

## Schedule II

**BMO CAPITAL MARKETS CORP.**  
 (An Indirect Wholly Owned Subsidiary of Bank of Montreal)  
 Computation for Determination of Reserve Requirements Under  
 Rule 15c3-3 of the Securities and Exchange Commission

December 31, 2016

(Dollars in thousands)

## Credit balances:

Free credit balances and other credit balances in customers' security accounts	\$ 8,344
Monies payable against customers' securities loaned	—
Customers' securities failed to receive	158
Credit balances in firm accounts which are attributable to principal sales to customers	4,403
Other	2
Total credit items	<u>12,907</u>

## Debit balances:

Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Rule 15c3-3	4,620
Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver	—
Failed to deliver of customers' securities not older than 30 calendar days (including debit balances in continuous net settlement accounts)	—
Margin required and on deposit with clearing organizations	—
Aggregate debit items	<u>4,620</u>

Less 3% of debit items

(139)

Total debit balances

4,481

Reserve computation – excess of total credits over total debits

\$ 8,426

Amount of qualified securities held on deposit in

“Reserve Bank Account”

\$ 53,174

This schedule does not differ from the computation for determination of reserve requirements under Rule 15c3-3 as of December 31, 2016 filed by the Company in its unaudited Form X-17A-5, Part II on January 26, 2017 with the Financial Industry Regulatory Authority, Inc.

See accompanying report of independent registered public accounting firm.