

MARKET-LINKED GUARANTEED INVESTMENT CERTIFICATE
INFORMATION STATEMENT DATED MARCH 21, 2024 (the “Information Statement”)

Before purchasing this product, prospective investors should determine whether this product corresponds to their investment objectives. The Bank has issued previous series which may have different terms and conditions. Please read this document and take it into consideration when making your decision.

OVERVIEW

The NBC Canadian Equity Flex GIC, Series 58, Advisors Category (the “Deposit”) is issued by the Bank. The Principal Amount of your Deposit is fully guaranteed at maturity by the Bank. The Deposits aim to provide you with a return at maturity linked to the performance of an equally weighted Reference Portfolio composed of the common shares of the following ten (10) Canadian companies:

BCE Inc.	Manulife Financial Corporation
The Bank of Nova Scotia	Pembina Pipeline Corporation
Canadian Imperial Bank of Commerce	TELUS Corporation
Enbridge Inc.	The Toronto-Dominion Bank
Great-West Lifeco Inc.	TC Energy Corporation

INVESTMENT HIGHLIGHTS

Issuer:	National Bank of Canada (long-term non bail-inable senior debt rated DBRS: AA / S&P: A / Moody's: Aa3 / Fitch: AA-)
Type of Product:	Guaranteed Investment Certificates. Your Principal Amount is fully guaranteed at maturity by the Bank.
Issuance Date:	April 8, 2024
Valuation Date:	March 31, 2026
Maturity Date:	April 8, 2026
Minimum Investment:	\$1,000 (10 Deposits)
Price and Principal Amount:	\$100 per Deposit
Currency of the Deposits:	Canadian dollars
Participation Factor:	100.00%
Dividends and /or Distributions Reinvested:	No. The Reference Portfolio Return is a price return and will not take into account dividends and/or distributions paid by the issuers on account of the Reference Assets comprising the Reference Portfolio.
Sale Back to the Bank:	You will be able to sell your Deposit back to the Bank as provided herein. To this end, the Bank has appointed NBF as its agent to maintain on a daily basis until the Valuation Date a Bid Price for the Deposit and to purchase such Deposit on behalf of the Bank for resale to the Bank and cancellation. See “Transfers; No Secondary Market; Sale of the Deposit to the Bank”.
No Secondary Market:	The Deposits will not be listed on any stock exchange or other market and no secondary market will be established to sell the Deposits prior to the Maturity Date.
No Transfers:	The Deposits will not be transferable to other investors prior to maturity.
Eligibility for CDIC Coverage:	Yes, subject to the maximum dollar limit of CDIC coverage and to applicable conditions. More information about CDIC deposit insurance can be found in the “Protecting Your Deposits” brochure (available online at www.cdic.ca or by telephone at 1-800-461-2342).
Certain Canadian Federal Income Tax Considerations:	See “Certain Canadian Federal Income Tax Considerations” for a summary of certain income tax considerations applicable to an investment in the Deposits.

Fees:	The Bank will pay to the Agent for payment by the Agent to those advisors whose clients purchase the Deposits, a selling fee of up to \$2.00 per Deposit sold under the offering.
Early Trading Charge:	If you sell your Deposits back to the Bank prior to maturity through the Bid Provider pursuant to the process described herein, you will be subject to an early trading charge of \$2.40 per Deposit, declining every 30 days by \$0.20 to be \$0.00 after 360 days from and including the Issuance Date.
Fundserv Code:	NBC28803
No Global Certificate Issued to CDS:	Not issued by way of a single global certificate registered in the name of CDS.
Eligibility for Investment:	Eligible for RRSPs, RRIFFs, RESPs, RDSPs, DPSPs, TFSA's and FHSAs.
Risk Factors:	Prospective investors should carefully consider all of the information set forth in this Information Statement and, in particular, should evaluate the specific risk factors set forth under "Risk Factors" for a discussion of certain risks involved in evaluating an investment in the Deposits.
Availability of Information:	All information about the Deposits is available on request from your investment advisor or on the Bank's website at www.nbcstructuredsolutions.ca where the following information will be provided: (a) the most recent Bid Price of the Deposits and the applicable early trading charge (if any); and (b) the last available measures on which the Maturity Redemption Payment is determined. The information made available on the Bank's website is provided for information purposes only.

PART A - CONDITIONS SPECIFIC TO THE INVESTMENT

1. RETURN OF YOUR DEPOSIT

Payment at maturity of your Deposits will be linked to the price performance of each Reference Asset included in the Reference Portfolio. The Deposits will have a Principal Amount of \$100 each.

The Deposits aim to repay you, on the Maturity Payment Date, your Principal Amount and provide you with a Variable Return if the Reference Portfolio Return is positive on the Valuation Date.

Maturity Redemption Payment: means an amount per Deposit to which you are entitled on the Maturity Date based on the performance of the Reference Portfolio, which is equal to your Principal Amount x (1 + Variable Return).

Variable Return: means a percentage equal to the product of (i) the Reference Portfolio Return on the Valuation Date and (ii) the Participation Factor, subject to a minimum of zero.

Reference Portfolio Return: means on any day, the sum of the Weighted Reference Asset Return of each Reference Asset comprising the Reference Portfolio.

Weighted Reference Asset Return: means for each Reference Asset contained in the Reference Portfolio and on any day, the product of (i) the Reference Asset Return and (ii) the Reference Asset Weight.

Reference Asset Weight: means the weight of each Reference Asset comprising the Reference Portfolio.

Reference Asset Return: means for each Reference Asset contained in the Reference Portfolio and on any day, a number which may be positive or negative, expressed as a percentage, calculated as follows:

$$(\text{Closing Level on such day} / \text{Closing Level on the Issuance Date}) - 1.$$

Closing Level: means, on any day, the closing price, the closing level or the official net asset value, as applicable, of the Reference Asset and reported and/or published by the applicable Price Source as specified in the table under "Reference Portfolio". If there is no closing price, no closing level or no official net asset value, as applicable, reported or published on that day, then the Closing Level will be the closing price, the closing level or the official net asset value, as applicable, on the immediately preceding day on which such closing price, closing level or official net asset value is reported or published by the applicable Price Source (except if this occurs on the Issuance Date or on the Valuation Date, in which case the closing price, the closing level or the official net asset value, as applicable, on the immediately following day on which such closing price, closing level or official net asset value is reported or published by the applicable Price Source will be used, subject to the provisions under "Extraordinary Events and Special Circumstances" up to a maximum postponement of five Business Days. If the absence of a closing level or official net asset value or a Market Disruption Event should last for five Business Days,

the closing price of the relevant Reference Asset shall be a price determined on such fifth Business Day by the Calculation Agent in its sole discretion and in good faith using market-accepted practices).

The Reference Asset Return is a price return, and will not take into account dividends and/or distributions paid by the issuers on account of the Reference Assets. As of March 13, 2024, the dividends and/or distributions paid on account of all the Reference Assets in the Reference Portfolio represented an annual return of approximately 6.16%, representing an aggregate yield of approximately 12.32% over the term of the Deposits, assuming that the dividends and/or distributions remain constant and are not reinvested.

Reference Portfolio:

Reference Asset Name	Reference Asset Ticker	Price Source	Closing Level	Reference Asset Type	Reference Asset Weight
Common shares of BCE Inc.	BCE	TSX	Closing price	Equity security	10.00%
Common shares of The Bank of Nova Scotia	BNS	TSX	Closing price	Equity security	10.00%
Common shares of Canadian Imperial Bank of Commerce	CM	TSX	Closing price	Equity security	10.00%
Common shares of Enbridge Inc.	ENB	TSX	Closing price	Equity security	10.00%
Common shares of Great-West Lifeco Inc.	GWO	TSX	Closing price	Equity security	10.00%
Common shares of Manulife Financial Corporation	MFC	TSX	Closing price	Equity security	10.00%
Common shares of Pembina Pipeline Corporation	PPL	TSX	Closing price	Equity security	10.00%
Common shares of TELUS Corporation	T	TSX	Closing price	Equity security	10.00%
Common shares of The Toronto-Dominion Bank	TD	TSX	Closing price	Equity security	10.00%
Common shares of TC Energy Corporation	TRP	TSX	Closing price	Equity security	10.00%

The sector diversification of the Reference Portfolio by weight is set out below:

Sector Diversification	Weighting
Financials	50.00%
Energy	30.00%
Communication Services	20.00%

The Bank may replace a maximum of two Reference Assets currently included in the Reference Portfolio before the Issuance Date. Any replacement Reference Asset selected for replacement shall be of an issuer of a similar size operating in a similar industry. Investors will be advised of any such replacement through a notice. Any such notice will be given to the investors on the Bank’s website at www.nbcstructuredolutions.ca.

The Reference Portfolio is used solely as a notional reference for the purpose of calculating the Maturity Redemption Payment. No actual funds will be invested in the purchase of each Reference Asset. You will not be the owners of, nor have any rights or interests in or to, each Reference Asset and therefore, will not have recourse to each Reference Asset to satisfy amounts owing under the Deposits.

Public Information

None of the entities comprising the Reference Portfolio have any involvement with respect to the Deposits or the preparation of this document and such entities do not assume any responsibility or liability in respect of the Deposits, and further, they make no representation as to the soundness of the purchasing of the Deposits. The Deposits are not sponsored, endorsed or promoted by such entities. All information included in this document with respect to the Reference Assets and the issuers of those Reference Assets is taken solely from information published by such issuers or by the providers of the Reference Assets or other publicly available information. The Bank and its affiliates have not reviewed the public information disseminated by these entities and assume no liability in respect of the accuracy and completeness of information disseminated by such entities.

You should independently investigate the Reference Assets and decide whether an investment in the Deposits is appropriate. You should take into account additional risk factors associated with the Deposits. See “Risk Factors”.

2. SUITABILITY CONSIDERATIONS AND GUIDELINES

An investment in the Deposits is not suitable for all investors and even if suitable, investors should consider what part the Deposits should serve in an overall investment plan. The Deposits may be suitable for you if:

- you are seeking protection of your capital at maturity;
- you are seeking the potential for higher returns in the current interest rate environment;
- you have a medium-term investment horizon and are prepared to hold the Deposits to maturity;
- you do not need or do not expect certainty of return and can accept seeing the value of your investment in the Deposits diminish over time due to inflation;
- you are looking to participate in the growth potential of a portfolio composed of each Reference Asset;
- you are prepared to assume the risks as described in the “Risk Factors” section; and
- in order to benefit from the Deposit structure and capital protection at maturity, you are prepared to waive the aggregate dividend and/or distribution yield provided by each Reference Asset over the term of the Deposits to maturity, assuming that the dividends and/or distributions remain constant and are not reinvested.

The Deposits have certain investment characteristics that differ from those of conventional fixed income investments in that they may not provide you with a return or income stream prior to maturity, or a return at maturity, calculated by reference to a fixed or floating rate of interest that is determinable prior to maturity. The return on the Deposits, unlike the return on many deposit liabilities of Canadian chartered banks, is uncertain in that if the Reference Portfolio does not generate a positive return, the Deposits will produce no return on your original investment. There is no assurance that the Reference Portfolio will be able to generate a positive return at maturity. Therefore, there is no assurance that you will receive any amount at maturity other than the repayment of your Principal Amount with the Bank. Your Principal Amount will be repaid only if the Deposits are held to maturity. Moreover, the value of your investment in the Deposits may diminish over time owing to inflation and other factors that adversely affect the present value of future payments. With the exception of a payment made upon a Reimbursement Under Special Circumstances, no payment will be made prior to the Maturity Date. You should take into account additional risk factors associated with this offering of Deposits. See “Risk Factors”.

The following tables demonstrate the hypothetical performance of a fixed-rate GIC compared to the potential performance of the Deposits. These tables are included for illustration purposes only, and the rates used for the fixed-rate GICs are hypothetical. No assurance can be given that the Deposits will generate a Variable Return.

	Hypothetical fixed-rate GICs			Deposits	
	1%	2%	3%	Minimum Variable Return at maturity	Maximum Variable Return at maturity ¹
Annual interest	1%	2%	3%	0%	No maximum
Compound interest at maturity (2 years)	2.01%	4.04%	6.09%	0%	No maximum
Compound interest at maturity on a \$1,000 investment	\$20.10	\$40.40	\$60.90	\$0	No maximum

You should only reach a decision to invest in the Deposits after carefully considering, with your advisors, the suitability of this investment in light of your investment objectives and the information set out in this Information Statement, including the risk factors. The Bank, the Agent and the Bid Provider make no recommendation as to the suitability of the Deposits for investment with respect to your particular circumstances. Neither the Bank nor any of its affiliates make any representation or express a view on the merits of each Reference Asset for the purposes of the investment.

¹ Although there is no maximum return, the participation in the Reference Portfolio Return will be limited by the Participation Factor if such factor is less than 100%.

3. EXAMPLES

The following are hypothetical examples that illustrate how the Maturity Redemption Payment shall be calculated under different scenarios. These examples are included for illustration purposes only. The amounts and all other variables used in the following examples are hypothetical, are rounded for illustration purposes and are not forecasts or projections of the Reference Asset Return of each Reference Asset, the Reference Portfolio Return or the performance of the Deposits. No assurance can be given that the results shown in these examples will be achieved.

(1) *Hypothetical example of a **positive** Variable Return*

The following table is based on the assumption that the Closing Levels of the Reference Assets will increase during the 2-year term of the Deposits.

Reference Asset	Issuance Date	Valuation Date		
	Closing Level	Closing Level	Reference Asset Return	Weighted Reference Asset Return
Common shares of BCE Inc.	\$48.19	\$66.74	38.50%	3.85%
Common shares of The Bank of Nova Scotia	\$67.71	\$97.10	43.40%	4.34%
Common shares of Canadian Imperial Bank of Commerce	\$67.21	\$93.42	39.00%	3.90%
Common shares of Enbridge Inc.	\$48.67	\$70.57	45.00%	4.50%
Common shares of Great-West Lifeco Inc.	\$42.53	\$57.08	34.20%	3.42%
Common shares of Manulife Financial Corporation	\$32.71	\$48.08	47.00%	4.70%
Common shares of Pembina Pipeline Corporation	\$48.40	\$76.23	57.50%	5.75%
Common shares of TELUS Corporation	\$22.79	\$31.72	39.20%	3.92%
Common shares of The Toronto-Dominion Bank	\$81.92	\$123.78	51.10%	5.11%
Common shares of TC Energy Corporation	\$55.04	\$75.24	36.70%	3.67%
Sum of the Weighted Reference Asset Returns				43.16%

Reference Portfolio Return on the Valuation Date	43.16%
Variable Return: $\text{MAX}[0.00\%, 43.16\% \times 100.00\%] =$	43.16%
Maturity Redemption Payment: $\$100 \times [1 + 43.16\%] =$	\$143.16
Annualized compounded return over the 2-year term	19.65%

In this example, the Reference Portfolio Return on the Valuation Date is 43.16%. The Variable Return would be 43.16% and the Maturity Redemption Payment payable on the Maturity Payment Date would be \$143.16 (representing a return of approximately 19.65% compounded annually over 2 years).

(2) Hypothetical example of a *nil* Variable Return

The following table is based on the assumption that most of the Closing Levels of the Reference Assets will decrease during the 2-year term of the Deposits.

Reference Asset	Issuance Date	Valuation Date		
	Closing Level	Closing Level	Reference Asset Return	Weighted Reference Asset Return
Common shares of BCE Inc.	\$48.19	\$34.21	-29.00%	-2.90%
Common shares of The Bank of Nova Scotia	\$67.71	\$78.00	15.20%	1.52%
Common shares of Canadian Imperial Bank of Commerce	\$67.21	\$47.58	-29.20%	-2.92%
Common shares of Enbridge Inc.	\$48.67	\$35.43	-27.20%	-2.72%
Common shares of Great-West Lifeco Inc.	\$42.53	\$45.25	6.40%	0.64%
Common shares of Manulife Financial Corporation	\$32.71	\$26.36	-19.40%	-1.94%
Common shares of Pembina Pipeline Corporation	\$48.40	\$36.78	-24.00%	-2.40%
Common shares of TELUS Corporation	\$22.79	\$19.78	-13.20%	-1.32%
Common shares of The Toronto-Dominion Bank	\$81.92	\$76.76	-6.30%	-0.63%
Common shares of TC Energy Corporation	\$55.04	\$43.15	-21.60%	-2.16%
Sum of the Weighted Reference Asset Returns				-14.83%

Reference Portfolio Return on the Valuation Date	-14.83%
Variable Return: $\text{MAX}[0.00\%, -14.83\% \times 100.00\%]$ =	0.00%
Maturity Redemption Payment: $\$100 \times [1 + 0.00\%]$ =	\$100.00
Annualized compounded return over the 2-year term	0.00%

In this example, the Reference Portfolio Return on the Valuation Date is -14.83%. The Variable Return would be nil and the Maturity Redemption Payment payable on the Maturity Payment Date would be \$100.00 because the Deposits are principal protected at maturity.

4. RISK FACTORS

An investment in the Deposits involves certain risks. You should, in consultation with your own financial and legal advisers, carefully consider, among other matters, the following discussion of risks, before deciding whether an investment in the Deposits is suitable. The Deposits are not a suitable investment for a prospective purchaser who does not understand their terms or the risks involved in holding the Deposits.

Bank's creditworthiness. The Deposits constitute direct, unsecured and unsubordinated debt obligations of the Bank ranking *pari passu* with all other present and future unsecured and unsubordinated indebtedness of the Bank. Because the obligation to make payments to Holders of the Deposits is incumbent upon the Bank, the likelihood that such Holders will receive the Maturity Redemption Payment and any other payment under the Deposits will be dependent upon the financial health and creditworthiness of the Bank.

We refer you to the risks described in the Bank's Annual Report for the year ended October 31, 2023 and the Bank's report to shareholders for the first quarter of 2024. These analyses discuss, among other things, known material trends and events, and risks or uncertainties, that are reasonably expected to have a material effect on the Bank's business, financial condition, results of operations and hence, on its general creditworthiness.

Real or anticipated changes in credit ratings of the Bank may affect the market value of the Deposits. In addition, real or anticipated changes in credit ratings can affect the cost at which the Bank can transact or obtain funding, and thereby affect the Bank's liquidity, business, financial condition or results of operations.

Investors could make no return on the Deposits. There can be no assurance that the Deposits or the underlying interest will achieve any performance. The fluctuations in the price or level of the underlying interest are unpredictable and will be influenced by factors that are beyond the control of the Bank. As a result, the value of the Deposits will fluctuate. Historical performance levels of the underlying interest should not be considered as any indication of the future performance thereof.

Risks relating to unsecured nature of the Deposits. The Deposits will not be secured by any of the assets of the Bank. Therefore, holders of secured and unsubordinated indebtedness of the Bank would have a claim on the assets securing such indebtedness that ranks prior to your claim on such assets and would have a claim that ranks *pari passu* with the claim of Holders of Deposits on such assets to the extent that such security did not satisfy such secured indebtedness.

The Deposits could be redeemed prior to maturity under a Reimbursement Under Special Circumstances. Upon the occurrence of a Special Circumstance, the Bank may redeem the Deposits pursuant to a Reimbursement Under Special Circumstances. Under such circumstances, the investor may not be able to participate fully in the return of the underlying interest that might have occurred up to the payment date pursuant to a Reimbursement Under Special Circumstances.

Reliance on the Calculation Agent. The Bank will be the Calculation Agent for the Deposits. The Calculation Agent will be solely responsible for the determination and calculation of the Maturity Redemption Payment, including the Actualized NAV and any other determinations and calculations with respect to any payment in connection with the Deposits, as well as for determining whether a Market Disruption Event in respect of a Reference Asset has occurred and for making certain other determinations with regard to the Deposits. All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding upon the Holders. As such, investors in the Deposits will rely on and be exposed to the determinations of the Calculation Agent. The Calculation Agent will carry out its duties and functions in good faith and using its reasonable judgment.

Conflict of interest may affect the Calculation Agent. The Bank will be the Calculation Agent. The Calculation Agent may have economic interests adverse to those of the Holders, including with respect to certain determinations that the Calculation Agent must make in determining the amounts payable under the terms of the Deposits and in making certain other determinations with regard to the Deposits. However, the Calculation Agent will carry out its duties and functions in good faith and using its reasonable judgment.

Moreover, as noted above, the Bank and/or its affiliates expect to engage in trading activities related to the underlying interests that are not for the account of Holders or on their behalf. These trading activities may present a conflict between the Holders' interest in the Deposits and the interests of the Bank and/or its affiliates will have in their proprietary accounts in facilitating transactions, including block trades and options and other derivatives transactions, for their customers and in accounts under their management. These trading activities, if they influence the price or the level of the underlying interests, could be adverse to the interests of the Holders. Moreover, subsidiaries of the Bank, including NBF, may have published, and in the future are likely to publish, research reports with respect to the underlying interests. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Deposits. Any of these activities by the Bank, NBF and/or other affiliates thereof may affect the market price and/or the level of the underlying interest and, therefore, the market value of the Deposits.

Hedging transactions may affect the underlying interests. As described under "Related Matters - Use of proceeds and hedging", the Bank and/or its affiliates may hedge the Bank's obligations under the particular Deposits by doing one or a combination of the following: purchasing or selling the underlying interest (or constituents thereof) and/or futures or options on the underlying interest (or constituents thereof), or other derivative instruments with returns linked or related to changes in the performance of the underlying interest (or constituents thereof), and the Bank and/or its affiliates are likely to adjust these hedges by, among other things, purchasing or selling the underlying interest (or constituents thereof) and/or futures, options, or other derivative instruments with returns linked or related to changes in the performance of the underlying interest (or constituents thereof), from time to time. Any of these hedging activities may, but are not

expected to, impact the market price and/or the level of the underlying interest (or constituents thereof), and, therefore, increase or decrease the market value of the particular Deposits. It is possible that the Bank and/or its affiliates could receive substantial returns from these hedging activities while the market value of the particular Deposits declines. The Bank may benefit from the difference between the amount it is obligated to pay under the particular Deposits, net of related expenses, and the returns it may generate in hedging such obligation. The Bank and/or its affiliates may also engage in trading in the underlying interest (or constituents thereof) and other investments relating to the underlying interest (or constituents thereof) on a regular basis as part of their general broker-dealer and other businesses, for proprietary accounts, for other accounts under management or to facilitate transactions for customers. Any of these activities, among others, could impact the market price and/or the level of the underlying interest (or constituents thereof) and, therefore, may increase or decrease the market value of the Deposits. The Bank and/or its affiliates may also issue or underwrite other securities or financial or derivative instruments with returns linked or related to changes in the performance of the underlying interest (or constituents thereof). By introducing competing products into the marketplace in this manner, the Bank and/or its affiliates could adversely affect the market value of the Deposits.

The Valuation Date may be postponed if a Market Disruption Event occurs on the given date, which may affect the payment at maturity. The determination of the price or return of a Reference Asset may be postponed if the Calculation Agent determines that a Market Disruption Event has occurred or is continuing on the Valuation Date. If such a postponement occurs, the Calculation Agent will only be able to calculate the price or return of the Reference Asset on the first Business Day immediately after that day on which no Market Disruption Event occurs or is continuing. In no event, however, will the Valuation Date be postponed by more than five Business Days. If the Valuation Date is postponed to the last possible day, but a Market Disruption Event occurs or is continuing on that day, that day will nevertheless be the Valuation Date. In such an event, the Calculation Agent will make a good faith estimate of the price or return of the Reference Asset. If there is a postponement of the Valuation Date in respect of one or more Reference Assets owing to the occurrence of a Market Disruption Event or the absence of a closing price for any such Reference Assets on such day or the primary exchange for any such Reference Assets being closed on such date, the return that would be payable to an investor at maturity could be substantially lower than the return that would have been otherwise payable at maturity had the Valuation Date not been postponed.

The Reference Asset Returns will not reflect the full appreciation in the Reference Assets when including dividends and/or other distributions. The Reference Asset Returns will not reflect the payment of dividends and/or other distributions on account of the Reference Assets. Therefore, the yield based on the methodology for calculating the Reference Asset Returns will not be the same as the yield which may be produced if the Reference Assets were purchased directly and held for the same period.

The return on the Deposits may not reflect the full performance of the Reference Portfolio that could be realized if investors held the Reference Assets directly. The return on the Deposits will not reflect the return that could be realized if a Holder actually owned the Reference Assets included in the Reference Portfolio and held such investment for a similar period. Any positive Reference Portfolio Return as calculated on the Valuation Date will be multiplied by a Participation Factor which will result in a Holder receiving less than the full return of the Reference Portfolio if the Participation Factor is less than 100%. Therefore, the Maturity Redemption Payment may be less than the corresponding Reference Portfolio Return on the Valuation Date and the difference between the corresponding Reference Portfolio Return and the Maturity Redemption Payment may be significant.

Investors should understand that the Reference Asset Return for each Reference Asset is a price return and will not take into account dividends and/or distributions paid by the issuers on account of each of the Reference Assets.

In addition, if there is more than one Reference Asset in the Reference Portfolio, the Reference Asset Return of one or more Reference Assets could increase over the term of the Deposits, but be offset by decreases in the Reference Asset Return of other Reference Assets. Moreover, if the Reference Asset Weight for each Reference Asset is not equal, the Reference Assets having greater Reference Asset Weights will have a greater impact on the Reference Portfolio Return, and therefore the Maturity Redemption Payment, than the Reference Assets having lower Reference Asset Weights.

Holders have no ownership interest in the underlying interest or the constituents thereof. An investment in the Deposits does not constitute an investment in the underlying interest or the constituents thereof. A Holder will not be a beneficial owner of the underlying interest or constituents thereof during the term of the Deposits and therefore will not be entitled to any recourse to the underlying interest or the constituents thereof to satisfy amounts owing under the particular Deposits or to acquire the underlying interest or constituents thereof by virtue of their ownership of the particular Deposits. Moreover, Holders will not be entitled to any voting rights or to other control rights that holders of the underlying interest or the constituents thereof may have.

Concentration risk. The Deposits are linked only to the underlying interests. Deposits linked to underlying interests are linked only to such underlying interests. As a result, an investment in the Deposits may offer less diversification than an investment in other underlying interests, and may, as a result, be subject to greater volatility.

Deferred payment. If the payment of the full amount of the Maturity Redemption Payment of the Deposits when due would result in payment of "interest", as defined in *Criminal Code* (Canada), at a "criminal rate" (defined as an effective annual rate exceeding 60%), such payment would be prohibited by the *Criminal Code*. Accordingly, each Holder agrees that if payment of the full amount of the Maturity Redemption Payment of the Deposits would cause the Holder to receive payment of interest at a criminal rate for the purpose of the *Criminal Code*, the Bank may defer payment of a portion of such amount until the earliest time that it may be lawfully paid, with interest on the unpaid portion at the Bank's equivalent term deposit rate.

Legal, administrative and regulatory change. There can be no assurance that income tax, securities and other federal and provincial laws, or that the administrative practices of government bodies such as the CRA, will not be changed in a manner that will adversely affect investors in the Deposits.

Deposits are not qualified by prospectus. The Deposits are not qualified by prospectus under applicable Canadian securities laws. No Canadian or other regulatory authority has recommended or approved the Deposits, nor has any such regulatory authority reviewed or passed upon the accuracy or adequacy of this Information Statement. There is no statutory prospectus liability under Canadian securities laws in relation to the disclosure provided in the Information Statement.

You will not be entitled to the benefit of any changes in the Closing Level for any Reference Asset included in the Reference Portfolio prior to the Valuation Date. The Maturity Redemption Payment is linked to the value of the Reference Portfolio as of the Valuation Date. You will not be entitled to the benefit of any change in the Closing Level of any Reference Asset included in the Reference Portfolio during the term of the Deposits prior to the Valuation Date.

The Deposit is not transferable to other investors; no trading market for the Deposit. Investors should be willing to hold the Deposit to maturity. The Deposit is not transferable to other investors prior to maturity. The Deposit will not be listed on any stock exchange and no secondary market will be provided.

Sale back to the Bank at Bid Price; many factors affect the value of the Deposit; Bid Prices for Deposit may not reflect the return of the underlying interest. You will be able to sell your Deposit back to the Bank at the Bid Price, as provided herein. To this end, the Bank has appointed the Bid Provider (NBF) as its agent to quote on a daily basis a Bid Price (as defined herein) based on its assessment of the market value for the Deposit and to purchase from Holders that wish to sell back their Deposit prior to maturity such Deposit on behalf of the Bank for resale to the Bank and cancellation.

The Bid Provider will provide a daily Bid Price under normal market conditions. If the trading markets for one or more of the underlying interest are disrupted, or if trading of one or more of the underlying interest is suspended or terminated, or if any other Market Disruption Event occurs, the Bid Provider will generally deem that normal market conditions do not exist. In such instances, there may be no Bid Price quoted and Holders may be unable to sell back their Deposit to the Bank.

The fact that the Bank will be the sole purchaser of the Deposit may affect the Bid Price such a Holder will receive from the Bid Provider. The Bid Provider will carry out its bid making activities in good faith and in accordance with applicable regulations governing its business.

Holders choosing to sell their Deposit back to the Bank prior to maturity will receive an amount which may not necessarily reflect the return of the underlying interest up to the date of such sale. The price at which a Holder will be able to sell the particular Deposit prior to maturity may be at a discount (which could be substantial) from the amount that would be payable if the particular Deposit were maturing on such day, based upon one or more factors. Many factors independent of the Bank's creditworthiness may affect the Bid Price for the particular Deposit. These factors include those detailed under "Transfers; No Secondary Market; Sale of the Deposit to the Bank". The effect of any one factor may be offset or magnified by the effect of another factor.

Furthermore, the sale of the Deposit back to the Bank will need to be effected using Fundserv. The sale of Deposits using Fundserv is not like standard over-the-counter markets for debt instruments maintained by registered dealers and carries certain restrictions, including selling procedures that require the initiation of an irrevocable sale order at a Bid Price that will not be known prior to placing such sale order. See "Fundserv".

Conflict of interest may affect the Bid Provider. The Bid Provider for the Deposit is a wholly-owned subsidiary of the Bank. Under the Deposit, the interests of the Holders and the Bank may be different. The Bid Provider will carry out its activities in good faith and in accordance with applicable regulations governing its business.

Tax may be withheld from interest paid or deemed to be paid to a Holder who is a non-resident of Canada. Interest paid or deemed to be paid on the Deposits to a Holder who is a non-resident of Canada (including interest deemed to be paid as a consequence of a sale of Deposits back to the Bank prior to maturity) may be subject to Canadian non-resident withholding taxes. The applicable rate of withholding under the Tax Act is 25%, subject to reduction under any applicable income tax convention between Canada and the Holder's country of residence. To benefit from any reduction in respect of a payment made by the Bank, the Holder will be required to provide any available government forms relating thereto to the Bank. Such forms must be valid at the time of any payment under the Deposits. Non-resident Holders should consult their own tax advisors regarding the tax consequences of an investment in the Deposits. Payments in respect of a Deposit will not be increased by any amount to offset any tax withheld.

Certain Risk Factors related to Equity Linked Deposits:

Trading prices. Historical returns of the Reference Shares should not be taken as an indication of their future returns. The trading prices of the Reference Shares will fluctuate and will determine their return, and it is impossible to predict whether such price or return will increase or decrease. Trading prices of the Reference Shares will be influenced by the interrelated political, economic, financial and other factors that can affect the capital markets generally and the equities markets on which the Reference Shares are traded, and by various circumstances that can influence the value of a particular security.

Exposure to equities. Holders of Deposits linked to an underlying interest composed of equity securities will be exposed to equities. The value of most investments and, in particular, equity securities, is affected by changes in general market conditions and by changes in investors' perception of inflation expectations and the condition of the issuers of equity securities. These changes may be caused by actual or anticipated corporate developments, changes in interest rates, changes in the level of inflation, global or regional, political, economic or credit crises, and other political and economic developments. These changes can affect the price of equity securities which can move up or down, without any predictability.

Potential replacement of the Reference Shares. A Reference Share may be replaced with a replacement Reference Share as described herein. Although the Calculation Agent may make certain determinations in certain special circumstances to ensure that a replacement Reference Share is designated, information regarding certain replacement Reference Shares may not be readily available to Holders. Moreover, the return generated on such replacement Reference Share may not be as high as the return that would have been generated by the deleted Reference Share if it had not been replaced. Moreover, certain other adjustments events may occur in certain limited circumstances.

Neither the Bank nor the Agent nor the Bid Provider make any representation or warranty as to the accuracy or completeness of the information regarding the Reference Shares. All information regarding the Reference Shares and the issuers thereof contained in this Information Statement is derived from publicly available information, without independent verification. Neither the Bank nor the Agent nor the Bid Provider make any representation or warranty as to the accuracy or completeness of such information. Each Holder, as an investor in the Deposits, should make its own investigation regarding the issuers of the Reference Shares. The Bank and/or its affiliates are not affiliated with the issuers of the Reference Shares and have no ability to control or predict their actions. The issuers of the Reference Shares will not be involved in the offering of the Deposits in any way and have no obligation to consider any interests of an owner of the Deposits in taking any actions that might affect the value of the Deposits.

5. EXTRAORDINARY EVENTS AND SPECIAL CIRCUMSTANCES

Extraordinary Events affecting the Deposits

It is possible that a disruption in the financial markets, a change in the calculation or publication of the Reference Assets or any other event beyond the control of the Bank, may occur and affect the ability of the Calculation Agent to calculate the return or to fulfill any other obligation. In such case, the Bank may not comply with the general and specific conditions of the Deposits and may take any measures deemed necessary, including, without limitation, an adjustment of the amount payable before or at maturity of the Deposits, deferral of the calculation or payment of the return, deferral of the calculation of the Closing Level or other reference price for a Reference Asset, a different determination of the return or the use of a replacement Reference Asset. The Bank, as Calculation Agent, will be solely responsible for determining and calculating the return of the applicable Reference Asset. The Bank, as Calculation Agent, will also decide whether a Market Disruption Event has occurred and make any other decisions necessary with regard to the Deposits. All the decisions and calculations made by the Calculation Agent are in its sole discretion and, except for obvious errors, are final and binding. In all cases, the Calculation Agent will make all appropriate decisions and adjustments in the best interest of investors.

Reimbursement Under Special Circumstances and Payment

In the event of a Special Circumstance, all of the outstanding Deposits of a series may be redeemed, at the option of the Bank (a "Reimbursement Under Special Circumstances") upon 30 Business Days' prior notice furnished in writing by the Bank in the manner set forth under "Related Matters – Notice to Holders".

A "Special Circumstance" means an event where, in the opinion of the Bank acting reasonably and in good faith, an amendment or a change is made (or, in the case of a taxation statute or regulation, is proposed to be made) to a taxation statute or regulation, to taxation practices, policies or administration, or to the interpretation of any of the foregoing by any court, tribunal or other governmental or regulatory authority, or an event occurs, now or in the future, caused by circumstances beyond the control of the Bank making (or, in the case of a taxation statute or regulation, which would, if enacted or implemented, make) it illegal or disadvantageous, from a legislative or regulatory point-of-view, or disadvantageous, from a financial point-of-view, for the Bank to allow the Deposits of such series to remain outstanding. As provided hereunder, certain other extraordinary events affecting the underlying interest may be deemed to constitute a Special Circumstance and entitle the Bank to proceed with a Reimbursement Under Special Circumstances.

In the event of a Reimbursement Under Special Circumstances for which the Bank has opted to redeem the Deposits of a series, the Bank, acting in good faith, will set a date for the reimbursement of the particular Deposits (the "Special Reimbursement Date") and the Maturity Date will be accelerated to the Special Reimbursement Date. In such event, the Bank will establish a value for the particular Deposits, acting in good faith in accordance with industry-accepted methods based on a number of interrelated factors, such as, if applicable, the return, liquidity and volatility of the underlying interest, interest rates, any extraordinary events and Market Disruption Events affecting the underlying interest, and the time remaining to Maturity Date or the Valuation Date of the Maturity Redemption Payment or to any redemption or optional repayment date, as the case may be. The value of the Deposits determined in accordance with the foregoing will constitute the "Actualized NAV". If the Actualized NAV is equal to or greater than the Principal Amount per Deposit, then the Maturity Date will be accelerated to the Special Reimbursement Date and Holders of record on such date will be entitled to receive the Actualized NAV (which will not be less than the Principal Amount per Deposit). The Bank will make available to Holders, no later than 10:00 a.m. (Montréal time) on the fifth Business Day following the determination of the Actualized NAV, the amount payable pursuant to such redemption. If, however, the Actualized NAV is less than the Principal Amount per Deposit, then the Maturity Date will not be modified and an amount equal to the Actualized NAV will be notionally invested by the Bank in Permitted Investments until the earlier of (i) the date on which such amount equals the Principal Amount per Deposit, and (ii) the Maturity Date. As a result, investors might receive only the Principal Amount per Deposit at such date. Payment of any amount thereunder will be made on the fifth Business Day following such date.

6. CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

General. The following is a fair summary of the principal Canadian federal income tax consequences generally applicable to an initial purchaser of the Deposits offered pursuant to this Information Statement who is an individual (other than a trust), who acquires the Deposits on the Issuance Date and who, at all relevant times, for purposes of the Tax Act, is, or is deemed to be, a resident of Canada, deals at arm's length and is not affiliated with the Bank and acquires and holds the Deposits as capital property (an "Initial Holder").

The Deposits will generally be regarded as capital property of an Initial Holder who acquires and holds the Deposits as an investment unless the Initial Holder holds the Deposits in the course of carrying on a business or has acquired the Deposits in a transaction or transactions considered to be an adventure in the nature of trade. The determination of whether the Deposits are held as capital property for the purposes of the Tax Act should take into account, among other factors, whether the Deposits are acquired with the intention or secondary intention of selling them prior to the Maturity Date. Certain Initial Holders whose Deposits might not otherwise qualify as capital property may, in certain circumstances, treat such Deposits and all of the Initial Holder's other Canadian securities as capital property by making an irrevocable election provided by subsection 39(4) of the Tax Act.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder, all specific proposals to amend the Tax Act or the regulations publicly announced by the federal Minister of Finance prior to the date hereof and counsel's understanding of certain published administrative practices and policies of the CRA. This summary does not otherwise take into account or anticipate any changes in the law (including retroactive changes), whether by judicial, regulatory, administrative or legislative action, nor does it take into account tax laws of any province or territory of Canada, or of any jurisdiction outside Canada. Provisions of provincial income tax legislation vary from province to province in Canada and may differ from federal income tax legislation.

This summary is of a general nature only and is not intended to constitute, nor should it be relied upon or construed as, tax advice to any particular Initial Holder nor is it exhaustive of all possible Canadian federal income tax considerations. **Initial Holders should consult and rely on their own tax advisors as to the overall consequences of their acquisition, ownership and disposition of Deposits having regard to their particular circumstances.**

Accrual of Interest. In certain circumstances, provisions of the Tax Act can deem interest to accrue on a "prescribed debt obligation" (as defined for purposes of the Tax Act). Counsel to the Bank understands that the CRA takes the administrative position that instruments similar to the Deposits constitute "prescribed debt obligations". Based in part on an understanding of the CRA's current administrative policies and assessing practices, no amount should be deemed to accrue under these provisions and as a consequence, there should be no deemed accrual of interest on the Deposits prior to the Maturity Redemption Payment or Actualized NAV becoming calculable.

Payment at Maturity. The amount of the excess, if any, of the payment made to an Initial Holder at maturity (including upon a Reimbursement Under Special Circumstances) over the Principal Amount of a Deposit will be included in the Initial Holder's income, as interest, in the taxation year in which the Valuation Date occurs (or the date on which the Actualized NAV is determined).

To the extent that a RRIF disposes of a Deposit prior to maturity and receives less than the Principal Amount thereof, the "minimum amount" (as defined in the Tax Act) required to be withdrawn by an annuitant of the RRIF would generally not be reduced or otherwise impacted for the taxation year in which the disposition occurs.

7. DEFINITIONS

In this Information Statement, unless the context otherwise requires, terms not otherwise defined herein will have the meaning ascribed thereto hereunder:

“**Actualized NAV**” means an amount calculated in respect of Deposits in a situation in which the Bank determines to make a Reimbursement Under Special Circumstances, all as described under “Extraordinary Events and Special Circumstances – Reimbursement Under Special Circumstances and Payment”.

“**Agency Agreement**” has the meaning ascribed thereto under “Plan of Distribution”.

“**Agent**” means National Bank Investments Inc., a wholly-owned subsidiary of the Bank.

“**Bank**” means National Bank of Canada.

“**Bid Price**” has the meaning ascribed thereto under “Transfers; No Secondary Market; Sale of the Deposit to the Bank”.

“**Bid Provider**” means National Bank Financial Inc., a wholly-owned subsidiary of the Bank.

“**Business Day**” means any day, other than a Saturday or a Sunday or a day on which commercial banks in either Montréal or Toronto are required or authorized by law to remain closed. Unless otherwise mentioned, if any day on which an action specified in this Information Statement is required to be taken in respect of the Deposits falls on a day which is not a Business Day, such action may be postponed to the following Business Day.

“**Calculation Agent**” means the Bank.

“**Closing Level**” has the meaning ascribed thereto under “Return of Your Deposit – Closing Level”.

“**CRA**” means the Canada Revenue Agency.

“**DBRS**” means DBRS Limited.

“**Deposits**” means the NBC Canadian Equity Flex GIC, Series 58, Advisors Category.

“**Fitch**” means Fitch Ratings, Inc.

“**Fundserv**” means the network maintained and operated by Fundserv Inc. for electronic communication with participating companies, including the receiving of orders, order match, contracting, registrations and settlement of orders, transmission of confirmation of purchases, and the redemption of investments or instruments.

“**Holder**” means an owner of record or beneficial owner of a Deposit.

“**Information Statement**” means the present information statement.

“**Initial Holder**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations”.

“**Issuance Date**” means the date as of which the Deposits are issued, as evidenced by the registration of such issuance in the records of the Bank.

“**Market Disruption Event**” with respect to a Reference Asset, any bona fide event, circumstance or cause (whether or not reasonably foreseeable) beyond the reasonable control of the Calculation Agent or any person that does not deal at arm’s length with the Calculation Agent which has or will have a material adverse effect on the ability of the Bank generally to place, maintain or modify hedge positions in respect of any Reference Asset or the Deposits. A Market Disruption Event may include, without limitation, a suspension, absence or material limitation of trading or subscription, a regulatory change or any event having a material adverse effect on the financial markets.

“**Maturity Date**” means the date specified thereto under “Investment Highlights – Maturity Date”.

“**Maturity Payment Date**” means the Maturity Date, provided that (i) if such date is not a Business Day, then the Maturity Payment Date will be the immediately following Business Day and (ii) if the Valuation Date is postponed as provided herein if it is not a Trading Day for all Reference Assets included in the Reference Portfolio and/or due to a Market Disruption Event, the Maturity Payment Date will be postponed by an equivalent number of Business Days.

“**Maturity Redemption Payment**” has the meaning ascribed thereto under “Return of Your Deposit – Maturity Redemption Payment”.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**NBF**” means National Bank Financial Inc.

“**Participation Factor**” has the meaning ascribed thereto under “Investment Highlights – Participation Factor”.

“**Permitted Investments**” means fixed income and/or money market instruments consisting of debt issued by the Government of Canada or its agencies, debt issued by the provinces of Ontario, Quebec, Alberta or British Columbia or bankers’ acceptances issued by Canadian banks or cash deposits with Canadian banks with a rating of at least R-1 (low), A-1 or P-1 by DBRS, S&P and Moody’s respectively. The term to maturity of the Permitted Investments shall not be beyond the Maturity Date.

“**Price Source**” means the price source indicated in the table under “Return of Your Deposit – Reference Portfolio” under Exchange or, if such price source is discontinued or otherwise unavailable, any other price source deemed reliable and appropriate by the Calculation Agent acting in good faith.

“**Principal Amount**” means \$100 per Deposit. For greater certainty, the Principal Amount for fractional Deposits will be equal to a corresponding fraction of \$100 per Deposit and Holders who have sold Deposits prior to the Maturity Payment Date will not be entitled to receive any Principal Amount in respect of such Deposits that have been sold.

“**Reference Assets**” means the underlying interests contained in the Reference Portfolio and “Reference Asset” means each of the Reference Assets.

“**Reference Asset Return**” has the meaning ascribed thereto under “Return of Your Deposit – Reference Asset Return”.

“**Reference Asset Weight**” means the weight of each Reference Asset contained in the Reference Portfolio.

“**Reference Portfolio**” means, the notional portfolio made up of each Reference Asset, as described in this Information Statement under “Reference Portfolio”.

“**Reference Portfolio Return**” has the meaning ascribed thereto under “Return of Your Deposit – Reference Portfolio Return”.

“**Reference Share**” means each of the shares or other equity securities comprising the Reference Portfolio.

“**Reimbursement Under Special Circumstances**” means a special reimbursement of the Deposits, prior to the Maturity Date, in the circumstances and the manner described under “Extraordinary Events and Special Circumstances – Reimbursement Under Special Circumstances and Payment”.

“**Sale Deadline Time**” has the meaning ascribed thereto under “Fundserv – Sale of Deposits to the Bank”.

“**S&P**” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

“**Special Circumstances**” has the meaning ascribed thereto under “Extraordinary Events and Special Circumstances – Reimbursement Under Special Circumstances and Payment”.

“**Special Reimbursement Date**” means, the special payment date established in connection with a Reimbursement under Special Circumstances as described hereunder “Extraordinary Events and Special Circumstances – Reimbursement Under Special Circumstances and Payment”.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Trading Day**” means for each Reference Asset, a day on which the Closing Level is scheduled to be calculated and reported or published for that day. The occurrence of a Market Disruption Event does not, by that reason alone, qualify a day as a non-Trading Day.

“**Valuation Date**” means the valuation date, as specified in the table under “Investment Highlights – Valuation Date”, provided that if such day is not a Trading Day for all Reference Assets included in the Reference Portfolio, it will be postponed until the next Trading Day which is a trading day for all Reference Assets, subject to a Market Disruption Event. In no event, however, will the Valuation Date be postponed by more than five Business Days. If the Valuation Date is postponed to the last possible day, but a Market Disruption Event occurs or is continuing on that day, that day will nevertheless be the Valuation Date. In such an event, the Calculation Agent will make a good faith estimate of the price or return of the Reference Asset.

“**Variable Return**” has the meaning ascribed thereto under “Return of Your Deposit – Variable Return”.

“**Weighted Reference Asset Return**” has the meaning ascribed thereto under “Return of Your Deposit – Weighted Reference Asset Return”.

PART B - GENERAL CONDITIONS OF THE INVESTMENT

1. FEES AND EXPENSES

If specified in the “Investment Highlights” section on the cover page of this Information Statement, the Bank will pay to the Agent for payment by the Agent to those advisors whose clients purchase Deposits, a selling fee per Deposit sold under the offering. The Bank will not charge any other fee or seek reimbursement of any other expense in respect of the Deposits. For greater certainty, the pricing of the Deposits will factor in any selling commission payable to the Agent and the Bank’s cost of hedging its obligations under the Deposits. As is generally the case for bank deposits, the Bank may earn a return on the offering of Deposits. This return may arise from the difference between the amount the Bank may generate in hedging its obligations under the Deposits, net of related expenses, and the amount the Bank is obligated to pay under the Deposits.

2. TRANSFERS; NO SECONDARY MARKET; SALE OF THE DEPOSITS TO THE BANK

Investors should be willing to hold the Deposit to maturity. The Deposit is not transferable to other investors prior to maturity.

The Deposit will not be listed on any stock exchange and no secondary market will be provided.

You will however be able to sell your Deposit back to the Bank at the Bid Price. To this end, the Bank has appointed the Bid Provider (NBF) as its agent to quote on a daily basis a price based on its assessment of the market value for the Deposit (the “Bid Price”) and to purchase from Holders that wish to sell back their Deposit prior to maturity such Deposit on behalf of the Bank for resale to the Bank and cancellation.

The Bid Provider will maintain until the Valuation Date, under normal market conditions, a daily Bid Price for the Deposit. If the trading markets for one or more of the underlying interest are disrupted, or if trading of one or more of the underlying interest is suspended or terminated, or if any other Market Disruption Event occurs, the Bid Provider will generally deem that normal market conditions do not exist. In such instances, there may be no Bid Price quoted and Holders may be unable to sell back their Deposit to the Bank. The Bid Provider may also, in its sole discretion, stop maintaining a daily Bid Price for the Deposit at any time without any prior notice to Holders.

If you decide to sell the Deposit back to the Bank prior to maturity, you may receive less than the Principal Amount per Deposit, even if the performance of the Reference Portfolio up to that time has been positive. See “Risk Factors – Sale back to the Bank at Bid Price; many factors affect the value of the Deposit; Bid Prices for Deposit may not reflect the return of the underlying interest”.

The sale of the Deposit back to the Bank will need to be effected using Fundserv. Fundserv carries certain restrictions with respect to the sale of Deposits, including the selling procedures that require an irrevocable sale order be initiated at a Bid Price that will not be known prior to initiating such sale order. See “Fundserv”.

You should be aware that any valuation price for the Deposits appearing in your periodic investment account statements, as well as any Bid Price quoted to you to sell the Deposits back to the Bank, will be before the application of any applicable early trading charge. If you wish to sell a Deposit back to the Bank prior to maturity, you should consult your investment advisor on whether such sale of the Deposits will be subject to an early trading charge and, if so, the amount of the early trading charge. If you sell your Deposits back to the Bank prior to maturity, you may have to do so at a discount from your Principal Amount of the Deposits even if the performance of the Reference Portfolio has been positive, and as a result, you may suffer a loss.

There will not be any trading market for the Deposit other than the ability to sell back the Deposit to the Bank under the conditions described above. If you cannot accept that the transfer and sale are limited in this way or you must have the ability to sell back to the Bank at all times, you should not invest in the Deposit.

Factors affecting the Bid Price of the Deposit. The Bid Price of a Deposit will be determined by the Bid Provider at any time, acting in its sole discretion, based on its assessment of the market value of the Deposit and will be dependent upon a number of factors, which may include, among other things:

- **interest rates in the market** – an increase in interest rates will adversely affect the price of the Deposit;
- **the return of each underlying interest since the Issuance Date** – a negative return will adversely affect the price of the Deposit;
- **the time remaining until the maturity of the Deposit** – where the value may be discounted prior to such time;
- **the volatility of each underlying interest** (i.e., the frequency and magnitude of changes in the price of each underlying interest) – high volatility may adversely affect the price of each underlying interest, adversely affecting the Reference Portfolio Return and therefore the price of the Deposit;
- **economic, financial, political, regulatory or judicial events that affect the price of each underlying interest** – which will affect the return of each underlying interest and therefore the Reference Portfolio Return and price of the Deposit;

- **the liquidity and market price of each underlying interest and the other factors that affect each underlying interest markets generally** – poor liquidity and price will adversely affect the return of each underlying interest and therefore the Reference Portfolio Return and price of the Deposit;
- **the creditworthiness of the Bank** – a deterioration of the creditworthiness of the Bank may bring uncertainty as to the capacity of paying amounts owed under the Deposit at maturity, and therefore adversely affect the demand for and price of the Deposit; and
- **the Bank's costs relating to the Deposit, including the cost of hedging its obligations under the Deposit** – When offering a Bid Price for a Deposit, the Bid Provider will consider the price it will receive when it will sell back the Deposit to the Bank, which price will reflect the Bank's costs relating to the manufacture, sale and hedging of the Deposit.

The effect of any one factor may be offset or amplified by the effect of another factor. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect the Bid Price for a Deposit. In particular, you should realize that any Bid Price for a Deposit may have a non-linear sensitivity to the increases and decreases in the prices of each underlying interest (i.e., the Bid Price of a Deposit will increase and decrease at a different rate compared to the percentage increases and decreases in the prices of each underlying interest). As well, the Bid Price for a Deposit may be substantially affected by changes in the level of interest rates independent of performance of each underlying interest.

Moreover, while the Maturity Redemption Payment is based on the full Principal Amount of the Deposit, the pricing of the Deposit will factor in any selling commission described herein and the Bank's costs of hedging its obligations under the Deposit. As a result, assuming no change in market conditions and any other relevant factors highlighted herein that may affect the Bid Price of the Deposit, the Bid Price will likely be lower than the original issue price when taking such fees and costs into consideration. This effect is expected to be greater if the Deposits are sold earlier in the term of the Deposits. It is expected that the early trading charge, if any, will correspond to such discount from the original issue price.

You should consult your investment advisors as to whether it would be more favorable in the circumstances at any time to sell the Deposit or to hold the Deposit until maturity. See "Certain Canadian Federal Income Tax Considerations".

3. FUNDSERV

The Deposits may be only purchased through dealers and other firms that facilitate purchase and related settlement using the Fundserv network. You should consult with your financial advisors to obtain further information on Fundserv's procedures applicable to them.

Where a Holder's purchase order for Deposits is made by a dealer or other firm using the Fundserv network, such dealer or other firm may not be able to accommodate a purchase of Deposits through certain registered plans for purposes of the Tax Act. Holders should consult their financial advisors as to whether their orders for Deposits will be made using the Fundserv network and any limitation on their ability to purchase Deposits through registered plans.

Fundserv is owned and operated by both fund sponsors and distributors and provides distributors of funds and certain other financial products with online order access to such financial products, including the Deposits. Fundserv enables its participants to clear certain financial product transactions between participants, to settle the payment obligations arising from such transactions, and to make other payments between themselves.

Purchase of Deposits using the Fundserv Network. In order to purchase Deposits using the Fundserv network, the full Principal Amount must be delivered to the Bank in immediately available funds prior to the Issuance Date. Despite delivery of such funds, the Bank reserves the right not to accept any offer to purchase a Deposit, in whole or in part. If a subscription for Deposits is not accepted (in whole or in part) or Deposits are not issued to you for any reason, such funds will be returned forthwith to you. In any case, if the Deposits are not issued for any reason as determined by the Bank, no interest or other compensation will be paid to you on such funds.

Sale of Deposits to the Bank. If you wish to sell back the Deposits to the Bank prior to maturity, you will be subject to certain procedures and limitations and you should consult with your financial advisor in advance in order to understand the timing and other procedural requirements and limitations of selling. You will not be able to negotiate a sale price for the Deposits. Instead, you will need to initiate an irrevocable request to sell the Deposit in accordance with the then established procedures of Fundserv. Provided the order is received before 1:00 p.m. (Montréal time) or such other time as may be established by the Bid Provider (the "Sale Deadline Time") on any Business Day, the request will be treated on the same day. Any request received after such time or on a day that is not a Business Day will be deemed to be a request sent and received before the Sale Deadline Time on the following Business Day. The sale of the Deposit will be effected at a sale price established after the close of market on the day the request is treated, equal to the Bid Price on the applicable day, as posted by the Bid Provider, minus any applicable early trading charge for the Deposits.

The Bid Provider will provide the Bank for posting, under normal market conditions, a Bid Price for the Deposits on a daily basis, which value may also be used for valuation purposes in any statement sent to Holders. The Bid Price will actually represent the Bid Provider's bid price for the Deposits (i.e., the price it is offering to purchase Deposits) for the applicable day, less the applicable early trading charge. There is no guarantee that the Bid Price for any day is the highest bid price possible for the Deposits, but it will represent the Bid Provider's bid price generally available to all Holders.

4. RELATED MATTERS

The following is a summary of other information relevant to your decision to purchase the Deposits.

1. **The Bank reserves the right to discontinue accepting subscriptions at any time without notice.** The Bank may in its sole discretion, at any time prior to the Issuance Date, elect whether or not to proceed in whole or in part with the issue of the Deposits. If for any reason the issuance of the Deposits does not occur, any unaccepted Principal Amount will be returned to investors without interest or charge. Moreover, the Bank may, in its sole discretion, postpone the Issuance Date to a later date within thirty days following the Issuance Date specified in this Information Statement. In such case, the relevant dates set out herein will be postponed by an equivalent number of Business Days.

2. **Subscription.** The Deposits are sold by the Bank at a price of \$100 each and payable on the Issuance Date. The minimum subscription price per Holder is \$1,000 (10 Deposits). Fractional Deposits over such minimum number of Deposits may be issued and all calculations made in respect of amounts payable on account of a fractional Deposit will be prorated accordingly. The Principal Amount and all payments under the Deposits will be in Canadian dollars.

Orders for purchases of Deposits may be accepted in whole or in part, and the right to allot Deposits to investors in an amount less than subscribed for by the investors is reserved by the Bank. The Bank reserves the right to discontinue accepting subscriptions at any time without notice. Any rejected subscription amount will be returned to you without any interest or deduction.

The full subscription price therefore must be delivered to the Bank in immediately available funds at the time of subscription prior to the Issuance Date and will be held in escrow pending closing of the offering of the Deposits. The purchaser will not receive interest on funds so delivered. If for any reason, at the sole discretion of the Bank, the closing of this offering does not occur, all subscription funds will be returned to subscribers without interest or deduction. The Agent or other selling firms may however make other arrangements with prospective purchasers where interest may be paid. Any such arrangement will be made independently from the Bank between the Agent or other selling firms and the prospective purchasers and shall not be binding upon the Bank.

3. **Agent.** The Agent, a wholly-owned subsidiary of the Bank, and the Bank have entered into an agency agreement (the "Agency Agreement") pursuant to which the Agent has agreed to offer Deposits for sale on a best efforts basis. The Bank may also retain the services of other registered dealers to act as Agents in the sale of Deposits.

4. **No early redemption.** The Deposits are not redeemable at your option prior to the Maturity Date. See "Transfers; No Secondary Market; Sale of the Deposit to the Bank".

5. **Deposits are unsubordinated indebtedness.** The Deposits will constitute direct, unsecured and unsubordinated debt obligations of the Bank. The Deposits will be issued on an unsubordinated basis and will rank *pari passu* with all other present and future unsecured and unsubordinated indebtedness of the Bank and will be payable rateably without any preference or priority.

6. **Credit rating.** The long-term non bail-inable senior debt of the Bank is, at the date of this Information Statement, rated as specified in the "Investment Highlights" section on the cover page of this Information Statement. The Deposits have not been rated by any rating agencies. There can be no assurance that, if the Deposits were specifically rated by these rating agencies, they would have the same rating as the other deposit liabilities of the Bank. A credit rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

7. **Use of proceeds and hedging.** The Bank will use the proceeds of the offering of Deposits, after payment of the expenses related to such offering, for general banking purposes. The Bank and/or its affiliates may also use those proceeds in transactions intended to hedge the Bank's obligations under the Deposits. The hedging activity of the Bank and/or its affiliates may adversely affect the market value of the Deposits from time to time. See "Risk Factors – Hedging transactions may affect the underlying interests".

8. **Settlement of payments.** For those accounts held in an investor's name: If you have not provided the Agent with instructions regarding the payment of those amounts payable on the Maturity Payment Date or on any other payment dates, those amounts payable under the Deposit will be reinvested into a savings account. For nominee accounts: The Bank will be required to make available to nominees or owners, as the case may be, on the Maturity Payment Date or on any other payment dates, funds in an amount sufficient to pay the amounts then due under the Deposit. The Bank expects that payments made by nominees to owners will be governed by standing instructions and customary practices, as is the case with instruments held for the accounts of investors in bearer form or registered in the nominee's name, and will be the responsibility of such nominees.

Prior to the Maturity Payment Date and in accordance with the conditions set forth in the contract between the investor and his advisor or broker, it is the investor's responsibility to give the relevant instructions to his advisor or broker with respect to the reinvestment, at maturity, of the Principal Amount (and of the Variable Return and any other payment, if any).

- 9. Calculation Agent.** The Bank will be the Calculation Agent with regard to the Deposits. The Calculation Agent will be solely responsible for the determination and calculation of the Reference Asset Returns, the Reference Portfolio Return and the Variable Return, as well as for determining whether a Market Disruption Event or other extraordinary events have occurred and any ensuing adjustments as provided herein and for making certain other determinations with regard to the Deposits. All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding upon the Holders. See “Risk Factors – Conflict of interest may affect the Calculation Agent”.
- 10. Eligibility for investment.** Based on the legislation in effect on the date hereof, the Deposits will, at the Issuance Date, be qualified investments under the Tax Act for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), registered education savings plans (“RESPs”), registered disability savings plans (“RDSPs”), deferred profit sharing plans (“DPSPs”) (other than DPSPs to which contributions are made by the Bank or an employer with which the Bank does not deal at arm’s length within the meaning of the Tax Act), tax-free savings accounts (“TFSA”) and first home savings accounts (“FHSA”), each as defined in the Tax Act. If the Deposits are “prohibited investments” (within the meaning of the Tax Act), for an RRSP, a RRIF, an RESP, an RDSP, a TFSA or a FHSA, the annuitant of the RRSP or the RRIF, the subscriber of the RESP, or the holder of the RDSP, the TFSA or the FHSA (as the case may be) (the “Plan Holder”) will be subject to a penalty tax as set out in the Tax Act. The Deposits will be “prohibited investments” (within the meaning of the Tax Act) for an RRSP, a RRIF, an RESP, an RDSP, a TFSA or a FHSA belonging to a Plan Holder who has a “significant interest” (as defined in the Tax Act) in the Bank or who does not deal at arm’s length with the Bank for the purposes of the Tax Act. Investors should consult their own tax advisors in this regard. When offered through Fundserv, purchasers who wish to purchase Deposits using the Fundserv network for registered accounts such as RRSPs will need to have their own self-directed registered accounts. See “Fundserv”.
- 11. Notice to Holders.** If notice is required to be given to you relating to the Deposits, it will be validly given if communicated to the Holders by mail, electronic, on the Bank’s website www.nbcstructuredolutions.ca and/or any other means.
- 12. Amendments to the Deposits.** The terms of the Deposits may be amended without your consent by agreement between the Bank and the Agent if, in the reasonable opinion of the Bank and the Agent, the amendment would not materially and adversely affect your interests. In all other cases, the terms of the Deposits may be amended by the Bank if the amendment is approved by a resolution passed by the favourable votes of the Holders of not less than 66 2/3% of the Deposits represented at a meeting convened for the purposes of considering the resolution, or by written resolution signed by Holders of not less than 66 2/3% of the Deposits. Each Holder is entitled to one vote per Deposit held by such Holder for the purposes of voting at a meeting convened to consider a resolution. The Deposits do not carry the right to vote in any other circumstances.
- 13. Right of cancellation.** You are entitled to a right of cancellation, which must be exercised within two Business Days after the later of (i) the day on which the agreement to purchase the Deposits is entered into and (ii) the day on which this Information Statement is provided to you.
- The agreement to purchase the Deposits will be entered into (i) if the order to purchase is received via telephone, on the day on which the order to purchase is received, and (ii) if the order to purchase is received in person or by electronic means, on the later of (a) the day on which the Information Statement is provided to the investor and (b) the day on which the order to purchase is received.
- Investors will be deemed to have been provided the Information Statement (i) on the day recorded as the time of sending by the server or other electronic transmission system, if provided by electronic means; (ii) on the day recorded on the transmission report as the time of sending, if provided by fax; (iii) five Business Days after the postmark date, if provided by mail; and (iv) when it is received, in any other case.
- Upon cancellation of the purchase of the Deposits, you will be entitled to a refund of your Principal Amount and of any fees relating to the purchase that have been paid by you. To exercise their right of cancellation, investors may contact their investment advisor.
- 14. Governing laws.** The Deposits will be governed by and construed in accordance with the laws of the Province of Quebec and the laws of Canada applicable therein. Moreover, by subscribing to the Deposits, Holders will be agreeing with the Bank to irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Quebec and Ontario with respect to any matters arising out of this Information Statement or any matter related to the Deposits.

Investors should be aware that the Deposits are not securities issued by a mutual fund and purchasers do not benefit from certain rights and recourses otherwise provided by certain securities laws in connection with the issuance of such securities, including the right to receive a prospectus and other customary information documents provided by issuers, a right of rescission and certain other rights of action to cancel a purchase, revise the price of a purchase or seek damages in case documents show false or misleading information. However, purchasers will receive a copy of this Information Statement, which grants purchasers, in certain circumstances, a contractual right of cancellation described herein under “Right of cancellation”.