

BANK OF MONTREAL /CAN/
Form 424B2
March 19, 2014

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Subject to Completion, dated March 18, 2014
Pricing Supplement to the Prospectus dated June 22, 2011 and
the Prospectus Supplement dated June 22, 2011

US\$

Senior Medium-Term Notes, Series B

Fixed to Floating Rate Conditional Interest Notes with Buffered Downside Protection, due April 30, 2021
Linked to the S&P 500® Index

- This pricing supplement relates to an offering of Fixed to Floating Rate Conditional Interest Notes with Buffered Downside Protection. The return on the notes is linked to the S&P 500® Index (the “Index”).
- Investors in the notes may lose up to 75% of their principal amount at maturity.
- All payments on the notes are subject to the credit risk of Bank of Montreal.
- The payment at maturity will be based on the closing level of the Index on the valuation date. If the closing level of the Index on the valuation date is greater than or equal to 75% of its level on the pricing date (the “Buffer Level”), the investor will receive at maturity the principal amount. If the closing level of the Index is less than the Buffer Level, the investor will lose at maturity 1% of the principal amount for each 1% that the level of the Index decreases by more than 25% from its level on the pricing date.
- Interest is payable on the notes on the last business day of each April, July, October and January, beginning on July 31, 2014.
- During the first year of the notes, the notes will pay interest at a fixed rate of 1% per annum, regardless of the performance of the Index.
- Beginning during the second year of the term of the notes, the notes will pay interest at a floating rate per annum equal to three-month LIBOR plus a “Spread” of 1.75%, if the closing level of the Index on the applicable quarterly Index Observation Date is greater than or equal to the Buffer Level. It is possible that you will receive no interest payments after the first year of the term of the notes.
- The offering is expected to price on April 25, 2014, and the notes are expected to settle on or about April 30, 2014.
- The notes are scheduled to mature on April 30, 2021.
- The notes will be issued in minimum denominations of \$1,000 and integral multiples of \$1,000.
- Our subsidiary, BMO Capital Markets Corp. (“BMOCM”), is the agent for this offering. See “Supplemental Plan of Distribution (Conflicts of Interests)” below.

The notes will not be listed on any securities exchange.

Investing in the notes involves risks, including those described in the “Risk Factors” section beginning on page PS-6 of this pricing supplement, and “Risk Factors” section beginning on page S-3 of the prospectus supplement and on page 7 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or passed upon the accuracy of this pricing supplement, the prospectus supplement or the prospectus. Any representation to the contrary is a criminal offense.

The notes will be our unsecured obligations and will not be savings accounts or deposits that are insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund, the Canada Deposit Insurance Corporation or any other governmental agency or instrumentality or other entity.

On the date of this preliminary pricing supplement, the estimated initial value of the notes is \$925.00 per \$1,000 in principal amount, based on the terms set forth above. The estimated initial value of the notes on the pricing date may differ from this value but will not be less than \$900.00 per \$1,000 in principal amount. However, as discussed in more detail in this pricing supplement, the actual value of the notes at any time will reflect many factors and cannot be predicted with accuracy.

	Price to Public(1)	Agent’s Commission(1)	Proceeds to Bank of Montreal
Per Note	US\$1,000	US\$	US\$
Total	US\$	US\$	US\$

(1) The actual agent’s commission will be set forth in the final pricing supplement.

BMO CAPITAL MARKETS

SUMMARY INFORMATION

Index:	S&P 500® Index (Bloomberg symbol: SPX). See the section below entitled “The S&P 500® Index” for additional information about the Index.
Payment at Maturity:	<p>If the Final Level is greater than or equal to the Buffer Level, then the investors will receive at maturity an amount equal to the principal amount of the notes, plus any accrued and unpaid interest.</p> <p>If the Final Level is less than the Buffer Level, then the amount that investors will receive at maturity, in addition to any accrued and unpaid interest, will equal:</p> <p>Principal Amount + [Principal Amount x (Percentage Change + Buffer Percentage)]</p> <p>You could lose a substantial portion of your principal amount if the level of the Index decreases after the pricing date. In addition, your payment at maturity will not exceed the principal amount of the notes plus any interest payable.</p>
Initial Level:	[•]. The Initial Level will be set forth in the final pricing supplement for the notes.
Final Level:	The closing level of the Index on the valuation date.
Buffer Level:	75% of the Initial Level.
Buffer Percentage:	25%. Accordingly, you will receive the principal amount of your notes at maturity only if the level of the Index does not decrease by more than 25%.
Percentage Change:	$\frac{\text{Final Level} - \text{Initial Level}}{\text{Initial Level}}$
Reference Rate:	3-month USD LIBOR. The Reference Rate will be determined based on the Reuters page “LIBOR01” (or any successor page) as of 11:00 A.M., London time, on the relevant Interest Fixing Date, for deposits of U.S. Dollars with a 3-month maturity beginning on the first day of relevant quarterly interest period. See the section below entitled “Reference Rate” for additional information about the Reference Rate and its determination.
Interest Payment Dates:	Interest is payable on the notes on the last business day of each April, July, October and January, beginning on July 31, 2014. However, if any such scheduled interest payment date is not a

business day as scheduled, then the next day that is a business day shall be the relevant payment date and no additional interest shall accrue as a result of the postponement.

Interest:

During the first year of the notes (the “Fixed Rate Period”), the notes will pay interest at a fixed rate of 1% per annum, regardless of the performance of the Index.

Beginning during the second year of the term of the notes and from the period beginning on and including April 30, 2015 and ending on but excluding the interest payment date occurring on July 31, 2015, and each successive period beginning on and including an interest payment date and ending on but excluding the next succeeding interest payment date (the “Floating Rate Period”), the notes will pay interest at a floating rate per annum equal to three-month LIBOR plus a “Spread” of 1.75%, but only if the closing level of the Index on the applicable quarterly Index Observation Date is greater than or equal to the Buffer Level. It is possible that you will receive no interest payments after the first year of the term of the notes.

The interest rate on the notes for any quarterly interest period will not be less than 0%. Interest on the notes will accrue on the basis of a 360-day year twelve 30-day months.

Index Observation Dates:

The date that is the third trading day preceding each interest payment date, beginning with the interest payment date occurring on July 31, 2015.

Interest Fixing Dates	Two London business days immediately prior to the beginning of the applicable Floating Rate Period. The initial Interest Fixing Date is expected to be April 28, 2015.
Pricing Date:	April 25, 2014
Settlement Date:	April 30, 2014
Valuation Date:	April 27, 2021
Maturity Date:	April 30, 2021, resulting in a term to maturity of approximately seven years.
Automatic Redemption:	The notes are not redeemable at our option or at the option of the noteholders.
CUSIP Number:	06366RTM7
Calculation Agent:	BMOCM
Selling Agent:	BMOCM

The pricing date and the settlement date are subject to change. The actual pricing date, settlement date, interest payment dates, valuation date and maturity date for the notes will be set forth in the final pricing supplement.

We may use this pricing supplement in the initial sale of notes. In addition, BMOCM or another of our affiliates may use this pricing supplement in market-making transactions in any notes after their initial sale. Unless our agent or we inform you otherwise in the confirmation of sale, this pricing supplement is being used in a market-making transaction.

Examples of the Hypothetical Payment at Maturity for a \$1,000 Investment in the Notes

The following table and examples illustrate the hypothetical payment at maturity on a \$1,000 investment in the notes. The hypothetical returns set forth below are based on a hypothetical Initial Level of 1,000.00 and a Buffer Percentage of 25% (the Buffer Level is 75% of the Initial Level). The hypothetical payment set forth below are for illustrative purposes only and may not be the actual payment applicable to investors in the notes. The numbers appearing in the following table and in the examples below have been rounded for ease of analysis.

Hypothetical Final Level	Percentage Change	Payment at Maturity
2,000.00	100%	\$1,000.00
1,500.00	50%	\$1,000.00
1,250.00	25%	\$1,000.00
1,150.00	15%	\$1,000.00
1,100.00	10%	\$1,000.00
1,000.00	0%	\$1,000.00
900.00	-10%	\$1,000.00
850.00	-15%	\$1,000.00
750.00	-25%	\$1,000.00
700.00	-30%	\$950.00
650.00	-35%	\$900.00
600.00	-40%	\$850.00
500.00	-50%	\$750.00
250.00	-75%	\$500.00
0.00	-100%	\$250.00

The following examples illustrate how the hypothetical amounts payable at maturity set forth in the above table are calculated.

The following examples illustrate how the returns set forth in the table above are calculated.

Example 1: The level of the Index decreases from the hypothetical Initial Level of 1,000.00 to a hypothetical Final Level of 500.00, representing a Percentage Change of -50%. Because the Percentage Change is negative and the hypothetical Final Level of 500.00 is less than the Initial Level by more than the Buffer Percentage of 25%, the investor receives a payment at maturity of \$750 per \$1,000 in principal amount of the notes, calculated as follows:

$$\$1,000 + [\$1,000 \times (-50\% + 25\%)] = \$750$$

In this example, the investor will lose a portion of its principal amount, and also will not be entitled to receive the final interest payment, because the closing level of the Index on the valuation date and the applicable Index Observation Date is less than the Buffer Level.

Example 2: The level of the Index decreases from the hypothetical Initial Level of 1,000.00 to a hypothetical Final Level of 900.00, representing a Percentage Change of -10%. Although the Percentage Change is negative, because the hypothetical Final Level of 900.00 is less than the Initial Level by not more than the Buffer Percentage of 25%, the investor receives a payment at

maturity of \$1,000 per \$1,000 in principal amount of the notes. The investor will also receive the final interest payment.

Example 3: The level of the Index increases from the hypothetical Initial Level of 1,000.00 to a hypothetical Final Level of 1,500.00, representing a Percentage Change of 50%. Because the hypothetical Final Level of 1,500.00 is positive, the investor receives a payment at maturity of \$1,000 per \$1,000 in principal amount of the notes. The investor's return is limited to the principal amount (plus the final interest payment), even though the level of the Index has substantially increased.

Examples of Hypothetical Interest Payments After the First Year of the Notes for a \$1,000 Investment in the Notes

Calculation of Floating Rate Payments

The interest payments, if any, on each interest payment date (after the Fixed Rate Period) will be determined by multiplying \$1,000 by the applicable interest rate, calculated on a 30/360 basis. If, on an Index Observation Date, the closing level of the Index is less than the Buffer Level, then the interest rate for the relevant interest payment date will be equal to zero (0%). If, on an Index Observation Date, the closing level of the Index is greater than or equal to the Buffer Level, then the interest rate for the relevant interest payment date will be the Reference Rate on the Interest Fixing Date plus the Spread.

The following examples demonstrate the impact of the level of the Index on the interest payments during the Floating Rate Period. The examples are based on:

- a hypothetical Initial Level of 1,000;
- a hypothetical Buffer Level of 750 (75% of the Initial Index Level);
- a hypothetical Reference Rate of 0.25% on the applicable Interest Fixing Date; and
- the Spread of 1.75 %.

Example 1:

Initial Level	Buffer Level (Initial Level multiplied by 75%)	Closing Level of the Index on Index Observation Date	Interest Reference Rate on Interest Fixing Date	Spread	Interest Rate
1,000	750	600	0.25%	1.75 %	0.00%
Contingent Interest Payment (based on \$1,000 Principal Amount)					\$0.00

In this example, the closing level of the Index on the applicable Index Observation Date is 600, which is less than the Buffer Level. Accordingly, the interest rate is 0%. As a result, the interest payment for this interest payment date will be \$0.

If the closing level of the Index on one or more Index Observation Date is less than the Buffer Level, your total return on the notes could be very limited.

Example 2:

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Initial Level	Buffer Level (Initial Level multiplied by 75%)	Closing Level of the Index on Index Observation Date	Interest Reference Rate on Index Observation Date	Spread	Interest Rate
1,000	750	900	0.25%	1.75%	2.00%
Contingent Interest Payment (based on \$1,000 Principal Amount)					\$5.00

In this example, the closing level of the Index on the applicable Index Observation Date is 900, which is less than the Initial Level, but greater than the Buffer Level. Accordingly, the interest rate will be equal to the sum of the Reference Rate of 0.25% and the Spread of 1.75 %, or 2.00%. As a result, the interest payment for this interest payment date will be \$5.00 (equivalent to approximately 0.50% of the principal amount for the quarterly interest period).

This example illustrates that you may receive a quarterly interest payment, even if the level of the Index has declined.

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Example 3:

Initial Level	Buffer Level (Initial Level multiplied by 75%)	Closing Level of the Index on Index Observation Date	Reference Rate on Fixing Date	Spread	Interest Rate
1,000	750	1,300	0.25%	1.75%	2.00%
Contingent Interest Payment (based on \$1,000 Principal Amount)					\$5.00

In this example, the closing level of the Index on the applicable Index Observation Date is 1,300, which is substantially greater than the Initial Level. The interest rate will be equal to the sum of the Reference Rate of 0.25% and the Spread of 1.75%, or 2.00%. As a result, the interest payment for this interest payment date will be \$5.00 (equivalent to approximately 0.50% of the principal amount for the quarterly interest period).

This example illustrates that an investment in the notes may underperform an investment linked directly to increases in the level of the Index.

ADDITIONAL TERMS OF THE NOTES

You should read this pricing supplement together with the prospectus supplement dated June 22, 2011 and the prospectus dated June 22, 2011. This pricing supplement, together with the documents listed below, contains the terms of the notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours or the agent. You should carefully consider, among other things, the matters set forth in “Risk Factors” below, as the notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before you invest in the notes.

You may access these documents on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

- Prospectus supplement dated June 22, 2011:
<http://www.sec.gov/Archives/edgar/data/927971/000095012311060741/o71090b5e424b5.htm>