

Client Relationship Summary

I. Introduction

BMO Harris Financial Advisors, Inc. (BHFA) is dually registered with the Securities and Exchange Commission (“Commission”) as a Broker-Dealer and an Investment Adviser. Our financial advisors (FAs) are also dually licensed to provide broker-dealer (“brokerage”) services and investment advisory (“advisory”) services as well as licensed insurance agents to sell insurance products to our retail investors.

You need to understand that our investment advisory and brokerage services and fees differ. You can also find free and simple tools at the Commission’s website, www.Investor.gov/CRS, to research firms and financial professionals, and explore general educational materials about broker-dealers, investment advisers, and investing.

II. What investment services and advice can you provide me?

BHFA offers brokerage and advisory services through FAs who are located in branches or through a centralized call center location branded BMO Wealth Direct. FAs located in branches service clients in person, on the phone and over e-mail. BMO Wealth Direct FAs mainly service clients over the phone and e-mail.

Overview of Brokerage Services

We offer brokerage services to retail investors including account types: individual, joint, trusts, retirement, Uniform Transfer to Minor (UTMA), estates, entity, transfers on death, and guardian/conservatorship. We recommend mutual funds, money market funds, brokered certificates of deposit, fixed income securities (municipal, corporate, and treasuries), 529 plans, unit investment trusts, structured products (market linked certificates of deposit and structured notes). We also recommend insurance products including annuities, life, disability, and long-term care insurance. Brokerage account services include financial plans, money fund sweeps, bank-linked sweeps, ACH transfers, asset transfers, online and mobile account access and trading, and margin. For a detailed description of our brokerage services see our Regulation Best Interest Disclosure Document (“Disclosure Document”), which is available through our website at www.bmowealthmanagement.com.

Overview of Advisory Services

We offer advisory services to retail investors including account types: individual, joint, trusts, retirement, Uniform Transfer to Minor (UTMA), estates, entity, transfers on death, and guardian/

conservatorships. We offer wrap accounts including model asset allocation portfolios (“Investment Strategy Models”) and separately managed accounts (SMAs) as selected by the client. The Investment Strategy Models are developed by our affiliates and third parties. FAs, BHFA affiliates and third parties act as fund strategist managers (“Investment Strategists”), depending on the Investment Strategy Model. SMAs are developed and managed by our affiliates and third parties. We also offer financial planning and tax overlay services. For a detailed description of our Advisory Services please see BHFA’s Form ADV Part 2A Brochure (“Brochure”), which is available through our website at www.bmowealthmanagement.com.

Monitoring

Brokerage. We do not provide ongoing monitoring of brokerage accounts.

Advisory. As Program Manager for all our Programs and SMAs, we routinely monitor the Investment Strategists and SMA Managers.

Investment authority

Brokerage. You must authorize every transaction and you make the ultimate decision regarding all purchase, sell, and hold investment recommendations. We do not accept discretionary authority to invest on your behalf in a brokerage account.

Advisory. After you select an advisory service, your signed New Account Application authorizes the use of discretion by us or the Investment Strategist to implement your Investment Strategy, determine the types of securities and investment amount in each security in your account, add or replace securities, or as necessary for us to replace the Investment Strategists. Depending on the program,

discretion will be exercised between us (including your FA) and the Investment Strategists. You should review BHFA's Brochure and ask your FA about the exercise of discretion in your selected Program or SMA.

Limited investment offerings

Brokerage. Our FAs only recommend products approved by BHFA, as listed above in the "Overview of Brokerage Services" section, including as appropriate third party and affiliate mutual funds and money market funds. The BMO Mutual Funds and BMO Money Market Funds are managed by our affiliate BMO Asset Management Corp. (BMO AM). You may elect to invest in products without our recommendation ("unsolicited") including for example, equity purchases, options transactions, ETFs, trading on margin and REITs. We will recommend the liquidation of any equity or mutual fund share class, but we will only solicit the purchase of class A mutual fund shares.

Advisory. Our advice is limited to model asset allocation portfolios and SMAs as described in the Overview of Advisory Services section. The Investment Strategies are allocated among one or more open-end mutual funds, including affiliated BMO Funds, exchange traded funds (ETFs), and fixed income (i.e., bond) instruments. SMAs invest in one defined security type, such as equities or fixed income. When an FA is your Investment Strategist, the FA selects investments from a list of approved investments based on research provided by BHFA Affiliates and third parties.

Account minimums and other requirements

Brokerage. We have no account minimums, but there is a general annual inactivity fee, depending on the account type, and which may be waived if your account meets certain criteria. Retirement accounts charge an annual fee, depending on the retirement account type. Please see BHFA's Commission Schedule, for transaction based accounts, for more information.

Advisory. We have four advisory account minimums, \$250,000, \$100,000, \$75,000 and \$20,000 depending on which Program you choose. Although, we may reduce the account minimum, subject to negotiation.

Additional information

Our website at www.bmowealthmanagement.com includes additional information about our brokerage services (including the Disclosure Document) as well as on our BrokerCheck CRD report available at www.brokercheck.finra.org, and our advisory services in our Brochure.

Questions to ask your FA about our services

- Given my financial situation: (1) Should I choose an investment advisory service? (2) Should I choose a brokerage service? (3) Should I choose both types of services? (4) Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

III. Summary of fees, costs, conflicts, and standards of conduct

What fees will I pay?

In brokerage accounts, we earn transaction-based commissions and sales charges, while in our advisory accounts we earn a percentage of your total assets as fees. The more trades executed in your brokerage account, the more we earn. We have an incentive to recommend that you trade more often. Likewise, in an advisory account, the greater the value of the assets we manage, the more we earn in advisory fees. We have an incentive to encourage you to increase assets in your account.

Brokerage commissions. The amount of commissions you will pay on transactions in your brokerage account is specific to each transaction and not the value of your account. Your FA will disclose the specific commission and fees you will be charged at the time the recommendation is made. You will also have access to disclosures outlining commissions, fees and costs of specific investments, as these will vary depending on your investment selection. You will pay commissions, fees and costs whether you make or lose money on your investments. Commissions, fees and cost will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Advisory fees. Clients pay investment advisory service fees ("wrap fees" or "Program Fees") to us for participating in our advisory Programs. A wrap fee is a single fee for all advisory, brokerage and custodial services provided to Program Accounts. Fees among Programs vary greatly including "Annual Program Fees," account minimums, fee breakpoints, minimum annual fees, investment strategy-specific fees, model-specific fees, and manager-specific fees. Detailed information about our Fees, Costs and Conflicts are described in Item 5 of our Brochure. As stated there, clients will also pay additional fees if they invest in SMAs, which fees vary greatly, or add Tax Overlay services to their Programs Accounts, which are provided by Envestnet for an additional fee. Fees are calculated on the last business or trading day of the prior month and payable on a monthly basis in advance beginning at account opening. Fees are negotiable and may be higher or lower than (i) if you had purchased the services separately, (ii) other clients pay depending on their services and assets managed; and (iii) what other firms may charge. You will pay fees and costs whether you make or lose money on your investments. Fees and cost will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you pay by asking your FA about the range of fees, annual fee minimums, fee breakpoints and other investment strategy-, model-, and manager-specific fees, which may be negotiated on amount(s) invested, and other costs relative to your Program(s) or SMA.

What other fees and costs will I incur?

Brokerage. Additional fees as described in our Commission Schedule for Transaction Based Accounts include transfer fees, wire and delivery fees, late payment fees, and confirmation statement fees. Mutual fund (MF) and unit investment trust (UIT) prospectuses describe the specific sales charge information and “break points” (reduced sales charges based on size of purchase), and early redemption fees for MFs and UITs.

Advisory. Included in the wrap fee that all advisory programs charge is: Investnet Fees (for portfolio management and reporting services) and Pershing Fees (for clearing, custody and brokerage services). Other Program and investment-specific fees and costs you will pay directly or indirectly depending upon services and products used include mutual fund and ETF Fees and for SMAs in addition to tax management overlay charges. See also Item 5 of our Brochure.

Help me understand how your fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment advisor?

When we provide you with a recommendation as your broker-dealer or act as your investment advisor, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interest. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you.

How else does your firm make money and what conflicts of interest do you have?

In addition to the brokerage and advisory fees we receive, there are other types of compensation that create conflicts of interest. For example, fees for referring business to our affiliates. Generally, these conflicts are mitigated through disclosure, compensation structure and supervisory procedures as described in more detail in our Disclosure Document and Brochure. More information about our conflicts and how we manage them is available at www.bmowealthmanagement.com. You should understand and ask us about these conflicts because they can affect the advice we provide you. Some examples include:

- **Dual Advisory and Brokerage Services.** We are dually licensed as an investment adviser and broker-dealer and our FAs are licensed to operate in both capacities and we may have incentives to encourage you to use either or both advisory or brokerage services. Whether a brokerage commission or asset-based fee is more favorable for you depends upon the frequency your account is traded, if you want to pay for ongoing monitoring, and your investment strategy, which you should discuss with your FA.
- **Differential revenue among products and providers.** We earn different levels of revenue among different products and providers of those products. We have an incentive to recommend one product or provider’s product over another.
- **Investment in proprietary funds.** Program Accounts managed by affiliate BMO AM as Investment Strategists, invest a significant portion of assets in the BMO Funds and BMO MM Funds, a mutual fund family advised by BMO AM. BMO AM Investment Strategists receive management, custody and servicing fees from their management of BMO Funds.
- **Receipt of third-party revenue sharing.** Our clearing firm (Pershing) pays us a portion of the servicing fees it receives from mutual fund companies participating in its no-transaction fee program.
- **Material business relationships with affiliates under common control.** Services provided among our affiliates, all owned by BMO Financial Corp., result in reciprocal payments in exchange for client referrals.
- **Financial Advisors’ compensation for other services and referrals.** Our FAs are dually registered as registered representatives to perform brokerage services and investment adviser representatives to perform advisory services for our clients so that they will receive separate and additional compensation based on the services provided to clients. In addition, many FAs are also licensed insurance agents and will receive commissions for insurance-related investments. They will also receive referral compensation for referring clients to our bank affiliate BMO Harris Bank, N.A.

Questions to ask your FA about conflicts

How might your conflicts of interest affect me, and how will you address them?

Additional information

See our Disclosure Document and Brochure for additional information about conflicts of interest in our brokerage and advisory services on our website at www.bmowealthmanagement.com.

How do your financial advisors make money?

Advisors at BMO Wealth Direct earn a salary, quarterly incentive payment based on an asset sales grid, and annual performance based bonus. Our branch FAs earn an annual draw and monthly incentive payment based on a grid that changes with their productivity. The grid includes credits from advisory fees, trail fees, and commission revenues. Senior FAs are eligible to receive restricted share units annually if they meet a minimum net revenue credit. To become a Senior FA, certain criteria must be met, including, but not limited to achieving a qualifying professional designation and demonstrating that comprehensive financial planning is a consistent business practice with designated client

relationships. Accordingly, the more FAs sell, the more they earn and have incentive to sell you more and/or recommend that you contribute more. Additions to fee-based accounts as well as approved product sales (not otherwise excluded) are included in their sales goal. FAs also earn compensation for referrals made to BMO Private Bank. For more on referrals see our Disclosure Document and Brochure.

IV. Do you or your financial professional have legal or disciplinary history? For what type of conduct?

Firm information

Yes. On September 27, 2019, BHFA and BMO AM settled with the Commission in which they neither admitted nor denied that they violated Sections 206(2) and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder (the "Order"). Information on this is available in Item 9 of our Brochure and in our CRD on BrokerCheck. See www.bmowealthmanagement.com and www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Financial Advisor information

Yes. Disciplinary history is reported for individual FAs on FINRA's and the SEC's websites. You may find detailed information about an individual's disciplinary history at www.brokercheck.finra.org and <https://adviserinfo.sec.gov/> for free and simple search tools to research your financial professionals. You may also verify that a CFP's certification is in good standing on the CFP Board's "Find a Certified Financial Professional" at <https://www.letsmakeaplan.org/choose-a-cfp-professional/find-a-cfp-professional>.

As a financial professional, do you have any disciplinary history? For what type of conduct?

V. Additional questions to ask your FA

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?

Your FA or advisors at BMO Wealth Direct are your primary contact, both are registered as RRs and IAs.

Who can I talk to if I have concerns about how this person is treating me?

You may ask your FA for their manager's contact information and you may also call BMO Wealth Direct at 800-472-0060, or you may write to BHFA at 790 N. Water St., FL 11, Milwaukee, WI 53202.

For additional information about brokerage and advisory services and to request a copy of this form, please contact us.



800-472-0060



790 North Water Street, Floor 11, Milwaukee, WI 53202



bmowealthmanagement.com



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