

MAX Auto Industry Exchange Traded Notes



OVERVIEW

The MAX Auto Industry Exchange Traded Notes (ETNs) are linked to the performance of the Prime Auto Industry Index (the "Index"). Each ETN offers investors a return based on changes in the level of the Index on a daily compounded basis, before taking into account fees. Each ETN has a specified leverage factor that is reset daily. This fact sheet relates to two separate ETN offerings.

Each ETN seeks a return on the underlying index **for a single day**. The ETNs are not "buy and hold" investments and should not be expected to provide its respective return of the underlying index's cumulative return for periods greater than a day.

Ticker	Exchange Traded Note
CARU	MAX Auto Industry 3X Leveraged ETN
CARD	MAX Auto Industry -3X Inverse Leveraged ETN

THE PRIME AUTO INDUSTRY INDEX

The Prime Auto Industry Index includes stocks of U.S.-listed companies that have operations relating to the automobile industry, including automobile manufacturing, parts and retail, and new and used car dealers. The index's underlying composition is modified liquidity weighted. More information about the index can be found at www.primeindexes.com.

ETN DETAILS	CARU	CARD	INDEX DETAILS
Intraday Indicative Note Value	CARUIV	CARDIV	Index Name
CUSIP	063679476	063679468	Prime Auto Industry Index
ISIN	US0636794762	US0636794689	Index Ticker
Daily Investor Fee ¹	0.95% per annum, accrued on a daily basis	0.95% per annum, accrued on a daily basis	PCARSNTR
Daily Financing / Interest Rate ²	Federal Reserve Bank Prime Loan Rate plus the Financing Spread of 2.75% per annum, accrued on a daily basis*	US Federal Funds Effective Rate minus the Spread of 2% per annum, accrued on a daily basis**	Launch Date
Leverage Factor	+3X	-3X	12/19/2022
Leverage Reset Frequency	Daily	Daily	Rebalance Frequency
Exchange	NYSE Arca	NYSE Arca	Monthly
Issuer	Bank of Montreal	Bank of Montreal	Weighting
Initial Trade Date	6/27/2023	6/27/2023	Modified Liquidity
Maturity Date	5/28/2043	5/28/2043	No. of Constituents
			23

¹ The Daily Investor Fee is a per annum number that accrues on a daily basis.

² The Daily Financing Rate & Daily Interest Rate are per annum numbers that accrue on a daily basis. The Daily Financing Rate applies to CARU and the Daily Interest Rate applies to CARD.

* The Financing Spread will initially be 2.75%, but may be increased to up to 5% at our option.

** The Spread will initially be 2%, but may be increased to up to 4% at our option.

INDEX CONSTITUENTS

Ticker	Name	Weight	Ticker	Name	Weight
RIVN	Rivian Automotive Inc	11.98%	AN	AutoNation Inc	2.52%
TSLA	Tesla Inc	11.98%	RACE	Ferrari NV	2.31%
CVNA	Carvana Co	11.13%	STLA	Stellantis NV	2.17%
F	Ford Motor Co	8.96%	LAD	Lithia Motors Inc	1.89%
AZO	AutoZone Inc	5.95%	PAG	Penske Automotive Group Inc	1.54%
GM	General Motors Co	5.95%	FSR	Fisker Inc	1.31%
LCID	Lucid Group Inc	5.95%	TM	Toyota Motor Corp-ADR	1.23%
ORLY	O'Reilly Automotive Inc	5.95%	ABG	Asbury Automotive Group Inc	1.03%
AAP	Advance Auto Parts Inc	5.12%	GPI	Group 1 Automotive Inc	0.94%
NKLA	Nikola Corp	3.84%	HMC	Honda Motor Co Ltd-ADR	0.79%
GPC	Genuine Parts Co	3.40%	CWH	Camping World Holdings Inc	0.71%
KMX	CarMax Inc	3.35%			

As of 9/18/2023. Index weightings and constituents are subject to change.

The ETNs are not insured by the FDIC, and may lose value.

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IMPORTANT RISK INFORMATION

Bank of Montreal, the issuer of the ETNs (“Bank of Montreal” or the “Issuer”), has filed a registration statement (including certain pricing supplements, a product supplement, a prospectus supplement and a prospectus) with the Securities and Exchange Commission (the “SEC”) about each of the offerings to which this free writing prospectus relates. Please read those documents and the other documents relating to these offerings that Bank of Montreal has filed with the SEC for more complete information about Bank of Montreal and these offerings. These documents may be obtained without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, Bank of Montreal, any agent or any dealer participating in these offerings will arrange to send the applicable pricing supplement, the product supplement, the prospectus supplement and the prospectus if so requested by calling toll-free at 1-877-369-5412.

The ETNs are senior, unsecured debt obligations of Bank of Montreal and are subject to Bank of Montreal’s credit risk.

Investment suitability must be determined individually for each investor, and the ETNs may not be suitable for all investors. This information is not intended to provide and should not be relied upon as providing accounting, legal, regulatory or tax advice. Investors should consult with their own financial advisors as to these matters.

The ETNs are intended to be daily trading tools for sophisticated investors to manage daily trading risks as part of an overall diversified portfolio. They are designed to achieve their stated investment objectives on a daily basis. You should proceed with extreme caution in considering an investment in the ETNs.

The ETNs do not guarantee the return of your investment. If the Closing Indicative Note Value or the Intraday Indicative Value for the ETNs is equal to or less than \$0 at any time during an Exchange Business Day (each as defined in the applicable pricing supplement), you will lose all of your investment in the ETNs. Even if the Index Closing Level has increased or decreased, as applicable, from the Initial Index Level, you may receive less than the principal amount of your ETNs upon a call, redemption, at maturity, or if you sell your ETNs, as described more in the applicable pricing supplement. Leverage increases the sensitivity of your ETNs to changes in the level of the Index.

The ETNs are not suitable for investors with longer-term investment objectives. In particular, the ETNs should be purchased only by sophisticated investors who do not intend to hold the ETNs as a buy and hold investment, who are willing to actively and continuously monitor their investment and who understand the consequences of investing in and of seeking daily resetting investment results, which are leveraged. Due to the effect of compounding, if the Indicative Note Value changes, any subsequent adverse change of the Index level will result in a larger dollar reduction from the Indicative Note Value than if the Indicative Note Value remained constant. The ETNs are subject to intraday purchase risk. The Indicative Note Value is reset daily, and the leverage or exposure of the ETNs during any given Exchange Business Day may be greater than or less than the amount indicated by the name of the ETN.

The ETNs are subject to a call right, which may adversely affect the value of, or your ability to sell, your ETNs. The ETNs do not pay any interest, and you will not have any ownership rights in the Index constituents. The Index Closing Level used to calculate any payment on the ETNs may be different from the Index Closing Level at other times during the term of the ETNs. There are restrictions on your ability to request a redemption of the ETNs, and you will not know the amount due upon redemption at the time you elect to request that the ETNs be redeemed. The Issuer may sell additional ETNs but is under no obligation to do so.

Market disruptions may adversely affect your return. Significant aspects of the tax treatment of the ETNs are uncertain.

The Intraday Indicative Value and the Indicative Note Value are not the same as the closing price or any other trading price of the ETNs in the secondary market. There is no assurance that your ETNs will be listed or continue to be listed on a securities exchange, and they may not have an active trading market. The value of the ETNs in the secondary market may be influenced by many unpredictable factors.

The Issuer or its affiliates may have economic interests that are adverse to those of the holders of the ETNs as a result of its business, hedging and trading activities, or as Calculation Agent of the ETNs (as defined in the applicable pricing supplement), and may have published research, expressed opinions or provided recommendations that are inconsistent with investing in or holding the ETNs, and may do so in the future.

The Index has limited actual historical information. The Index Sponsor may adjust the Index in a way that may affect its level, and may, in its sole discretion, discontinue the public disclosure of the intraday Index value and the end-of-day closing value of the Index. The Index lacks diversification and is vulnerable to fluctuations in the applicable sector. A limited number of Index constituents may affect the Index Closing Level, and the Index is not necessarily representative of its focus industry. An Index constituent may be replaced upon the occurrence of certain events.

Please see the “Risk Factors” section in the applicable pricing supplement. We urge you to consult with your investment, legal, tax, accounting and other advisors before you invest in the ETNs.

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