CONFIDENTIAL INFORMATION MEMORANDUM

New Issue

Oct-Dec 2007

Bank of Montreal PARTNRS (Principal At Risk Notes)™ GGOF Dividend Growth Fund Total Return Class, Series 1

GGOF GUARDIAN GROUP OF FUNDS

Maximum CAD $100,000,000

$100.00 per Principal At Risk Note

OFFERING

The Notes are designed to provide Holders with 150% exposure to the returns of the GGOF Dividend Growth Fund. The Investment Manager of the Fund will seek to generate a relatively high return that includes dividend income and some capital gains from securities held in the Fund. Holders of the Notes will benefit from all distributions notionally paid by the Fund being reinvested in additional Units for the Note Portfolio.

THE PRINCIPAL AMOUNT IS NOT PROTECTED UNDER THESE NOTES.

AMOUNTS PAYABLE ON THE NOTES WILL DEPEND ON THE PERFORMANCE OF THE PORTFOLIO. BANK OF MONTREAL DOES NOT GUARANTEE THAT HOLDERS WILL RECEIVE AN AMOUNT EQUAL TO THEIR ORIGINAL INVESTMENT IN THE NOTES AND DOES NOT GUARANTEE THAT ANY RETURN WILL BE PAID ON THE NOTES (OTHER THAN THE MINIMUM PAYMENT DESCRIBED HEREIN). SINCE THE PRINCIPAL AMOUNT OF THE NOTES WILL NOT BE GUARANTEED AND WILL BE AT RISK, HOLDERS MAY NOT RECEIVE ANY AMOUNT AT MATURITY (OTHER THAN THE MINIMUM PAYMENT) AND HOLDERS COULD LOSE SUBSTANTIALLY ALL OF THEIR INVESTMENT IN THE NOTES. SEE "CERTAIN RISK FACTORS".

SELLING PERIOD: UNTIL DECEMBER 14th, 2007 (FundSERV Code: JHN820)

INVESTMENT HIGHLIGHTS

- Total return strategy providing ***150% exposure*** to the returns of the GGOF Dividend Growth Fund
- Annual fees of 2.00% charged against the *Net Value* of the Note Portfolio (i.e., no management fees charged on leveraged exposure to the Fund)
- All distributions notionally made on the Fund will be reinvested in the Portfolio
- Leveraged exposure to the Fund through a notional loan facility provided at 1-Month BA Rate, *plus* 25 bps per annum (compared to typical margin account rate of Prime + 1.75% (or 8.0%) as at September 30, 2007)
- Loan is non-recourse to investors on additional leveraged exposure
- Notes can be sold at their Net Asset Value in a daily secondary market provided by BMO Capital Markets (subject to availability as outlined in the Prospectus). An early trading charge will be applicable for first three years only.

CLIENT POSITIONING

The Notes may be suitable for the following types of investors:

- Existing holders of the GGOF Dividend Growth Fund looking for enhanced return potential
- A leveraged solution for investors wanting enhanced growth potential in their registered plans
- Individuals bullish on Canadian dividend stocks and professional management skills of Michael Stanley

NATIONAL RETAIL CONFERENCE CALL

WEDNESDAY, OCTOBER 23, 2007 AT 2:00AM (EDT) 1-877-461-2814

REPLAY AVAILABLE UNTIL DECEMBER 14, 2007 AT 1-888-408-3053 PASSCODE: 3238973#

PLEASE ENTER ORDERS THROUGH:
FUNDSERV CODE: JHN820

BMO Capital Markets™ HSBC HSBC Securities (Canada) Inc.

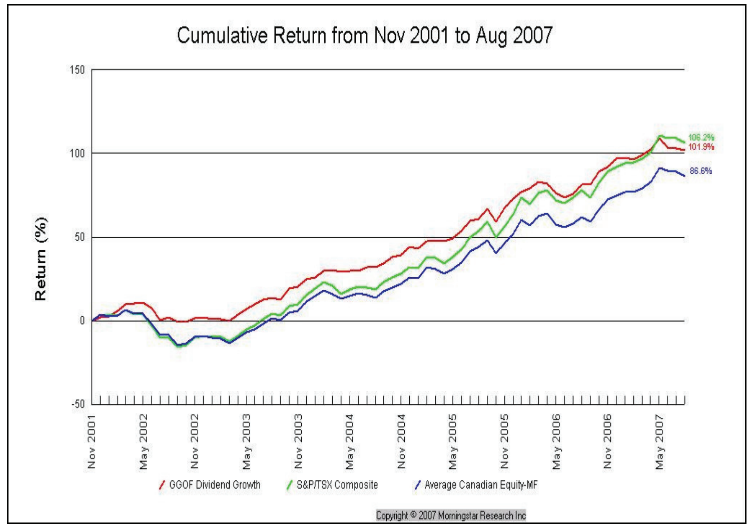
TERMS OF THE OFFERING

Issuer	Bank of Montreal (the "Bank").
Rating	As of October 12, 2007, the deposit liabilities of the Bank with a term to maturity of more than one year are rated A+ by Standard & Poor's, Aa1 by Moody's and AA by DBRS. The Notes have not been rated and there is no assurance that, if the Notes were specifically rated by such rating agencies, they would have the same rating as the other deposit liabilities of the Bank. **The Notes will not be deposits insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon the insolvency of the deposit taking financial institution.**
Issue Price	$100 per Note (the "Principal Amount")
Issue Size	The maximum issue size will be $100,000,000 for the Offering.
Selling Period	Until December 14, 2007.
Closing Date	On or about December 19, 2007 (the "Issue Date").
Maturity Date / Term	The Notes will mature on or about December 19, 2017 ("Maturity", or "Maturity Date"), resulting in a term to maturity of approximately ten (10) years.
Selling Concession	$5.00 per Note (5.00%), plus annual trailing commissions of 0.50% of the Net Value of the Note Portfolio for the first 9 years from the Closing Date will be paid by the Bank from the Program Fee.
Note Portfolio/ GGOF Dividend Growth Fund	The Fund seeks to generate a relatively high return, which includes dividend income and some capital gains, from growth in the value of the Fund by investing primarily in dividend-yielding common and preferred shares of established Canadian companies. The portfolio advisor uses a bottom-up fundamental investment process to identify attractively priced equities. This process includes analyzing financial statements, company management and valuations, with an emphasis on companies that generate stable and predictable cash flows. See "The Portfolio" and "GGOF Dividend Growth Fund" in the Prospectus.
Loan	The Notes provide 150% exposure to the returns of the Note Portfolio. On the Closing Date, a notional investment of $142.50 per Note will be made in the units of the Fund (comprised of net proceeds from the offering of $95.00, together with a loan amount of $47.50). The amount of leveraged exposure to the Fund may vary from time to time due to performance of the Units in the Note Portfolio, but the Loan Amount will be rebalanced monthly to 50% of the Net Value of the Note Portfolio such that the Notes will maintain 150% exposure to the Fund throughout the term to maturity. Borrowed funds will accrue interest at an annual rate equal to the 1-month BA Rate plus one-quarter of one percent, accrued daily and paid monthly by selling assets in the Portfolio.
No Return until Maturity	No interest or other amount will be paid during the term of the Notes. All distributions notionally paid on Units of the Fund will be reinvested in additional Units for the Note Portfolio.
Payment at Maturity	At Maturity, each Holder will receive an amount for each Note equal to the greater of $1.00 (the "Minimum Payment") and the NAV per Note on the Maturity Date (the "Maturity Value"). The NAV per Note, and as a result the Maturity Value, will vary throughout the term with the Net Value of the Note Portfolio and the fees and expenses of the Note Program and may be affected by a number of other factors beyond the control of the Investment Manager or the Bank. The Net Value of the Note Portfolio will be $95.00 per Note on the Closing Date.
Fees and Expenses:	The total annual fees applicable to the Note Portfolio will be a Program Fee equal to 2.00% of the Net Value of the Note Portfolio. This Program Fee will be calculated daily and paid monthly to the Note Program Manager by reducing the number of Units in the Portfolio. A portion of the Program Fee will be payable to (i) the Investment Manager for the management services provided by it to the Fund, and (ii) sales representatives of qualified selling members in respect of Notes held by their clients. The Program Fee, together with interest charges on the notionally borrowed funds (see "Loan" described above), are the only fees and expenses of the Note Program that will reduce the Value of the Note Portfolio during the term of the Notes.
Eligibility for Investment	Eligible for RRSPs, RRIFs, RESPs and DPSPs (other than a DPSP to which contributions are made by the Bank or by an employer with which the Bank does not deal at arm's length within the meaning of the *Income Tax Act* (Canada)) (the "Tax Act") and eligible for RDSPs under proposed amendments to the Tax Act. Where a Holder purchases Notes through dealers and other firms, such dealers or other firms may not be able to accommodate a purchase of Notes through certain registered plans. Holders should consult their financial advisor to see if there are any limitations on the Holder's ability to purchase the Notes through registered plans.
Tax Considerations	An Initial Holder who holds a Note on the Maturity Date (or Early Redemption Date) will be required to include in his or her income for the taxation year that includes the Maturity Date (or Early Redemption Date), the amount, if any, by which the Maturity Value (or Redemption Value) exceeds the Subscription Price. While the matter is not free from doubt, a disposition of a Note prior to the Valuation Date by an Initial Holder should give rise to a capital gain (or capital loss) to the extent the Initial Holder's proceeds of disposition exceed (or are less than) the aggregate of the Initial Holder's adjusted cost base of the Notes and any reasonable costs of disposition. Initial Holders should consult their own tax advisors with respect to their own particular circumstances. This tax disclosure is subject to the limitations and qualifications set forth under "Certain Canadian Federal Income Tax Considerations" in the Prospectus. Please see the Prospectus for additional details.
Secondary Market	There is currently no secondary market for the Notes. BMO Capital Markets will arrange for a secondary market for the sale of Notes by Holders through FundSERV, but reserves the right to elect not to do so in the future, in its sole discretion without prior notice to Holders. The Notes will not be listed on any stock exchange. A Holder will not be able to redeem or sell the Notes prior to the Maturity Date other than through the secondary market, if available.
Early Trading Charge	An Early Trading Charge will apply to secondary market sales of Notes placed through FundSERV within the first 3 years from the Closing Date determined as a percentage of the Principal Amount as follows: (see table below)
Special Circumstances:	If, as a consequence of a Market Disruption Event, it is not possible to determine the Maturity Value for the Notes on the Valuation Date, the calculation and payment of the Maturity Value may be postponed. Upon the occurrence of a Substitution Event, the Bank may replace the Fund with another mutual fund managed or sponsored by the Investment Manager having similar investment objectives to the Fund. If a replacement fund is not available or some other Extraordinary Event has occurred, the Bank may choose to make an accelerated payment to Holders prior to Maturity. In such circumstances, the Bank will seek market quotations confirming the value of any such Early Redemption of Notes. See "Special Circumstances" in the Prospectus.
Continuous Disclosure:	The Bank will make certain information regarding the Notes available at www.bmosp.com, including the daily NAV per Note and a quarterly update of other information relating to the Portfolio.

If sold in:	1st year	2nd year	3rd year	Thereafter
Applicable Early Trading Charge	5.00%	3.25%	1.50%	Nil

GGOF Dividend Growth Fund

GGOF Dividend Growth Fund provides the opportunity to benefit from the growth of dividend-paying stocks over the long term. Dividend paying stocks have historically provided the growth needed to generate long-term returns that outpace inflation and taxes. The Fund's goal is to generate a relatively high return which includes dividend income and some capital gains from the increase in the value of the securities held in the Fund's portfolio.



Source: PalTrak

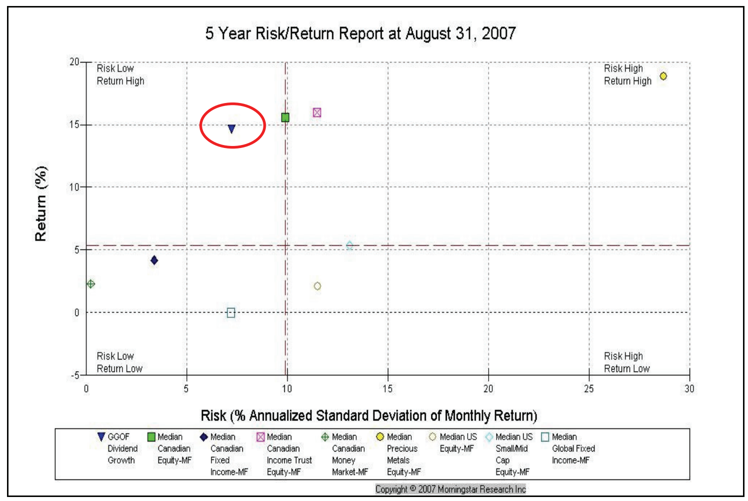
Historical Performance

(Annual compound return as of September 30, 2007)

3mo	YTD	1 year	3 year	5 year	10 year	Since Inception*
0.49%	4.04%	12.78%	15.12%	15.61%	- - -	12.92%

* Inception Date: November 9, 2001. Returns for one year or less are expressed as simple rates of return.

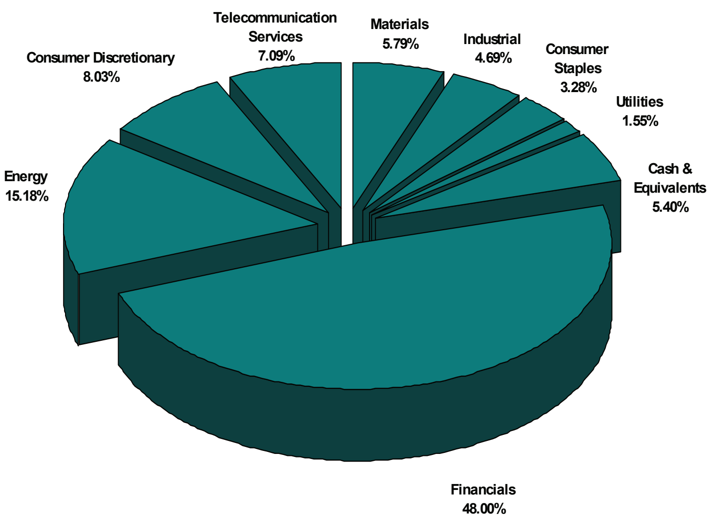
A Steady Performer With Low Risk …



Source: PalTrak

Sector Allocations

(as at September 30, 2007)

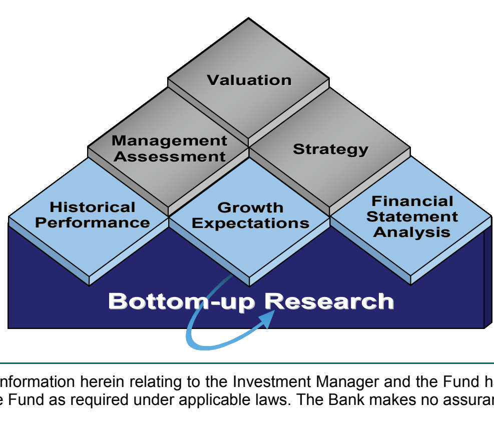


The historical information on this page relates to Mutual Fund Units of the Fund and assumes all distributions were reinvested in additional units of the Fund. The returns are shown after the payment of applicable fees and expenses of Mutual Fund Units, but have not been reduced by any applicable sales charges, deferred sales charges, optional charges or taxes. Past performance is not indicative of future returns or volatility of the Fund, and should not be construed in any way as an indication of future return on the Notes.

Investment Manager & Investment Advisor

GGOF® (Guardian Group of Funds Ltd.) – the Investment Manager – was founded in 1962, and is an indirect, wholly-owned subsidiary of the Bank. GGOF currently offers a family of 35 mutual funds that cover a full array of domestic and foreign investment options, including money market, fixed income, balanced and equity funds. GGOF is best known for its funds, diversified by asset class and geographic region, and commitment to service excellence.

Stock Selection Process



Jones Heward Investment Counsel Inc. – the investment advisor – is a Canadian institutional money manager with over $34 billion in total assets under management as at September 30, 2007. Clients include pensions, endowments, trusts, insurance company reserves, corporate surpluses and mutual funds. Jones Heward's approach to investing draws upon the entire resources of a stable, experienced management team whose philosophy is based on creating wealth while diversifying portfolio risk. The Jones Heward equity team employs a "bottom-up" investment process using fundamental analysis to identify attractively priced equities. Jones Heward is also an indirect, wholly-owned subsidiary of Bank of Montreal.

Michael Stanley is the individual primarily responsible for managing the GGOF Dividend Growth Fund. Mr. Stanley is the Chief Executive Officer, President and Chief Investment Officer at Jones Heward and Chairman of the Investment Strategy Committee with over 27 years' experience in the industry.

The information herein relating to the Investment Manager and the Fund has been derived from publicly available sources and remains subject to modification through continuous disclosure filing requirements of the Fund as required under applicable laws. The Bank makes no assurances, representations or warranties with respect to the accuracy, reliability or the completeness of such information.

Certain Risk Factors

An investment in the Notes is subject to certain risk factors that prospective investors should carefully consider before making an investment in the Notes. Please refer to the specific risk factors set forth under the heading "CERTAIN RISK FACTORS" in the Prospectus for a detailed discussion of certain risks to consider when evaluating an investment in the Notes. A brief summary of some specific considerations include:

Risk factors that are specific to the Notes include (but are not limited to):

- *Suitability*. The Notes are not suitable for all investors. An investor should decide to invest in the Notes only after carefully considering with his or her advisor, whether the Notes are a suitable investment in light of the information set forth in the Prospectus.
- *Risk of Loss*. The Notes do not guarantee any return (including return of principal) at or before Maturity (other than the Minimum Payment) and Holders could lose substantially all of their investment in the Notes.
- *Leverage*. The use of notionally borrowed funds to provide continuous leverage equal to 50% of the Net Value of the Note Portfolio throughout the term will result in interest expenses for the Note Program and introduce certain special risks that could reduce the Maturity Value of the Notes.
- *Reliance on the Investment Manager*. The Investment Manager may change the holdings of the Fund at any time during the term of the Notes. Past performance of the Investment Manager with the Funds is not indicative of future results of the Fund or the Notes.
- *No Ownership of Portfolio*. Holders have no ownership interest or other rights in the Fund, any securities held by the Fund or the Note Portfolio.
- *Secondary Market*. There is no assurance of a secondary market for the Notes and any developing secondary market for the Notes may be illiquid or offer prices which may not reflect the appreciation of the value of the Note Portfolio or the securities held directly by the Fund.
- *Credit Risk*. The payment of the Maturity Value is dependent upon the creditworthiness of the Bank.
- *No CDIC Insurance*. The Notes will not be insured by the Canada Deposit Insurance Corporation or any other entity.
- *Conflict of Interest*. The Bank is the issuer of the Notes. BMO Capital Markets is an Agent, Note Program Manager and Calculation Agent for the Notes and Guardian Group of Funds Ltd. is the Investment Manager. Each of these parties is related to the Bank and will receive fees in connection with their respective roles under the Note Program. The Bank and Investment Manager (and their respective affiliates) may also engage in certain activities during the normal course of business that may place them in conflict with their role in connection with the Note Portfolio or the Note Program.

Risk factors that are specific to the Fund include (but are not limited to):

- *No guaranteed returns.* An investment in the Fund is not guaranteed. The value of the portfolios will change from day to day due to changes in interest rates, economic conditions and market or company news.
- *Class risk*. The distributions on any class of units in the Fund may be used to satisfy expenses associated with another class of units of the Fund in order to reduce the amount of income subject to tax in the hands of unitholders of the Fund as a whole.
- *Foreign market risk*. Issuers of foreign securities are generally not subject to the same degree of regulation as Canadian or U.S. issuers.
- *Repurchase/reverse repurchase risk*. The Fund may enter into repurchase transactions and reverse repurchase transactions in order to earn additional income. The Fund could experience a loss if the counterparty becomes insolvent and the value of the securities decrease before the Fund recovers its investment. To minimize risk, the Fund holds collateral to fully cover its obligations under the repurchase agreements.
- *Substantial unitholder risk*. The Fund may have one or more investors who hold or acquire a significant amount of units of the Fund. If a substantial unitholder decides to redeem or increase its investment in the fund, the Fund may be forced to sell investments or hold a high cash position, which can negatively impact the Fund's return.
- *Currency risk*. A decline in the value of foreign currencies relative to the Canadian dollar will reduce the value of securities denominated in those currencies.
- *Market risk.* The value of the equity securities held by the Fund may be affected by company developments, stock market conditions and general economic conditions.
- *Securities lending risk*. The Fund may lend securities that it holds for a set period of time in exchange for collateral, which can include cash, qualified securities or securities that can be immediately converted into the securities that are on loan. There is a risk that the other party to the transaction may not live up to its obligations under the transaction, leaving the Fund holding collateral which could be worth less than the loaned securities.
- *Volatility risk*. Equity funds generally tend to be more volatile than fixed income funds, and the value of their units may vary more widely than fixed income funds.

HIGHLIGHTS

- ✓ Total return of the GGOF Dividend Growth Fund over a 10-year term
- ✓ Enhanced growth potential through low-cost loan facility (1-Month BAs *plus* 0.25%) equal to 50% of Net Value of Portfolio
- ✓ All notional distributions on the Fund will be reinvested in the Note Portfolio
- ✓ Annual fee of 2.00% charged against the *Net Value* of the Portfolio (i.e., no management fees charged on leveraged exposure to the Fund)
- ✓ Daily liquidity through FundSERV system, subject to availability (FundSERV Code: JHN820)

FEES AND EXPENSES

Program Fee: As compensation for management of the Note Program, BMO Capital Markets will receive an annual Program Fee equal to 2.00% of the *Net Value* of the Note Portfolio (i.e., not including any notional borrowed money used to gain leveraged exposure to the Fund). The Program Fee will be calculated daily and payable monthly in arrears. A portion of the Program Fee will be payable to (i) the Investment Manager for the management services provided by the Investment Manager to the Note Program, and (ii) sales representatives of qualified selling members in respect of Notes held by their clients. The Program Fee will reduce the Value of the Portfolio during the term of the Notes and, in turn, will affect the Maturity Value payable at Maturity.

Interest Expense: The Notes will achieve leveraged exposure to the Fund by notionally borrowing funds from the Bank at an annual rate equal to 1-month BA Rate *plus* one-quarter of one percent, accrued daily and paid monthly. Notional borrowing costs will reduce the performance of the Note Portfolio.

EXAMPLE FEE CALCULATION

Consider the annual fees and expenses that theoretically would be payable during a one-year period immediately following the Closing Date. For purposes of this illustrative example, we have assumed that: (i) the starting exposure to the Funds is $142.50 per Note (this implies a Loan Amount of $47.50 for each Note); (ii) the Loan Amount is maintained at $47.50 for the year and the 1-month BA Rate remains constant at 4.88% over the year; and (iii) the Net Value of the Portfolio is maintained at $95.00 per Note over the year.*

Note Program Fee = Net Value of the Portfolio X 2.00% = $95.00 X 2.00% = $1.90 / year

Interest on Loan = Loan Amount X (1-Month BA Rate + 0.25%)
= $47.50 X (4.88% + 0.25%)
= $2.44 / year

Total Fees & Expenses = $1.90 + $2.44 = $4.34 / year

In other words, the investor would have paid $4.34 per Note to maintain a minimum exposure of $142.50 to the Fund over the year. This amount is equivalent to a cost of $3.04 per $100.00 of Fund exposure and includes the cost of leverage.

By way of comparison, if an investor had instead replicated the same exposure through a direct investment in the Fund (MER of 1.89% as at September 30, 2007) using a margin account to borrow funds (Prime + 1.75% or 8.0% as at September 30, 2007) in an amount sufficient to achieve the incremental exposure of $42.50 to the Fund, that investor would have paid $6.09 per year in fees and expenses (or equivalent to $4.87 per $100 of Fund exposure).

* The Net Value of the Portfolio implies that the Units steadily increase in value over the one-year period at a rate equal to the total capital payments, fees and expenses paid on the Notes. More specifically, the value of the Units in this illustrative example would have to grow by 2.51% per annum (as at September 30, 2007) in order to offset the total fees and expenses of the Note Program.

CONTACT INFORMATION

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