risk as Low to Medium.

For a description of the specific risks of this fund, see the simplified prospectus offering this class of units of the fund.



Are there any guarantees?

Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

Who is this fund for?

- The fund may be a suitable investment for investors looking for a well diversified mix of equities and fixed income securities in a single mutual fund.
- The fund may be a suitable investment for investors who can accept low to medium investment risk (i.e. you are willing to accept some fluctuations in the market value of your investment) and who have a medium to long-term investment horizon (five years or longer).

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

A word about tax

Depending on tax rules and tax rates that apply to you and the fund, you may have to pay tax on your portion of the fund's earnings and gains, whether paid out to you in cash or reinvested in the fund. Also, you may have to pay tax on any gains you realize when you redeem or sell your investment in the fund. However, if you hold your investment in a registered account such as a Registered Retirement Savings Plan or a Tax-Fee Savings Account, generally you will not have to pay tax on earnings or gains that are held in a registered account.

How much does it cost?

The following section describes the fees and expenses you could pay to buy, own and sell Class F units of the fund.

The fund has other classes of units. The fees and expenses are different for each class. You should ask about other classes of units that may be suitable for you.

1. Sales charges

You pay no sales charges when you buy Class F units of the fund. Instead of paying a sales charge on each transaction, you pay an annual fee to your investment adviser based on the value of your assets.

2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the returns of this class of the fund.

As of June 30, 2012, the Class F expenses of the fund were 0.86% of its value. This equals \$9 for every \$1,000 invested.

Annual rate (as a % of the class' value)

Management expense ratio (MER)

This is the total of the management fee and operating expenses for Class F units of the fund.

0.83%

Trading expense ratio (TER)

These are the fund's trading costs.

0.03%

Fund expenses

0.86%

Trailing commission

No trailing commission is paid to your dealer in respect of this class of the fund.

3. Other fees

Class F units are designed for investors who are participants in programs that do not require payment of sales charges by investors but who are charged an annual fee by their investment adviser.

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

| Fee | What you pay |
|-------------------------------|--|
| Short-term trading fee | Up to 2% of the amount that you redeem or switch if you buy or switch and then redeem or switch units of the fund within 30 days of purchasing or switching them. This penalty will be paid directly to the fund. |
| Switch fee | A fixed charge in an amount determined by your investment adviser may apply on switches. The amount of these fees should be discussed with your investment adviser at the time of a purchase or switch and when you establish an account or registered tax plan. |

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units or shares within two business days after you receive a simplified prospectus, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact BMO Nesbitt Burns Inc. or your investment adviser for a copy of the simplified prospectus offering this class of units of the fund and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents. You can get a copy of these documents, at your request, and at no cost, by contacting BMO Nesbitt Burns Inc. by phone toll free at 1-800-361-1392, by e-mail at contact.centre@bmonb.com, by writing to us at

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