

BANK OF MONTREAL
CHAIRMAN OF THE BOARD POSITION DESCRIPTION

Key Responsibilities

The role of the Chairman of the Board will vary over time with the needs of the shareholders, the Board and the Bank. The successful Chairman of the Board must be able to understand and adapt to these changing requirements.

The Chairman of the Board should establish goals for the Board and for him/herself annually and review these with the Governance and Nominating Committee prior to soliciting Board approval. The Chairman of the Board's performance is to be reviewed annually by the Governance and Nominating Committee incorporating feedback from the Corporate Governance Survey.

The following are the core elements of the Chairman of the Board's responsibilities:

The Board

- Chairing all Board meetings and *in camera* sessions of the Board;
- Setting the agenda for Board meetings in concert with the CEO, based on input from Directors, and an annual meeting planner;
- Ensuring appropriate flow of information to the Board and reviewing adequacy and timing of materials related to management proposals;
- Establishing procedures to govern the Board's work, ensuring that the Board is appropriately approving strategy and supervising management's progress against achieving that strategy;
- Monitoring that the responsibilities delegated to Board Committees are carried out and reported to the Board;
- Facilitating a candid and full discussion of all key matters that come before the Board;
- Serving as an ex-officio member of all Board Committees of which the Chairman of the Board is not an appointed member;
- Encouraging an atmosphere of openness and trust; maintaining a cohesive group without losing diversity of opinion and objectivity;

Management Relations

- Maintaining on-going and active communications, on behalf of the Board, with the CEO to ensure that Board decisions and discussions are appropriately communicated to management and that management's views are appropriately communicated to the Board;
- Oversee the development of the Bank's succession plans for Senior Executives in conjunction with the Human Resources and Management Compensation Committee;
- Establish the performance targets and corporate goals and objectives and oversee the annual assessment of the CEO in meeting these targets, goals and objectives in conjunction with the Human Resources and Management Compensation Committee;

Shareholder Relations

- Chairing all Annual and Special Meetings of the Shareholders;
- Facilitating communications between the Board and its Shareholders;

Liaison Role

- Acting, as necessary, as liaison between the Board and the Bank's stakeholders;

Leading New Director Integration

- Inviting Board approved candidates to join the Board as requested by the Governance and Nominating Committee;
- Providing Director candidates with briefing material and acting as liaison between the candidate and the Board to ensure the individual receives appropriate orientation and introductions to other Board members;

Evaluating Board Effectiveness

- Initiating discussions with individual Directors where the Chairman of the Board, CEO or Governance and Nominating Committee deem improvement is required;
- Meeting with Directors annually on a one-on-one basis to assess areas where the Board, its Committees and/or individual Directors can operate more effectively;

Other

- Carrying out other duties as requested by the Board.