

**FIRST AMENDING AGREEMENT TO
INTERCOMPANY LOAN AGREEMENT**

THIS FIRST AMENDING AGREEMENT TO INTERCOMPANY LOAN AGREEMENT (this “**Agreement**”) is made as of the 7th day of April, 2016.

BETWEEN:

National Bank of Canada, a bank named in Schedule I to the *Bank Act* (Canada), whose executive office is at 600 De La Gauchetière Street West, Montréal, Québec, Canada H3B 4L2, as the Issuer (referred to herein as the “**Issuer**”) and as the Cash Manager (hereinafter referred to as the “**Cash Manager**”); and

NBC Covered Bond (Legislative) Guarantor Limited Partnership, a limited partnership existing under the law of the Province of Ontario, whose registered office is at 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6, acting by its managing general partner **NBC Covered Bond (Legislative) GP Inc.** (referred to herein as the “**Guarantor**”).

WHEREAS the parties entered into an intercompany loan agreement made as of October 31, 2013 (the “**Intercompany Loan Agreement**”);

AND WHEREAS the parties hereto have agreed to amend the Intercompany Loan Agreement pursuant to the terms of this Agreement in accordance with Section 12.7 of the Intercompany Loan Agreement and Section 8.02 of the Security Agreement;

NOW THEREFORE IT IS HEREBY AGREED that in consideration of the mutual covenants and agreements herein set forth, the parties agree as follows:

ARTICLE 1 – AMENDMENTS

1.01 **Amendments**

(1) The following paragraph is added at the end of Section 3.2 of the Intercompany Loan Agreement:

Notwithstanding the foregoing, the Demand Loan shall not have a positive balance at any time following the occurrence of a Demand Loan Repayment Event and the repayment in full of the then outstanding Demand Loan by the Guarantor in accordance with Section 7.2. (it being understood that, following such repayment, the principal balance of the Guarantee Loan shall be deemed to be equal to the full amount of the aggregate principal amount of Advances then outstanding and recorded in the Intercompany Loan Ledger in accordance with Section 5.4).

ARTICLE 2– MISCELLANEOUS

2.01 Further Assurances

Each of the parties hereto will from time to time execute and deliver all such further documents and instruments and do all acts and things as any of the other parties may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

2.02 Other Amendments

Except as expressly amended, modified and supplemented hereby, the provisions of the Intercompany Loan Agreement are and shall remain in full force and effect and shall be read with this Agreement, *mutatis mutandis*. Where the terms of this Agreement are inconsistent with the terms of the Intercompany Loan Agreement (prior to its amendment hereby), the terms of this Agreement shall govern to the extent of such inconsistency.

2.03 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein.


2.04 Interpretation

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Intercompany Loan Agreement (prior to its amendment hereby).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties have caused this Agreement to be executed the day and year first before written above.

NATIONAL BANK OF CANADA

Per: 
Name: Jean Dagenais
Title: Senior Vice-President, Finance

**NBC COVERED BOND (LEGISLATIVE)
GUARANTOR LIMITED PARTNERSHIP**
by its managing general partner, **NBC
COVERED BOND (LEGISLATIVE) GP
INC.**

Per: 
Name: Éric Girard
Title: President