

**THIRD AMENDING AGREEMENT TO
TRUST DEED**

THIS THIRD AMENDING AGREEMENT TO TRUST DEED (this “**Agreement**”) is made as of the 12th day of September, 2017.

BY AND AMONG

- (1) **NATIONAL BANK OF CANADA**, a bank named in Schedule I to the *Bank Act* (Canada), in its capacity as Issuer;
- (2) **NBC COVERED BOND (LEGISLATIVE) GUARANTOR LIMITED PARTNERSHIP**, a limited partnership formed under the laws of the Province of Ontario, by its managing general partner **NBC COVERED BOND (LEGISLATIVE) GP INC.**, in its capacity as Guarantor; and
- (3) **COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company formed under the laws of Canada, in its capacity as Bond Trustee.

WHEREAS the parties entered into a trust deed made as of October 31, 2013, as amended pursuant to an amending agreement made as of December 17, 2014 and further amended pursuant to a second amending agreement made as of April 7, 2016 (collectively, the “**Trust Deed**”);

AND WHEREAS the parties hereto have agreed to amend the Trust Deed pursuant to the terms of this Agreement in accordance with Clause 21.2 of the Trust Deed 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 definition will be added as Section 1.6 of the Trust Deed:

““**Tax Jurisdiction**” means the Relevant Jurisdiction.”

- (2) The second paragraph of the recitals of the schedule attached to the Trust Deed as Schedule 1 – *Terms and Conditions of the Covered Bonds* is amended by replacing the words “April 7, 2016” with the words “7 April 2016 and 12 September 2017”.

- (3) Section 8.01(g) of the schedule attached to the Trust Deed as Schedule 1 – *Terms and Conditions of the Covered Bonds* is amended by replacing the word “and” with the word “or”.

- (4) Section 8.01(i) of the schedule attached to the Trust Deed as Schedule 1 – *Terms and Conditions of the Covered Bonds* is amended by replacing the period with a semicolon.

(5) Parts 1, 2 and 3 of the schedule attached to the Trust Deed as Schedule 3 – *Forms of Registered Global and Definitive Covered Bonds* are amended by replacing the second paragraph and adding a third paragraph (in the case of Part 1 and Part 3 (Part B)) or by replacing the third paragraph and adding a fourth paragraph (in the case of Part 2 and Part 3 (Part A)) to the legend as follows:

“BY ITS ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (A) IT IS NOT AND FOR SO LONG AS IT HOLDS THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT BE (I) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”) THAT IS SUBJECT TO TITLE I OF ERISA, (II) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE (EACH OF THE FOREGOING, A “PLAN”), OR (IV) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER EMPLOYEE BENEFIT PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW, THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (EACH OF THE ENTITIES REFERRED TO UNDER THIS PARAGRAPH (IV), A “SIMILAR LAW PLAN”), OR (B) ITS ACQUISITION AND HOLDING OF THIS SECURITY WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR, IN THE CASE OF A SIMILAR LAW PLAN, A VIOLATION OF ANY SUBSTANTIALLY SIMILAR U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW FOR WHICH AN EXEMPTION IS NOT AVAILABLE.

IN ADDITION, BY ITS ACQUISITION AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER THAT IS A PLAN, INCLUDING ANY FIDUCIARY PURCHASING THIS SECURITY ON BEHALF OF A PLAN (“PLAN FIDUCIARY”) WILL BE DEEMED TO REPRESENT AND WARRANT, IN ITS CORPORATE AND ITS FIDUCIARY CAPACITY, THAT: (1) NONE OF THE ISSUER, THE GUARANTOR, THE BOND TRUSTEE, THE DEALERS, THE ARRANGERS NOR ANY OF THEIR RESPECTIVE AFFILIATES (THE “TRANSACTION PARTIES”) HAS PROVIDED OR WILL PROVIDE IMPARTIAL INVESTMENT ADVICE OR GIVE ADVICE IN A FIDUCIARY CAPACITY WITH RESPECT TO THE ACQUISITION OF THIS SECURITY BY THE PLAN, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE INVESTMENT ADVISERS ACT OF 1940 (THE “ADVISERS ACT”), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER THAT IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A PLAN; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THIS SECURITY WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. \$50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (I) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING IRA OR (II) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THIS SECURITY IN SUCH CAPACITY); (2) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR

TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THIS SECURITY; (3) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS SECURITY; (4) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THIS SECURITY OR TO NEGOTIATE THE TERMS OF THE PLAN'S INVESTMENT IN THIS SECURITY; AND (5) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS SECURITY; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES' FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS SECURITY. IN ADDITION, ANY PURCHASER THAT IS A SIMILAR LAW PLAN, INCLUDING ANY FIDUCIARY PURCHASING ON BEHALF OF A SIMILAR LAW PLAN, WILL BE DEEMED TO HAVE REPRESENTED, IN ITS CORPORATE AND ITS FIDUCIARY CAPACITY, BY ITS ACQUISITION AND HOLDING OF THIS SECURITY THAT (A) NEITHER THE ISSUER, THE GUARANTOR, THE BOND TRUSTEE, THE DEALERS, THE ARRANGERS, OR ANY OF THEIR RESPECTIVE AFFILIATES (COLLECTIVELY THE "SELLER") IS A "FIDUCIARY" WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSITION OF THIS SECURITY, OR AS A RESULT OF ANY EXERCISE BY THE SELLER OF ANY RIGHTS IN CONNECTION WITH THIS SECURITY, (B) NO ADVICE PROVIDED BY THE SELLER HAS FORMED A PRIMARY BASIS FOR ANY INVESTMENT DECISION BY OR ON BEHALF OF SUCH PURCHASER IN CONNECTION WITH THIS SECURITY AND THE TRANSACTIONS CONTEMPLATED WITH RESPECT TO THIS SECURITY, AND (C) SUCH PURCHASER RECOGNIZES AND AGREES THAT ANY COMMUNICATION FROM THE SELLER TO THE PURCHASER WITH RESPECT TO THIS SECURITY IS NOT INTENDED BY THE SELLER TO BE IMPARTIAL INVESTMENT ADVICE AND IS RENDERED IN ITS CAPACITY AS A SELLER OF SUCH COVERED BONDS AND NOT A FIDUCIARY TO SUCH PURCHASER."

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 Trust Deed 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 Trust Deed (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 Trust Deed (prior to its amendments hereby).

[SIGNATURE PAGE FOLLOWS]

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: _____ *(signed)*
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: _____ *(signed)*
Name: Éric Girard
Title: President

**COMPUTERSHARE TRUST COMPANY
OF CANADA**

Per: _____ *(signed)*
Name: Nathalie Gagnon
Title: Corporate Trust Officer

Per: _____ *(signed)*
Name: Ana Kamami
Title: Associate Trust Officer