

BANK OF MONTREAL /CAN/  
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Pricing Supplement dated March 20, 2013 to the Prospectus dated June 22, 2011,  
 the Prospectus Supplement dated June 22, 2011, and the Product Supplement dated November 9, 2011

US\$600,000  
 Senior Medium-Term Notes, Series B  
 Reverse Exchangeable Notes due September 25, 2013  
 Linked to the Market Vectors® Junior Gold Miners ETF

- This pricing supplement relates to an offering of Reverse Exchangeable Notes linked to the shares of the Market Vectors® Junior Gold Miners ETF (the “Reference Stock Issuer”). We refer to the shares of the Reference Stock Issuer as the “Reference Stock.”
- The notes are designed for investors who seek an interest rate that is higher than that of a conventional debt security with the same maturity issued by us or an issuer with a comparable credit rating. Investors should be willing to forgo the potential to participate in the appreciation of the Reference Stock, be willing to accept the risks of owning the Reference Stock, and be willing to lose some or all of their principal at maturity.
- Investing in the notes is not equivalent to investing in the shares of the Reference Stock.
- The notes will pay interest monthly at the per annum fixed rate specified below. However, the notes do not guarantee any return of principal at maturity. Instead, the payment at maturity will be based on the Final Stock Price of the Reference Stock and whether the closing price of the Reference Stock has declined from the Initial Stock Price below the Trigger Price during the Monitoring Period, as described below.
- The notes will have a term of six months.
- Any payment at maturity is subject to the credit risk of Bank of Montreal.
- Payment at maturity for each \$1,000 principal amount note will be either a cash payment of \$1,000 or delivery of shares of the Reference Stock (or, at our election, the Cash Delivery Amount), in each case, together with any accrued and unpaid interest, as described below.
- The notes will be issued in minimum denominations of \$1,000 and integral multiples of \$1,000.
- Our subsidiary, BMO Capital Markets Corp. (“BMOCM”), is the agent for this offering. See “Supplemental Plan of Distribution (Conflicts of Interest)” below.

RevEx Number	Reference Stock Issuer	Ticker Symbol	Principal Amount	Interest Rate per Annum	Initial Stock Price	Trigger Price	CUSIP	Price to Public	Total Underwriting Discount	Proceeds to Bank of Montreal
0874	Market Vectors® Junior Gold Miners ETF	GDXJ	US\$600,000	8.46%	\$16.83	\$12.62	06366RNB7	100%	2.00% US\$12,000	98.00% US\$588,000

Investing in the notes involves risks, including those described in the “Selected Risk Considerations” section beginning on page P-4 of this pricing supplement, the “Additional Risk Factors Relating to the Notes” section beginning on page PS-4 of the product supplement, and the “Risk Factors” sections beginning on page S-3 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.

We expect to deliver the notes through the facilities of The Depository Trust Company on or about March 25, 2013.

BMO CAPITAL MARKETS

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Key Terms of the Notes:

Payment at Maturity: The payment at maturity for the notes is based on the performance of the Reference Stock. You will receive \$1,000 for each \$1,000 in principal amount of the note, unless:

- (1) the Final Stock Price is less than the Initial Stock Price; and
- (2) on any day during the Monitoring Period, the closing price of the Reference Stock has declined to a price that is less than the Trigger Price. (“Closing Price Monitoring” is applicable to the notes.)

If the conditions described in both (1) and (2) are satisfied, you will receive at maturity, instead of the principal amount of your notes, the number of shares of the Reference Stock equal to the Physical Delivery Amount (or, at our election, the Cash Delivery Amount). Fractional shares will be paid in cash. The market value of the Physical Delivery Amount or the Cash Delivery Amount will most likely be substantially less than the principal amount of your notes, and may be zero.

Pricing Date: March 20, 2013

Settlement Date: March 25, 2013

Valuation Date: September 20, 2013

Maturity Date: September 25, 2013

Interest Payment Dates: Interest on the notes will be paid on April 25, 2013, May 28, 2013, June 25, 2013, July 25, 2013, August 26, 2013 and the Maturity Date.

Interest Rate: 8.46% per annum. Each interest payment will be equal to approximately \$7.05 per \$1,000 in principal amount of the notes.

Monitoring Period: The period from the Pricing Date to and including the Valuation Date.

Physical Delivery Amount: The number of shares of the Reference Stock, per \$1,000 in principal amount of the notes, equal to \$1,000 divided by the Initial Stock Price, subject to adjustments, as described in the product supplement. Any fractional shares will be paid in cash. Payment of the Physical Delivery Amount and the maturity of the notes may be postponed by up to ten business days under certain circumstances, as set forth in the section of the product supplement, “General Terms of the Notes—Payment at Maturity—Physical Delivery Amount.”

Cash Delivery Amount: The amount in cash equal to the product of (1) the Physical Delivery Amount and (2) the Final Stock Price, subject to adjustments, as described in the product supplement.

Initial Stock Price: \$16.83. The Initial Stock Price is subject to adjustments in certain circumstances. See “General Terms of the Notes—Payment at Maturity” and “—Anti-dilution Adjustments” in the product supplement for additional information about these adjustments.

Trigger Price: \$12.62

Final Stock Price: The closing price of the Reference Stock on the Valuation Date.

Automatic Redemption: Not Applicable

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

Additional Terms of the Notes

You should read this pricing supplement together with the product supplement dated November 9, 2011, the prospectus supplement dated June 22, 2011 and the prospectus dated June 22, 2011. 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 November 9, 2011:  
<http://www.sec.gov/Archives/edgar/data/927971/000121465911003814/f1024111424b5.htm>
- Prospectus supplement dated June 22, 2011:  
<http://www.sec.gov/Archives/edgar/data/927971/000095012311060741/o71090b5e424b5.htm>
- Prospectus dated June 22, 2011:  
<http://www.sec.gov/Archives/edgar/data/927971/000095012311060730/o71090b2e424b2.htm>

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

## Selected Risk Considerations

An investment in the notes involves significant risks. Investing in the notes is not equivalent to investing directly in the Reference Stock. These risks are explained in more detail in the “Additional Risk Factors Relating to the Notes” section of the product supplement dated November 9, 2011.

- Your investment in the notes may result in a loss. — The notes do not guarantee any return of principal. The payment at maturity will be based on the Final Stock Price and whether the closing price of the Reference Stock has declined from the Initial Stock Price to a closing price that is less than the Trigger Price on any day during the Monitoring Period. Under certain circumstances, you will receive at maturity a number of shares of the Reference Stock (or, at our election, the Cash Delivery Amount). We expect that the market value of those shares or the Cash Delivery Amount will be less than the principal amount of the notes and may be zero. Accordingly, you could lose up to the entire principal amount of your notes.
- Your return on the notes is limited to the principal amount plus accrued interest regardless of any appreciation in the value of the Reference Stock. — You will not receive a payment at maturity with a value greater than your principal amount, plus accrued and unpaid interest. This will be the case even if the Final Stock Price exceeds the Initial Stock Price by a substantial amount.
- 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 all amounts due on the notes on each interest payment date and 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 and/or our affiliates may also currently or from time to time engage in business with the Reference Stock Issuer, including extending loans to, or making equity investments in, the Reference Stock Issuer, or providing advisory services to it. In addition, one or more of our affiliates may publish research reports or otherwise express opinions with respect to the Reference Stock Issuer, and these reports may or may not recommend that investors buy or hold shares of the Reference Stock. As a potential purchaser of the notes, you should undertake an independent investigation of the Reference Stock Issuer that in your judgment is appropriate to make an informed investment decision.
- The inclusion of the underwriting commission and hedging profits, if any, in the original offering price of the notes, as well as our hedging costs, is likely to adversely affect the price at which you can sell your notes. — Assuming no change in market conditions or any other relevant factors, the price, if any, at which BMOCM or any other party may be willing to purchase the notes in secondary market transactions may be lower than the initial public offering price. The initial public offering price includes, and any price quoted to you is likely to exclude, the underwriting commission paid in connection with the initial distribution. The initial public offering price may also include, and any price quoted to you would be likely to exclude, the hedging profits that we expect to earn with respect to hedging our exposure under the notes. 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.
- You will have no ownership rights in the Reference Stock. — As a holder of the notes, you will not have any ownership interest or rights in the Reference Stock, such as voting rights or dividend payments. In addition, the Reference Stock Issuer will not have any obligation to consider your interests as a holder of the notes in taking any

corporate action that might affect the value of the Reference Stock and the notes.

P-4

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- No affiliation with the Reference Stock Issuer. — We are not affiliated with the Reference Stock Issuer. You should make your own investigation into the Reference Stock and the Reference Stock Issuer. We are not responsible for the Reference Stock Issuer’s public disclosure of information, whether contained in SEC filings or otherwise.
  - All of the securities held by the Reference Stock are concentrated in one industry. The Reference Stock Issuer is an exchange-traded fund which invests in securities issued by companies in the gold mining industry. Although an investment in the notes will not give holders any ownership interests in the securities held by the Reference Stock, an investment in the notes will be subject to certain risks similar to those associated with direct equity investments in the gold mining industry. Accordingly, by investing in the notes, you will not benefit from the diversification which could result from an investment linked to companies that operate in multiple sectors.
- Because the Reference Stock Issuer primarily invests in securities of companies that are involved in the gold mining industry, the notes are subject to certain risks associated with those companies. -- Gold mining companies are highly dependent on the price of gold bullion. These prices may fluctuate substantially over short periods of time so the price of the Reference Stock may be volatile. In times of significant inflation or great economic uncertainty, gold and other precious metals may outperform traditional investments such as bonds and stocks. However, in times of stable economic growth, the price of gold and other precious metals may be adversely affected, which could in turn affect the market price of the Reference Stock. The production and sale of precious metals by governments or central banks or other larger holders can be affected by various economic, financial, social and political factors, which may be unpredictable and may have a significant impact on the supply and prices of precious metals. Economic and political conditions in those countries that are the largest producers of gold may have a direct effect on the production and marketing of gold and on sales of central bank gold holdings. The gold and precious metals industry can be significantly affected by events relating to international political developments, the success of exploration projects, commodity prices and tax and government regulations.
- The performance of the notes is not directly linked the market price of gold. Although the market price of gold may impact the market price of the Reference Stock, the performance of the notes may differ significantly from the market price of gold. The notes are not an appropriate investment for you if you seek an investment that is directly linked to the price of gold.
- A significant amount of the companies in the Market Vectors® Junior Gold Miners Index (the “Underlying Index”) may be early stage mining companies that are in the exploration stage only or that hold properties that might not ultimately produce gold or silver. A drop in the price of gold and/or silver bullion could particularly adversely affect the profitability of small- and medium-capitalization mining companies and their ability to secure financing. Furthermore, companies that are only in the exploration stage are typically unable to adopt specific strategies for controlling the impact of the price of gold.

The exploration and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to establish reserves by drilling and to construct mining and processing facilities at a site. In addition, many early stage miners operate at a loss and are dependent on securing equity and/or debt financing, which might be more difficult to secure for an early stage mining company than for a more established counterpart.

- Changes that affect the Underlying Index will affect the market value of the notes and the amount you will receive at maturity. — The policies of Market Vectors® Index Solutions GmbH (“MVIS”), concerning the calculation of the Underlying Index, additions, deletions or substitutions of the components of the Underlying Index and the manner in which changes affecting those components, such as stock dividends, reorganizations or mergers, may be reflected



in the Underlying Index and, therefore, could affect the prices of the Reference Stock, 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 MVIS changes these policies, for example, by changing the manner in which it calculates the Underlying Index, or if MVIS discontinues or suspends the calculation or publication of the Underlying Index.

- Adjustments to the Reference Stock could adversely affect the notes. — Market Vectors® ETF Trust (the “Trust”), as the sponsor of the Reference Stock Issuer, is responsible for calculating and maintaining the Reference Stock. The Trust can add, delete or substitute the stocks comprising the Reference Stock or make other methodological changes that could change the share price of the Reference Stock at any time. If one or more of these events occurs, the calculation of the amount payable at maturity may be adjusted to reflect such event or events. Consequently, any of these actions could adversely affect the amount payable at maturity and/or the market value of the notes.
- We and our affiliates do not have any affiliation with the investment advisor of the Reference Stock Issuer and are not responsible for its public disclosure of information. — Van Eck Associates Corporation (“Van Eck”), as the investment advisor of the Reference Stock Issuer, advises the Reference Stock Issuer on various matters including matters relating to the policies, maintenance and calculation of the Reference Stock. We and our affiliates are not affiliated with Van Eck in any way and have no ability to control or predict its actions, including any errors in or discontinuance of disclosure regarding their methods or policies relating to the Reference Stock. Van Eck is not involved in the offering of the notes in any way and has no obligation to consider your interests as an owner of the notes in taking any actions relating to the Reference Stock that might affect the value of the notes. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about Van Eck or the Reference Stock Issuer contained in any public disclosure of information. You, as an investor in the notes, should make your own investigation into the Reference Stock.
- The correlation between the performance of the Reference Stock and the performance of the Underlying Index may be imperfect. — The performance of the Reference Stock is linked principally to the performance of the Underlying Index. However, because of the potential discrepancies identified in more detail in the product supplement, the return on the Reference Stock may correlate imperfectly with the return on the Underlying Index.
- 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 your notes is likely to depend on the price, if any, at which BMOCM is willing to buy the notes.
- Hedging and trading in the Reference Stock. — We or any of our affiliates may carry out hedging activities related to the notes, including in the Reference Stock or instruments related to the Reference Stock. We or our affiliates may also trade in the Reference Stock or instruments related to the Reference Stock from time to time. Any of these hedging or trading activities as of 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 value of the Reference Stock 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.

## The Reference Stock

All information contained herein regarding the Reference Stock and on the Reference Stock Issuer is derived from publicly available sources, and we have not independently verified this information. We are not affiliated with the Reference Stock or the Reference Stock Issuer, and the Reference Stock and the Reference Stock Issuer will not have any obligations with respect to the notes. Neither we nor BMOCM participated in the preparation of the publicly available information described below. See the section “The Reference Stock Issuers” in the product supplement for additional information.

Companies with securities registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are required to periodically file certain financial and other information specified by the SEC. Information provided to or filed with the SEC by the Reference Stock Issuer under the Exchange Act can be accessed through [www.sec.gov](http://www.sec.gov). We have not independently verified that these publicly available documents are accurate or complete. See the section “The Reference Stock Issuers” in the product supplement for additional information.

Information provided to or filed with the SEC by the Reference Stock Issuer under the Securities Act of 1933, as amended, and the Investment Company Act can be located by reference to SEC file numbers 333-123257 and 811-10325, respectively, through the SEC’s website at <http://www.sec.gov>. Additional information about Van Eck and the Reference Stock Issuer may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents and the Van Eck website at <http://www.vaneck.com>. The information below was compiled from the Van Eck website. Information contained in the Van Eck website is not incorporated by reference in, and should not be considered a part of, this pricing supplement.

The Reference Stock Issuer seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the Underlying Index. The Reference Stock Issuer normally invests at least 80% of its total assets in securities that comprise the Underlying Index. The Reference Stock Issuer will normally invest at least 80% of its total assets in companies that are involved in the gold mining industry (the “80% policy”). The Reference Stock Issuer invests in U.S. and non-U.S. publicly traded companies of small- and medium- capitalization that are involved primarily in the mining for gold and/or silver. The Reference Stock Issuer’s Investment Adviser is Van Eck Associates Corporation.

The Reference Stock Issuer, using a “passive” or indexing investment approach, attempts to approximate the investment performance of the Underlying Index by investing in a portfolio of securities that generally replicates the Underlying Index. The Reference Stock Issuer may also utilize convertible securities and participation notes to seek performance that corresponds to the Underlying Index.

The shares of the Reference Stock trade on the NYSE Arca under the symbol “GDXJ.”

## The Underlying Index

Information in this pricing supplement about the Underlying Index has been derived from information made publicly available by available by MVIS, which has contracted with Structured Solutions AG to maintain and calculate the Underlying Index. For additional information as to the underlying Index, see MVIS’s website, <http://www.marketvectorsindices.com>. Information on that website is not included or incorporated by reference in this pricing supplement.

The Underlying Index tracks the performance of gold and silver mining companies. The Underlying Index includes all small-cap companies of the segment that generate at least 50% of their revenues from gold or silver mining, companies with properties that have the potential to generate at least 50% of their revenues from gold and silver when

developed, or companies that primarily invest in gold or silver.

In addition, stocks included in the Underlying Index must meet size and liquidity requirements: The full market capitalization has to exceed US\$150 million, the three months average-daily-trading volume must be higher than US\$1.0 million and the stocks must have traded least 250,000 shares per month over the last six months.

P-7

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The Underlying Index is calculated with the stock prices converted to U.S. dollars in real-time. The Underlying Index is reviewed quarterly and changes are implemented on the third Friday of every quarter-end month (i.e. March, June, September and December). Changes become effective on the next trading day.

#### Historical Information of the Reference Stock

The following table sets forth the high and low closing prices of the Reference Stock from the first quarter of 2010 through the Pricing Date.

	High (\$)	Low (\$)
2010 First Quarter	28.48	21.94
Second Quarter	30.60	25.00
Third Quarter	34.26	25.38
Fourth Quarter	43.94	33.34
2011 First Quarter	39.97	33.31
Second Quarter	42.35	32.28
Third Quarter	39.18	28.06
Fourth Quarter	33.28	23.01
2012 First Quarter	30.19	23.99
Second Quarter	24.96	17.88
Third Quarter	25.46	17.93
Fourth Quarter	25.15	19.26
First Quarter (through the Pricing 2013 Date)	20.61	15.06

## Examples of the Hypothetical Payment at Maturity for a \$1,000 Investment in the Notes

The following table illustrates the hypothetical payments at maturity on a \$1,000 investment in the notes, based on the Initial Stock Price of \$16.83 (the closing price of the Reference Stock on March 20, 2013), the Trigger Price of \$12.62 (approximately 75.00% of the Initial Stock Price, rounded to two decimal places), a range of hypothetical Final Stock Prices and the effect on the payment at maturity if (i) the closing market price of the Reference Stock does not fall below the Trigger Price at any time during the Monitoring Period or (ii) the closing market price of the Reference Stock declines below the Trigger Price at any time during the Monitoring Period. The numbers appearing in the following table and examples have been rounded for ease of analysis.

The hypothetical examples shown below are intended to help you understand the terms of the notes. The actual amount of cash or securities that you will receive at maturity will depend upon the Final Stock Price of the Reference Stock, and whether its closing price was below the Trigger Price on any trading day during the Monitoring Period.

Hypothetical Final Stock Price	Hypothetical Final Stock Price Expressed as a Percentage of the Initial Stock Price	Payment At Maturity		Total Value of Payment Received at Maturity*
		(i) if the closing market price of the Reference Stock does not fall below the Trigger Price on any day during the Monitoring Period	(ii) if the closing market price of the Reference Stock falls below the Trigger Price on any day during the Monitoring Period	
\$25.25	150.00%	\$1,000.00	\$1,000.00	\$1,000.00
\$21.04	125.00%	\$1,000.00	\$1,000.00	\$1,000.00
\$16.83	100.00%	\$1,000.00	\$1,000.00	\$1,000.00
\$15.99	95.00%	\$1,000.00	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$950.00
\$14.31	85.00%	\$1,000.00	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$850.00
\$12.62	75.00%	\$1,000.00	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$750.00
\$11.78	70.00%	N/A	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$700.00
\$9.26	55.00%	N/A	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$550.00
\$7.57	45.00%	N/A	59.42 shares of the Reference Stock or the Cash Delivery Amount	\$450.00
\$0.00	0%	N/A	59.42 shares of the Reference Stock or the	\$0.00

Cash Delivery Amount

\* Note that you will receive at maturity any accrued and unpaid interest in cash, in addition to either shares of the Reference Stock (or, at our election, the Cash Delivery Amount) or the principal amount of your notes in cash. Also note that if you receive the Physical Delivery Amount, the total value of the payment received at maturity shown in the table above includes the value of any fractional shares, which will be paid in cash. Regardless of the performance of the Reference Stock, or of the payment that you receive at maturity, you will receive the interest payments on the notes.

P-9

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## U.S. Federal Tax Information

The following table sets forth the amount of stated interest on the Notes and the portion that will be treated as an interest payment and as payment for the Put Option for U.S. federal income tax purposes.

RevEx Number	Reference Stock Issuer	Interest Rate per Annum	Treated as an Interest Payment	Treated as Payment for the Put Option
0874	Market Vectors® Junior Gold Miners ETF	8.46%	0.45%	8.01%

Please see the discussion (including the opinion of our counsel Morrison & Foerster LLP) in the product supplement dated November 9, 2011 under “Supplemental U.S. Federal Income Tax Considerations,” which applies to the notes.

## 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 further engaged by a dealer to whom BMOCM reoffers the notes, will purchase the notes at an agreed discount to the initial offering price.

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.

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



## Validity of the Notes

In the opinion of Osler, Hoskin & Harcourt LLP, the issue and sale of the notes has been duly authorized by all necessary corporate action of the Bank in conformity with the Senior Indenture, and when this pricing supplement has been attached to, and duly notated on, the master note that represents the notes, the notes will have been validly executed and issued and, to the extent validity of the notes is a matter governed by the laws of the Province of Ontario, or the laws of Canada applicable therein, and will be valid obligations of the Bank, subject to the following limitations (i) the enforceability of the Senior Indenture may be limited by the Canada Deposit Insurance Corporation Act (Canada), the Winding-up and Restructuring Act (Canada) and bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement or winding-up laws or other similar laws affecting the enforcement of creditors' rights generally; (ii) the enforceability of the Senior Indenture may be limited by equitable principles, including the principle that equitable remedies such as specific performance and injunction may only be granted in the discretion of a court of competent jurisdiction; (iii) pursuant to the Currency Act (Canada) a judgment by a Canadian court must be awarded in Canadian currency and that such judgment may be based on a rate of exchange in existence on a day other than the day of payment; and (iv) the enforceability of the Senior Indenture will be subject to the limitations contained in the Limitations Act, 2002 (Ontario), and such counsel expresses no opinion as to whether a court may find any provision of the Senior Debt Indenture to be unenforceable as an attempt to vary or exclude a limitation period under that Act. This opinion is given as of the date hereof and is limited to the laws of the Provinces of Ontario and the federal laws of Canada applicable thereto. In addition, this opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated October 22, 2012, which has been filed as Exhibit 5.1 to Bank of Montreal's Form 6-K filed with the SEC on October 22, 2012.

In the opinion of Morrison & Foerster LLP, when the pricing supplement has been attached to, and duly notated on, the master note that represents the notes, and the notes have been issued and sold as contemplated by the prospectus supplement and the prospectus, the notes will be valid, binding and enforceable obligations of Bank of Montreal, entitled to the benefits of the Indenture, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith). This opinion is given as of the date hereof and is limited to the laws of the State of New York. This opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and to such counsel's reliance on the Bank and other sources as to certain factual matters, all as stated in the legal opinion dated October 22, 2012, which has been filed as Exhibit 5.2 to the Bank's Form 6-K dated October 22, 2012.