

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 10708 / September 27, 2019**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5378 / September 27, 2019**

**In the Matter of**

**Bank of Montreal**

**ORDER UNDER RULE 405 OF THE  
SECURITIES ACT OF 1933, GRANTING A  
WAIVER FROM BEING AN INELIGIBLE  
ISSUER**

Bank of Montreal (“BMO”) has submitted a letter, dated September 26, 2019, constituting an application for relief from BMO being considered an “ineligible issuer” under clause (1)(vi) of the definition of ineligible issuer in Rule 405 of the Securities Act of 1933 (“Securities Act”). BMO requests relief from being considered an “ineligible issuer” under Rule 405, due to the entry on September 27, 2019, of an order instituting administrative and cease-and-desist proceedings against BMO Harris Financial Advisors, Inc. and BMO Asset Management Corp. (together, the “Settling Firms”), subsidiaries of BMO (the “Cease-and-Desist Order”). The Cease-and-Desist Order requires, among other things, the Settling Firms to cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder.

Under clause (1)(vi) of the definition of ineligible issuer in Rule 405 of the Securities Act, an issuer becomes an ineligible issuer and thus unable to avail itself of well-known seasoned issuer status, if “[w]ithin the past three years (but in the case of a decree or order agreed to in a settlement, not before December 1, 2005), the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that: (A) [p]rohibits certain conduct or activities regarding, including future violations of, the anti-fraud provisions of the federal securities laws...”

Under clause (2) of the definition of ineligible issuer in Rule 405 of the Securities Act, an issuer shall not be an ineligible issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer.

Based on the representations set forth in BMO’s September 26, 2019 request, and on other considerations, the Commission has determined that BMO has made a showing of good cause under clause (2) of the definition of ineligible issuer in Rule 405 of the Securities Act and that BMO should not be considered an ineligible issuer by reason of the entry of the Cease-and-Desist Order.

Any different facts from those represented would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition the waiver under those circumstances.

Accordingly, the relief described above from BMO being an ineligible issuer under Rule 405 of the Securities Act is hereby granted.

By the Commission.

Vanessa A. Countryman  
Secretary