

FORM ADV PART 2A: FIRM BROCHURE

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This brochure provides information about the qualifications and business practices of BMO Capital Markets Corp. (“**BMOCMC**”). If you have any questions about the content of this brochure, please contact Keith Leavy, BMOCMC Chief Compliance Officer, at (212) 605-1646. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Registration as an investment adviser does not imply that BMOCMC or any of our principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about BMOCMC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material changes

BMOCMC has not previously been an SEC registered investment adviser, therefore, we have no material changes from prior filings to report.

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Item 4: Advisory Business

BMOCMC, is a Delaware corporation incorporated in 1988. BMOCMC is a direct, wholly-owned subsidiary of BMO Financial Corp. (formerly Harris Financial Corp.) which is itself a wholly-owned subsidiary of Bank of Montreal.

BMOCMC is registered with the SEC as a U.S. securities broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (FINRA), the Securities Investor Protection Corporation (SIPC) and a member of various exchanges.

BMOCMC initiated its asset-backed commercial paper (ABCP) conduit advisory business in 1992. The following is a general description of BMOCMC's ABCP conduit advisory business.

Asset-Backed Funding Programs: BMOCMC is an administrator of multi-seller ABCP conduits. ABCP is a source of short-term senior secured financing. Multi-seller ABCP conduits are special purpose entities that issue ABCP to finance the acquisition of, or secured lending against, assets of various financial and industrial sellers. As administrator of such conduits, BMOCMC provides a full range of services, as documented in an administration agreement, including, but not limited to, asset acquisition and structuring, portfolio surveillance, loss mitigation, liability distribution, and investor marketing. Not all services provided by BMOCMC to ABCP conduits constitute investment advice pursuant to the Investment Advisers Act.

The functions that BMOCMC may perform for its conduit advisory clients are separated into four broad responsibilities: Origination & Structuring, Surveillance & Monitoring, Liability Distribution, and Conduit Management. For certain ABCP conduits, BMOCMC may only perform some of the functions mentioned below.

Origination & Structuring entails sourcing assets for the conduit to acquire or lend against by marketing the conduit to potential sellers, performing seller and servicer due diligence, conducting collateral analysis and modeling, structuring the financing facilities to comply with investment guidelines, reviewing transaction documentation, assessing transaction amendments, and managing transaction execution.

Surveillance & Monitoring entails asset performance monitoring, testing for compliance with facility covenants and triggers, and portfolio reporting.

Liability Distribution entails the functions necessary to sell commercial paper to investors, including providing advice on funding strategies, maintaining relationships with commercial paper dealers and issuing and paying agents, and conduit cash management, including the short-term investment of cash maintained in the conduit but not required to fund sellers or repay commercial paper investors.

Conduit Management entails various administrative and operational functions, such as financial reporting, regulatory compliance, and business operations. As part of this function BMOCMC ensures conduits make necessary regulatory filings and comply with

relevant laws. BMOCMC interacts with various third-party vendors on behalf of the conduits such as auditors, rating agencies, and custodians.

As of December 31, 2011, BMOCMC was an administrator and co-administrator for two conduits with outstanding ABCP totaling approximately \$36 billion.

Item 5: Fees and Compensation

BMOCMC may have different fee arrangements with each of its ABCP conduit clients. BMOCMC may collect a fee that is a percentage of assets under management. BMOCMC may alternatively receive its advisory compensation from residual cash flow received by the conduit after paying its expenses. ABCP conduits receive a variety of fees including, for example, fees for committing to make funds available to the underlying sellers and fees for distributing those funds upon request. ABCP conduits pay fees to third-party service providers (including BMOCMC), such as rating agencies, brokerage commissions, and legal counsel. BMOCMC may negotiate other fee arrangements with its conduit advisory clients.

Clients are typically billed the administration fee monthly in arrears.

Item 6: Performance-Based Fees and Side-By-Side Management

BMOCMC does not collect a performance based fee from ABCP conduit clients.

Item 7: Types of Clients

BMOCMC's conduit advisory clients are special purpose entities established by BMOCMC or other large sophisticated entities. There is no minimum investment amount for client accounts.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

BMOCMC administers the day-to-day operations of ABCP conduits including the selection and structuring of structured finance transactions, ongoing surveillance of the transactions, and issuance of ABCP.

BMOCMC's assesses new transactions and amendments to existing transactions which may include: analysis of the financial assets and the structure of the transaction, and due diligence on the seller, the servicer, and the collateral. In coordination with the conduits or their credit enhancement providers, BMOCMC has established guidelines and procedures for assessing transactions.

Type of Assets and Asset Characteristics

- Assets that are collateral in lending transactions of, or acquired by, the conduit may be from various asset classes including, among others, trade receivables, commercial loans, auto loans and leases, and student loans;

- Assets acquired by the conduit are structured with various forms of credit enhancement to attain the desired credit rating as dictated by market standards;
- A conduit must be able to obtain a security interest in acquired assets;
- Assets acquired by the conduit can be located in a variety of countries and/or denominated in multiple currencies;
- The financial commitments that conduits make to the underlying sellers may be for different durations, typically 1 to 3 years.

Credit Policies and Process

- Comprehensive due diligence review of potential underlying sellers and the collateral that will support the relevant transaction. The review includes analysis of the historical financial performance of the seller as well as the performance of the assets. Other factors such as experience of the seller are part of the analysis.
- Conduct mathematical collateral and structure analysis based on rating agency or internally developed models. Transactions are typically structured to achieve the equivalent of at least an investment grade rating, whether or not rated by an external party.
- Review legal risks associated with the seller and the financial assets. Outside counsel is engaged to review legal integrity of the structure.

BMOCMC manages the liability issuance for its conduit clients. The conduits issue commercial paper to fund the purchase of, or lending against, assets from the underlying sellers. Such assets serve as collateral for the commercial paper. BMOCMC's responsibilities include issuing ABCP in the appropriate amounts, maturities and discount rates consistent with the underlying sellers' preferences, the conduit's business purpose, and the program documents. BMOCMC generally seeks to achieve the lowest funding costs for a conduit, however achieving efficient execution does not require that the lowest funding rates be obtained. Other factors include the amount that needs to be funded and the tenor for which the funding must be obtained.

As part of its liability management function, BMOCMC ensures the prompt repayment of maturing ABCP, either from cash collections on the underlying assets, from the issuance of new ABCP, or by timely draws on liquidity, credit enhancement or other support facilities provided to the ABCP Conduit.

Risk of Loss Factors

Investing in asset-backed securities involves risk of loss. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in BMOCMC's ABCP operations and advisory business.

Credit and Liquidity Risk

Credit risk is the risk that the assets financed through the program will suffer losses and ultimately not be fully collectible. Liquidity risk is the risk that collections on the assets will not be received quickly enough to provide funds for the payment of maturing ABCP, assuming that new ABCP cannot be issued to provide funds for the repayment of maturing

ABCP. These risks are mitigated by liquidity facilities and other credit enhancement provided by third-parties, which is available to repay maturing CP if there are not sufficient collections from the sellers. BMOCMC negotiates and structures the appropriate credit enhancement for its conduit clients based on market standards and the credit rating desired for the ABCP conduit.

Legal Risk

The investments made by the ABCP conduits may be bilaterally negotiated deals with complex legal structures. Although the legal principles supporting securitization are well-established there is a risk that the legal structures for any given transaction may be successfully challenged. For example, an ABCP conduit's security interest in the underlying collateral could be deficient leading to an inability to pursue remedies against that collateral.

Reliance on Management and Key Personnel

An ABCP conduit's success will be dependent on the expertise and performance of key BMOCMC employees. There can be no assurance that these employees will continue to be associated with the BMOCMC. If key personnel were to leave, BMOCMC may not be able to find equally desirable replacements and a conduit may be adversely affected.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of BMOCMC or the integrity of BMOCMC's management. There are no legal or disciplinary events that are material to the evaluation of BMOCMC's advisory business.

Item 10: Other Financial Industry Activities and Affiliations

BMOCMC is a registered broker-dealer and a member of FINRA and SIPC. Certain BMOCMC employees are registered representatives of BMOCMC in its capacity as a broker-dealer. BMOCMC offers corporate, institutional and government clients access to a complete range of investment and corporate banking products and services. BMOCMC is a direct, wholly-owned subsidiary of BMO Financial Corp. (formerly Harris Financial Corp.) which is itself a wholly-owned subsidiary of Bank of Montreal.

Bank of Montreal was established in 1817. Together with its affiliates, Bank of Montreal is known as, BMO Financial Group, (TSX, NYSE: BMO) a highly diversified financial services organization. With \$477 billion total assets as of July 31, 2011, and more than 47,000 employees, BMO Financial Group provides a broad range of retail banking, wealth management and investment banking products and solutions.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Pursuant to the requirements of the Investment Advisers Act of 1940, BMOCMC has implemented a code of ethics (the “Code of Ethics”) and various other policies and procedures designed to identify and control certain types of personal securities and other transactions that may create a potential or actual conflict of interest. Every employee of BMOCMC must receive, read and annually acknowledge in writing compliance with these policies and procedures. For example, we have policies and procedures that, among other things:

1. Place limitations on personal trading by employees and impose pre-clearance and reporting obligations with respect to personal trading, such as prohibiting employees from:
 - Trading a security if it is on BMOCMC’s restricted list;
 - Trading in the securities of an issuer if the employee is in possession of material non-public information concerning such issuer or security;
 - Depriving client orders of priority, precedence or best execution as a result of personal trading; and
 - Engaging in transactions that represent a potential conflict of interest with BMOCMC or any client.
2. Require employees to maintain accounts at designated brokers and provide initial and monthly reports of securities holdings and transaction reports;
3. Prohibit employees from violating applicable laws; and
4. Require employees to promptly report any violations of these policies and procedures to the Chief Compliance Officer (“CCO”).

BMOCMC employees may open and retain personal trading accounts in accordance with these policies and procedures. Under no circumstances can an employee of BMOCMC purchase any shares in an initial public offering. In addition, BMOCMC employees must obtain pre-approval from the CCO, or his/her designee, before engaging in any outside business activity.

Any employee who violates the Code of Ethics may be subject to disciplinary actions, including dismissal.

A copy of the Code of Ethics is available to any client or prospective client upon request.

Item 12: Brokerage Practices

BMOCMC issues conduit clients’ commercial paper through several dealers. Dealer selection is based on the experience of the dealer, financial strength and stability,

operational efficiency, and its ability to provide efficient execution (including price, speed, and volume) and market insight. BMOCMC may receive proprietary research from dealers in connection with conduit clients' commercial paper distribution. Research generally includes (i) written information and analyses concerning specific securities, companies, or sectors or (ii) analyses of markets and financial and economic studies and forecasts.

The receipt of proprietary research from dealers is indirectly related to the conduit clients' brokerage commissions, and is therefore a benefit to BMOCMC who does not pay for that research. Although, BMOCMC may have an incentive to use a particular dealer based on the receipt of research, the risk of an adverse impact on a conduit client is considered to be low because there is no formal calculation matching brokerage commissions to the amount or type of research received from any dealer. As such, BMOCMC's selection of dealers is not directly influenced by a need to generate a certain level of commissions to pay for the research received.

Assets are typically acquired by the conduits through bilaterally negotiated private transactions which do not involve a dealer.

Item 13: Review of Accounts

Review of Accounts

Conduit accounts are reviewed on a daily basis to ensure transactions are properly reflected. A co-administrator or custodian is part of this review process. On a periodic basis, management-level employees involved with the conduit advisory business review conduit accounts to ensure conformity with investment objectives and guidelines. Additionally, on a monthly basis accounts are reviewed to compile the necessary data to report to rating agencies, enhancement providers, and investors in the conduits' commercial paper.

Item 14: Client Referrals and Other Compensation

BMOCMC does not receive an economic benefit from third-parties for providing services to BMOCMC clients. BMOCMC does not compensate non-supervised persons for client referrals.

Item 15: Custody

Conduit client assets are held by Qualified Custodians (some of whom are advisory affiliates of BMOCMC). However, BMOCMC may have authority to direct the transfer of client funds to make contractually required payments such as legal or rating agency fees, fees to third-party liquidity providers, and payments to the issuing and paying agent to pay maturing commercial paper. In addition, as described above in Item 5, BMOCMC's fee may be paid by way of a monthly transfer of excess conduit funds. This transfer is directed by BMOCMC.

As administrator of conduit clients' operational activities, BMOCMC receives account statements on behalf of the conduits.

Item 16: Investment Discretion

BMOCMC may exercise discretionary authority in the management of conduit clients' securities and cash. Such discretionary authority is exercised in the selection and structuring of investments and their on-going management, such as renewing facilities that have reached expiration, voting on amendments, and resolving breaches of facility triggers, representations, or warranties. BMOCMC also typically has discretion over the issuance of commercial paper that funds the acquisition of underlying assets. Such discretion generally entails selecting the maturity schedule and discount rate of the commercial paper issued.

Item 17: Voting Client Securities

BMOCMC may vote securities held by clients without client consent. In the event that BMOCMC is required to vote regarding a portfolio holding for a client, BMOCMC will ensure that all matters are voted in the best interest of the client. In addition, BMOCMC may provide advice to its conduit clients regarding how to vote certain matters. In these instances, BMOCMC will provide advice that it believes is in the best interest of the conduit client.

Pursuant to Rule 206(4)-6, BMOCMC has adopted and implemented written policies and procedure that are reasonably designed to ensure that client securities are voted in the best interest of clients. Upon request, BMOCMC will provide conduit clients with information on how the proxies/corporate actions were voted and BMOCMC's proxy voting policies.

Item 18: Financial Information

BMOCMC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.