

BANK OF MONTREAL /CAN/
Form 11-K
June 30, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

X **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For fiscal year ended December 31, 2013

.. **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number: 001-133354

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
M&I Retirement Program

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
Bank of Montreal

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Documents filed as part of this report:

(a) Index to financial statements filed as part of this report:

The Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012, the Statement of Changes in Net Assets Available for Benefits for the years ended December 31, 2013 and 2012 and supplementary information, together with the report thereon of the Independent Registered Public Accounting Firm dated June 30, 2014. The required financial statement schedule is included in the supplementary information referred to above and should be read in conjunction with the above financial statements.

(b) Exhibits:

Exhibit 23 The consent of Baker Tilly Virchow Krause, LLP.

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M&I Retirement

Program

Financial Statements as of and for the

Years Ended December 31, 2013 and 2012,

Supplemental Schedule as of December 31, 2013, and

Report of Independent Registered Public Accounting

Firm

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M&I RETIREMENT PROGRAM

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of

M&I Retirement Program:

We have audited the accompanying statements of net assets available for benefits of M&I Retirement Program (the Plan) as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of M&I Retirement Program as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, on July 5, 2011, Marshall & Ilsley Corporation's Board of Directors adopted a resolution to terminate the Plan, subject to Internal Revenue Service approval. Effective July 5, 2011, all participants became 100% vested in their accounts.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the Table of Contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin

June 30, 2014

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	2013	2012
ASSETS:		
Investments at fair value:		
Interest in master trusts	\$ 305,290,462	\$ 294,052,938
Investments	547,387,258	541,950,104
Total investments	852,677,720	836,003,042
Receivables:		
Notes receivable from participants	9,825,652	12,770,734
Accrued income	230,844	346,016
Pending trades	85,201	
Total receivables	10,141,697	13,116,750
Cash		197,031
Total assets	862,819,417	849,316,823
LIABILITIES - Payable for pending trades		190,404
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	862,819,417	849,126,419
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR INVESTMENT IN COMMON COLLECTIVE TRUST RELATED TO FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT	(263,407)	(3,087,800)
NET ASSETS AVAILABLE FOR BENEFITS	\$ 862,556,010	\$ 846,038,619

See accompanying notes to financial statements.

Table of Contents**M&I RETIREMENT PROGRAM****STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
ADDITIONS:		
Net appreciation in fair value of investments	\$ 91,682,257	\$ 51,443,528
Dividend income	7,500,216	9,409,993
Income from interest in master trusts	51,162,309	40,699,138
Interest income	2,614,626	3,231,690
Interest on notes receivable from participants	359,960	449,203
Total additions	153,319,368	105,233,552
DEDUCTIONS:		
Benefits paid to participants	136,781,502	134,004,537
Administrative expenses	20,475	85,146
Total deductions	136,801,977	134,089,683
NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	16,517,391	(28,856,131)
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	846,038,619	874,894,750
End of year	\$ 862,556,010	\$ 846,038,619

See accompanying notes to financial statements.

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M&I RETIREMENT PROGRAM

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF THE PLAN

The following description of the M&I Retirement Program (the Plan) is provided for general information purposes only. Participants should refer to the plan document for more complete information.

General The Plan is a defined contribution plan covering substantially all employees of Marshall & Ilsley Corporation (M&I). BMO Harris Bank N.A. (BMO Harris) is the sponsor and administrator of the Plan. BMO Retirement Services (the Trustee), serves as the trustee and recordkeeper of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

On July 6, 2011, M&I and Bank of Montreal (BMO) completed a merger, under which BMO acquired all outstanding shares of common stock of M&I in a stock-for-stock transaction, which was approved by the M&I Board of Directors, the BMO Board of Directors, and the M&I shareholders.

Per the terms of the merger agreement, the M&I Board of Directors adopted a resolution effective July 5, 2011 to terminate all M&I-sponsored 401(k) plans, which includes the Plan. Final dissolution of the assets in the Plan requires Internal Revenue Service (IRS) approval of the termination. On April 27, 2012, BMO Harris filed Form 5310 with the IRS seeking advance determination on the qualification status of the Plan. The Plan expects to receive this determination in 2014. Following the receipt of the IRS determination, all remaining Plan participants will receive an account closing distribution of their account balances based on their distribution election, which will be collected at that time. Distributions can be requested in cash, or as a direct rollover to an IRA or other qualified retirement plan. In addition, active employees of BMO Harris will be able to roll over their account balances into the Employees 401(k) Savings Plan of Bank of Montreal/Harris.

Plan Termination On July 5, 2011, the M&I Board of Directors voted to terminate the Plan. This termination is pending IRS approval.

Eligibility Effective July 5, 2011, no new participants have been enrolled into the Plan.

Contributions No contributions to the Plan have been made since July 5, 2011.

Participant Accounts Individual accounts are maintained for each of the Plan's participants. Each participant's account is credited with allocations of the Plan's income (loss). Any related administrative expenses based on participant earnings or account balances are deducted from the participant's account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting Effective July 5, 2011, all participants with an account balance remaining in the Plan became fully vested in all contribution sources, regardless of status or years of vested service.

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Investment Options Participants may direct 100% of their account balance into various investment options designated by the Plan's investment committee in 1% increments. Participants are able to change their investment elections daily.

Notes Receivable from Participants Active participants may take a loan from their retirement account balance in an amount ranging from \$1,000 to \$50,000 (limited to no more than one-half of their vested account balance). Participant loans are repayable through payroll deductions and may have original terms of 1 to 25 years. The interest rate is based on prevailing market conditions at the time the loans are made and are fixed over the life of the note. The Plan requires full repayment of any outstanding participant loan balance if employment with BMO Harris ends for any reason.

Payment of Benefits Upon termination, death, retirement, in the event of disability, as defined, or financial hardship, a participant or beneficiary is entitled to elect to distribute his or her vested interest in a full or partial lump sum cash payment (excluding profit sharing for any hardship withdrawal), or as a rollover to another qualified plan or IRA. Participants who are 59 1/2 or older may take in-service withdrawals for any reason. In addition, after-tax contributions made before 1987 and former Valley Bancorporation employee balances from the former Valley Bancorporation plan are available for distribution.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates The preparation of financial statements in conformity with U.S. GAAP requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation All investments are stated at fair value, except the BMO Employee Benefit Stable Principal Fund (the Stable Principal Fund), whose investments include synthetic and traditional guaranteed investment contracts (GICs) which meet the definition of fully benefit-responsive investment contracts. An investment contract is considered fully benefit-responsive if *all* of the following criteria are met for that contract, analyzed on an individual basis:

The investment contract is affected directly between the Stable Principal Fund and the issuer and prohibits the Stable Principal Fund from assigning or selling the contract or its proceeds to another party without the consent of the issuer.

Either (1) the repayment of principal and interest credited to participants in the Stable Principal Fund is a financial obligation of the issuer of the investment contract or (2) prospective interest crediting rate adjustments are provided to participants in the Stable Principal Fund on a designated pool of investments held by the Stable Principal Fund or the contract issuer whereby a financially responsible third party, through a contract generally referred to as a wrapper, must provide assurance that the adjustments to the interest crediting rate will not result in a future interest crediting rate that is less than zero.

The terms of the investment contract require all permitted participant-initiated transactions with the Stable Principal Fund to occur at contract value with no conditions, limits, or restrictions.

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An event that limits the ability of the Stable Principal Fund to transact at contract value with the issuer and that also limits the ability of the Stable Principal Fund to transact at contract value with the participants in the Stable Principal Fund must be probable of not occurring.

The Stable Principal Fund itself must allow participants reasonable access to their funds.

Contract value is considered the relevant measurement attribute for benefit-responsive contracts because that is the amount participants in the Stable Principal Fund would pay or receive if they were to initiate contributions or withdrawals. Therefore, the fair value stated in investments is adjusted to contract value on the statements of net assets available for benefits for fully-benefit responsive investment contracts. The GIC crediting interest rates are determined at various intervals under the terms of the investment contracts. There are no limitations on guarantees of the contracts.

Notes Receivable from Participants Notes receivable from participants are stated at their unpaid principal balance plus any accrued and unpaid interest. Notes receivable from participants were \$9,825,652 and \$12,770,734 as of December 31, 2013 and 2012, respectively, with interest rates ranging from 3.25% to 4.75%.

Income Recognition Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The statements of changes in net assets available for benefits reflect income credited to participants and net appreciation or depreciation in the fair value of only those investments that are not fully benefit responsive.

Administrative Expenses Trustee fees were paid by BMO Harris. Significantly all other administrative expenses for the Plan were paid by the Plan for the years ended December 31, 2013 and 2012.

Payment of Benefits Benefit payments to participants are recorded upon distribution. Amounts allocated to participants who elected benefit payments but were not yet paid as of December 31, 2013 and 2012 were \$371,785 and \$460,878, respectively.

Risks and Uncertainties The Plan investments include mutual funds, interests in master trusts, and a common collective trust that holds synthetic and traditional GICs. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could have a material effect on the values of the investment instruments reported in the financial statements. Synthetic and traditional GICs, which meet the definition of fully benefit-responsive, are carried at contract value. If an event were to occur such that the realization of the full contract value is no longer probable (for example, a significant decline in credit worthiness of the contract issuer or wrapper provider), these investment contracts would no longer be considered fully benefit responsive and would be carried at fair value.

Subsequent Events The Plan has evaluated subsequent events through June 30, 2014, the date that the accompanying financial statements were available to be issued.

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3. FAIR VALUE MEASUREMENTS

Fair value is defined as the price at the measurement date that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in which the reporting entity is engaged.

A three-tier hierarchy is used to measure fair value based on the transparency of the inputs to the valuation of an asset or liability and expands the disclosures about instruments measured at fair value. These inputs are summarized into three broad levels described below:

Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for *identical* assets in active markets.

Level 2 Inputs to the valuation methodology include quoted prices for *similar* assets in active markets and inputs that are observable for the asset, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Fair values are initially valued based upon transaction price and are adjusted to reflect exit values as evidenced by financing and sale transactions with third parties.

Determination of Fair Value Following is a description of the valuation methodologies used for measuring the fair value of investments:

Interest in Master Trusts These investment vehicles are unitized funds which are valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the fair value of the underlying assets (mutual funds and common stock) owned by the trust, minus its liabilities, and then divided by the number of units outstanding. The fair values of the interest in Marshall & Ilsley Corporation Master Trusts (collectively, Master Trusts) are classified within level 2 of the valuation hierarchy as master trust funds (see Note 5).

Mutual Funds Mutual funds are valued based on quoted price in an active market and classified within level 1 of the valuation hierarchy.

Stable Value Fund The Stable Principal Fund is a stable value fund that is primarily invested in traditional and synthetic GICs and a money market fund.

Traditional GICs are typically issued by insurance companies or banks and are essentially nonmarketable deposits with the issuing entity. The issuer is contractually obligated to repay the principal and stated interest. The repayment of a traditional GIC is the sole responsibility of the issuing entity. In the case of a synthetic GIC, the Stable Principal Fund purchases high quality debt obligations and enters into contractual arrangements (wrapper contracts) with third parties related to these debt obligations to provide a guarantee of contract value and specified interest.

Fair values of the high quality debt obligations underlying the synthetic GICs and the interest in the securities lending collateral fund are measured using various matrix pricing methodologies or compiled modeled prices from various sources. These models are primarily industry-standard processes that apply various assumptions, including time value, yield curve, volatility factors, prepayment speeds, default rates and current and contractual prices for the underlying investments. Substantially all of inputs to the pricing matrix and model assumptions are observable in the

marketplace, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. The fair values of the traditional GICs are determined using a discounted cash flow model. The fair value of the wrapper contract is determined to be zero since the wrapper resets monthly at market rates.

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The fair value of the stable value fund is classified within level 2 of the fair valuation hierarchy. The fair value of the investment contracts was \$1.00 and \$1.03 per unit as of December 31, 2013 and 2012, respectively. The average yield was 2.15% and 2.41% for the years ended December 31, 2013 and 2012, respectively. The gross crediting interest rate was 1.84% and 2.46% for the years ended December 31, 2013 and 2012, respectively.

The interest crediting rate is the periodic interest rate accrued to participants and is either set at the beginning of the contract and held constant, or reset periodically to reflect the performance of the underlying securities. Traditional GICs do not reset their crediting rates as they provide a fixed rate of interest over the term to maturity of the contract. Synthetic GICs are designed to reset their respective crediting rates typically on a quarterly basis and cannot credit interest at a rate less than zero percent. Synthetic GICs will track current market yields on a trailing basis. The rate reset allows the contract value of the portfolio to converge to the market value over time. Variables impacting future crediting rates on synthetic GICs include current yield of the assets backing the wrap contracts, duration of the assets backing the wrap contracts, and existing differences between the market values of assets backing wrap contracts and the contract values of the wrap contracts. GICs generally do not permit issuers to terminate the agreement prior to the scheduled maturity date.

Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment in the Stable Principal Fund at contract value. Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (i) amendments to the plan documents (including complete or partial Plan termination or merger with another plan); (ii) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (iii) bankruptcy of the plan sponsor or other plan sponsor events (e.g., divestitures or spin-offs of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA). The plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

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The interest in master trusts, mutual funds, and stable value fund are stated at fair value on a recurring basis and are categorized in their entirety in the tables below based upon the lowest level of significant input to the valuations as of December 31, 2013 and 2012.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
2013				
Interest in Master Trusts	\$	\$ 305,290,462	\$	\$ 305,290,462
Mutual Funds:				
Large Cap	222,438,604			222,438,604
Mid Cap	72,022,764			72,022,764
Small Cap	44,888,906			44,888,906
Fixed Income	65,713,004			65,713,004
International	35,725,686			35,725,686
Stable Value Fund		106,598,294		106,598,294
TOTAL	\$ 440,788,964	\$ 411,888,756	\$	\$ 852,677,720
2012				
Interest in Master Trusts	\$	\$ 294,052,938	\$	\$ 294,052,938
Mutual Funds:				
Large Cap	192,628,884			192,628,884
Mid Cap	60,199,831			60,199,831
Small Cap	37,248,558			37,248,558
Fixed Income	95,711,970			95,711,970
International	34,993,957			34,993,957
Stable Value Fund		121,166,904		121,166,904
TOTAL	\$ 420,783,200	\$ 415,219,842	\$	\$ 836,003,042

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The Plan's investments that represented 5% or more of the Plan's net assets available for benefits either as of December 31, 2013 or as of December 31, 2012 are as follows:

	2013	2012
BMO Short Intermediate Fund*	\$ 43,102,112	\$ 57,302,439
BMO Large Cap Growth & Income Fund*	55,367,534	49,113,791
M&I Master Trust - Growth Balanced Fund*	105,671,283	101,260,342
M&I Master Trust - Aggressive Stock Fund*	71,717,288	63,235,394
Vanguard Institutional Index Fund	92,642,729	80,955,196
BMO Employee Benefit Stable Principal Fund*	106,598,294	121,166,904
M&I Master Trust - BMO Stock Fund*	52,477,758	56,354,056

* Represents party-in-interest

During the years ended December 31, 2013 and 2012, the Plan's investments, other than the interest in the Master Trusts, (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows (all of which was attributable to mutual funds):

	2013	2012
Net appreciation in fair value of investments	\$ 91,682,257	\$ 51,443,528

5. INTEREST IN MASTER TRUSTS

Certain of the Plan's investment assets are held in trust accounts at the Trustee and consist of undivided interests in investments. These Master Trusts are established by BMO Harris and administered by the Trustee. Use of the Master Trusts permits the commingling of the Plan's assets with the assets of the North Star Financial Corporation 401(k) Plan and the Missouri State Bank & Trust Company Retirement Savings Plan for investment and administrative purposes. Although assets of the remaining plans are commingled in the Master Trusts, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

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The Plan's investments and income in the Master Trusts as of, and for the years ended, December 31, 2013 and 2012 are summarized as follows:

M&I Master Trust – Aggressive Stock Fund

	2013	2012
Investments whose fair value is determined based on quoted market prices – mutual funds	\$ 71,871,126	\$ 63,359,896
Net assets of the M&I Master Trust – Aggressive Stock Fund	\$ 71,871,126	\$ 63,359,896
Plan's interest in net assets of the M&I Master Trust – Aggressive Stock Fund	\$ 71,717,288	\$ 63,235,394
Plan's interest in M&I Master Trust – Aggressive Stock Fund as a percentage of the total	99.79%	99.80%
Dividend and interest income	\$ 787,862	\$ 756,218
Net appreciation in the fair value of investments – mutual funds	16,144,829	9,602,075
Total M&I Master Trust – Aggressive Stock Fund income	\$ 16,932,691	\$ 10,358,293

M&I Master Trust – Growth Balanced Fund

	2013	2012
Investments whose fair value is determined based on quoted market prices – mutual funds	\$ 106,223,158	\$ 101,732,539
Net assets of the M&I Master Trust – Growth Balanced Fund	\$ 106,223,158	\$ 101,732,539
Plan's interest in net assets of the M&I Master Trust – Growth Balanced Fund	\$ 105,671,283	\$ 101,260,342
Plan's interest in M&I Master Trust – Growth Balanced Fund as a percentage of the total	99.48%	99.54%
Dividend and interest income	\$ 2,002,018	\$ 2,459,089
Net appreciation in the fair value of investments – mutual funds	14,161,821	11,020,008
Total M&I Master Trust – Growth Balanced Fund income	\$ 16,163,839	\$ 13,479,097

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	2013	2012
Investments whose fair value is determined based on quoted market prices mutual funds	\$ 24,651,629	\$ 21,096,647
Net assets of the M&I Master Trust Aggressive Balanced Fund	\$ 24,651,629	\$ 21,096,647
Plan s interest in net assets of the M&I Master Trust Aggressive Balanced Fund	\$ 24,605,424	\$ 21,055,859
Plan s interest in M&I Master Trust Aggressive Balanced Fund as a percentage of the total	99.81%	99.81%
Dividend and interest income	\$ 375,004	\$ 396,404
Net appreciation in the fair value of investments mutual funds	4,462,672	2,745,484
Total M&I Master Trust Aggressive Balanced income	\$ 4,837,676	\$ 3,141,888

M&I Master Trust Moderate Balanced Fund

	2013	2012
Investments whose fair value is determined based on quoted market prices mutual funds	\$ 26,278,563	\$ 29,398,363
Net assets of the M&I Master Trust Moderate Balanced Fund	\$ 26,278,563	\$ 29,398,363
Plan s interest in net assets of the M&I Master Trust Moderate Balanced Fund	\$ 26,157,723	\$ 29,289,411
Plan s interest in M&I Master Trust Moderate Balanced Fund as a percentage of the total	99.54%	99.63%
Dividend and interest income	\$ 634,613	\$ 823,904
Net appreciation in the fair value of investments mutual funds	2,201,643	2,526,195
Total M&I Master Trust Moderate Balanced Fund income	\$ 2,836,256	\$ 3,350,099

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	2013	2012
Investments whose fair value is determined based on quoted market prices mutual funds	\$ 24,702,388	\$ 22,891,656
Net assets of the M&I Master Trust Diversified Stock Fund	\$ 24,702,388	\$ 22,891,656
Plan s interest in net assets of the M&I Master Trust Diversified Stock Fund	\$ 24,660,986	\$ 22,857,876
Plan s interest in M&I Master Trust Diversified Stock Fund as a percentage of the total	99.83%	99.85%
Dividend and interest income	\$ 324,930	\$ 328,652
Net appreciation in the fair value of investments mutual funds	5,718,158	3,508,190
Total M&I Master Trust Diversified Stock Fund income	\$ 6,043,088	\$ 3,836,842

M&I Master Trust BMO Stock Fund

	2013	2012
Investments whose fair value is determined based on quoted market prices common stock	\$ 52,498,348	\$ 56,372,833
Net assets of the M&I Master Trust BMO Stock Fund	\$ 52,498,348	\$ 56,372,833
Plan s interest in net assets of the M&I Master Trust BMO Stock Fund	\$ 52,477,758	\$ 56,354,056
Plan s interest in M&I Master Trust BMO Stock Fund as a percentage of the total	99.96%	99.97%
Dividend and interest income	\$ 2,374,524	\$ 2,827,270
Net appreciation in the fair value of investments common stock	4,675,669	6,750,917
Total M&I Master Trust BMO Stock Fund income	\$ 7,050,193	\$ 9,578,187

At December 31, 2013 and 2012, respectively, the M&I Master Trust BMO Stock Fund held 781,130 and 911,977 shares of BMO common stock, with a cost basis of \$51,808,258 and \$64,667,658. During the years ended December 31, 2013 and 2012, respectively, the M&I Master Trust BMO Stock Fund recorded dividend income of \$2,374,305 and \$2,825,992 from BMO.

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The Plan has obtained a determination letter from the IRS dated December 20, 2005, approving the Plan as qualified for tax-exempt status. The Plan has been amended since receiving the determination letter. However, BMO Harris believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2010.

7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan holds shares of mutual funds, a common collective trust, and Master Trusts managed by the Trustee. The M&I Master Trust - BMO Stock Fund also invests in the common stock of BMO. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under 29 CFR 480(b) of ERISA. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund (see also "Income Recognition" in Note 2).

8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits as reported in the financial statements to the net assets as reported on line 1(l) of the 2013 and 2012 Form 5500:

	2013	2012
Net assets available for benefits per the financial statements	\$ 862,556,010	\$ 846,038,619
Less: Amounts allocated to withdrawing participants	(371,785)	(460,878)
Adjustment from contract value to fair value for investment in common collective trust related to fully benefit-responsive investment contract	263,407	3,087,800
Net assets available for benefits per the Form 5500	\$ 862,447,632	\$ 848,665,541

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The following is a reconciliation of the total additions to plan assets reported in the financial statements to the total income as reported on line 2(k) of Form 5500, Schedule H, Part II for 2013 and 2012:

	2013	2012
Net increase (decrease) in net assets available for benefits per the financial statements	\$ 16,517,391	\$ (28,856,131)
Adjustment from contract value to fair value for investment in common collective trust related to fully benefit-responsive investment contract:		
Current year	263,407	3,087,800
Prior year	(3,087,800)	(2,688,866)
Amounts allocated to withdrawing participants:		
Current year	(371,785)	(460,878)
Prior year	460,878	1,515,452
Net income (loss) per the Form 5500	\$ 13,782,091	\$ (27,402,623)

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SUPPLEMENTAL SCHEDULE

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Party-in-Interest	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	Cost	Current
				Value
*	BMO Short Intermediate Fund	Mutual Fund	(a)	\$ 43,102,112
*	BMO Mid-Cap Growth Fund	Mutual Fund	(a)	39,696,856
*	BMO Mid-Cap Value Fund	Mutual Fund	(a)	20,610,074
*	BMO Large Cap Growth & Income Fund	Mutual Fund	(a)	55,367,534
*	BMO Large Cap Value Fund	Mutual Fund	(a)	20,340,008
	Vanguard Institutional Index Fund	Mutual Fund	(a)	92,642,729
	Vanguard Mid-Cap Index Fund	Mutual Fund	(a)	11,715,833
	Vanguard Small-Cap Growth Fund	Mutual Fund	(a)	19,410,330
	Harbor Funds International Fund	Mutual Fund	(a)	21,964,983
	Manning & Napier World Opportunities Fund, Series C	Mutual Fund	(a)	13,760,703
	PIMCO Total Return Fund	Mutual Fund	(a)	22,610,893
	Davis New York Venture Fund	Mutual Fund	(a)	28,398,159
	T. Rowe Price Growth Fund	Mutual Fund	(a)	25,690,174
	Goldman Sachs Small-Cap Value Fund	Mutual Fund	(a)	25,478,576
*	BMO Employee Benefit Stable Principal Fund	Common Collective Trust	(a)	106,598,294
*	Participant Loans	Notes Receivable from	\$	9,825,652

Participants (at interest rates

of 3.25%-4.75%)

* Represents a party-in-interest

(a) - These investments are participant-directed; therefore, the cost is not required to be reported.

This schedule does not include investment assets held by the M&I Master Trusts.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

M&I RETIREMENT PROGRAM

/s/ Mary P. Wessel
Mary P. Wessel
Vice President Benefits
BMO Harris Bank N.A., its administrator

Date: June 30, 2014