

2nd SUPPLEMENTARY PROSPECTUS DATED 1 MARCH 2021



NATIONAL BANK OF CANADA

(a Canadian chartered bank)

CAD 20,000,000,000

Legislative Global Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments by

NBC COVERED BOND (LEGISLATIVE) GUARANTOR LIMITED PARTNERSHIP

(a limited partnership formed under the laws of Ontario)

This Supplement (the “**Supplement**”) to the base prospectus dated 9 September 2020, as supplemented by the first supplementary prospectus (the “**First Supplementary Prospectus**”) dated 4 December 2020 (together, the “**Prospectus**”), which comprises a base prospectus under Article 8 of Regulation (EU) 2017/1129, as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”) for National Bank of Canada (“**NBC**” or the “**Bank**”), constitutes a supplementary prospectus in respect of the base prospectus for NBC for purposes of Article 23 of the UK Prospectus Regulation, and is prepared in connection with the CAD 20,000,000,000 Legislative Global Covered Bond Programme of NBC, unconditionally and irrevocably guaranteed as to payments by NBC Covered Bond (Legislative) Guarantor Limited Partnership (the “**Guarantor**”), established by NBC.

Terms defined in the Prospectus have the same meaning when used in this Supplement. The Supplement is supplemental to, and shall be read in conjunction with, the Prospectus. This Supplement has been approved by the United Kingdom Financial Conduct Authority (“**FCA**”), which is the United Kingdom competent authority for the purposes of the UK Prospectus Regulation, as a supplement to the Prospectus.

NBC and the Guarantor accept responsibility for the information in this Supplement. To the best of the knowledge of NBC and the Guarantor, the information contained in this Supplement is in accordance with the facts and the Supplement contains no omission likely to affect its import.

The purpose of this Supplement is to: (I) incorporate by reference in the Prospectus NBC’s: (a) latest unaudited interim results (including management’s discussion and analysis thereof); and (b) monthly investor reports for the months of November 2020, December 2020 and January 2021, containing information on the Covered Bond Portfolio; (II) update the no significant change statement in the section of the Prospectus entitled “General Information”; (III) amend the cover page and the sections of the Prospectus entitled “*Risk Factors*”, “*Terms and Conditions of the Covered Bonds*”, “*Pro Forma Final Terms*” and “*Glossary*” for the purpose of including the Secured Overnight Financing Rate (“**SOFR**”) as a new Reference Rate for the Covered Bonds; (IV) amend various sections of the Prospectus as a result of the end of the implementation period following the United Kingdom’s exit from the European Union on 31 January 2020 (the “**Brexit related amendments**”); (V) amend Condition 6.03 “*Call Option or Early Redemption for Special Circumstance*” and (VI) update the section of the Prospectus entitled “*National Bank of Canada – Board of Directors*” as a result of changes to the directors and officers of the Bank.

Save as disclosed in this Supplement, no significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Programme has arisen or been noted, as the case may be, since the publication of the First Supplementary Prospectus.

THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (“CMHC”) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS SUPPLEMENTARY PROSPECTUS. THE COVERED BONDS ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in, or incorporated by reference in, the Prospectus prior to the date of this Supplement, the statements in (a) above will prevail.

I. DOCUMENTS INCORPORATED BY REFERENCE

By virtue of this Supplement the section entitled “*Documents Incorporated by Reference*” shall be supplemented as follows:

The following documents which have previously been published by the Bank or are published simultaneously with this Supplement are hereby incorporated in, and form part of, the Prospectus:

- (a) the following sections of the Bank’s [Report to Shareholders](#) for the quarter ended 31 January 2021 (the “**2021 First Quarter Report**”):
 - (i) the Bank’s management’s discussion and analysis on pages 3 to 42 of the 2021 First Quarter Report; and
 - (ii) the Bank’s unaudited interim condensed consolidated financial statements for the first three month period ended 31 January 2021, with comparative unaudited interim condensed consolidated financial statements for the three month period ended 31 January 2020, prepared in accordance with IFRS, set out on pages 43 to 75 of the 2021 First Quarter Report,the remainder of the 2021 First Quarter Report is either not relevant for prospective investors or is covered elsewhere in the Prospectus and is not incorporated by reference;
- (b) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 30 November 2020 (the “**November 2020 Investor Report**”);
- (c) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 31 December 2020 (the “**December 2020 Investor Report**”); and
- (d) the Bank’s [monthly \(unaudited\) Investor Report](#) containing information on the Covered Bond Portfolio as at the Calculation Date falling on 29 January 2021 (the “**January 2021 Investor Report**” and together with the November 2020 Investor Report and the December 2020 Investor Report, the “**Investor Reports**”).

Copies of the 2021 First Quarter Report and the Investor Reports have been submitted to the National Storage Mechanism (operated by the FCA), and are available for viewing at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

II. GENERAL INFORMATION

By virtue of this Supplement, paragraph 4 of the section entitled “*General Information*” of the Prospectus is deleted and replaced with the following:

“4. There has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries, including the Guarantor, taken as a whole since 31 January 2021, the last day of the financial period in

respect of which the most recent interim unaudited published consolidated financial statements of the Issuer have been prepared.”

III. SOFR RELATED AMENDMENTS

A. Risk Factors

- i. The risk factor on page 56 of the Prospectus entitled “*Risk Factors – 4. Factors which are material for the purpose of assessing risks related to the Covered Bonds generally - Covered Bondholders will be deemed to have consented to certain modifications to the Transaction Documents unless at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds have notified their objection to the Bond Trustee in writing*” is deleted in its entirety and replaced with the following:

***“Certain modifications to the Transaction Documents may be made in some cases without the consent of Covered Bondholders, and in other cases, Covered Bondholders will be deemed to have consented to such modifications unless holders of the Covered Bonds representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds have notified their objection to the Bond Trustee in writing*”**

For the purpose of changing the Reference Rate to an Alternative Base Rate, the Bond Trustee shall, without any consent or sanction of any of the holders of the Covered Bonds or any of the other Secured Creditors (except for those party to the relevant Transaction Document being amended or whose ranking in any Priorities of Payments is affected), concur with the Issuer in making any modification (other than a Series Reserved Matter) to the Trust Deed, the Conditions or any other Transaction Document to which it is a party or in relation to which it holds security, as further described in Condition 13.02(c)(i) for the relevant Series of Covered Bonds (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change to the extent there has been or there is reasonably expected to be a material disruption or cessation to LIBOR, EURIBOR or any other relevant benchmark (other than in respect of SOFR)), provided that, for greater certainty, such amendments will not constitute a Series Reserved Matter and, in each case subject to the satisfaction of certain requirements, including receipt by the Bond Trustee of a Base Rate Modification Certificate, certifying, among other things, that the modification is required for its stated purpose. The Bond Trustee also has the right to make certain modifications to the Transaction Documents without the consent of the holders of the Covered Bonds described under “—*Modifications and Waivers; The Bond Trustee may agree to modifications to the Transaction Documents without, respectively, the holders of the Covered Bonds’ or Secured Creditors’ prior consent*”.

Further to the above paragraph, the Issuer must provide at least 30 days’ notice to the holders of the Covered Bonds of the proposed modification in accordance with Condition 14 and by publication on Bloomberg on the “Company News” screen relating to the Covered Bonds. If, within 30 days from the giving of such notice, holders of the Covered Bonds representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds have notified the Issuer or the Issuing and Paying Agent in writing (or otherwise in accordance with the then current practice of any applicable Clearing System through which such Covered Bonds may be held) that such holders of the Covered Bonds do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Covered Bondholders of the relevant Series is passed in favour of the Base Rate Modification in accordance with Condition 13.02(c)(i). However, in the absence of such a notification, all Covered Bondholders will be deemed to have consented to such modification and the Bond Trustee shall, subject to the requirements of Condition 13.02(c)(i), without seeking further consent or sanction of any of the holders of the Covered Bonds and irrespective of whether such modification is or may be materially prejudicial to the interest of the holders of the Covered Bonds as a class, concur with the Issuer in making the proposed modification.

In respect of USD Benchmark-referenced Floating Rate Covered Bonds, if the Issuer or the Benchmark Transition Designee (as defined below in Condition 13.02(c) (ii)) determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then the Bond Trustee shall be obliged, subject to the satisfaction of certain conditions but without the consent or sanction of the Covered Bondholders, to concur with the Issuer or the Benchmark Transition Designee, in making any modification to the Conditions or any of the Transaction Documents that the Issuer or the Benchmark Transition Designee decides may be appropriate to give effect to the provisions set forth in Condition 13.02 (ii) (*Meetings of Holders of Covered Bonds, Modification and Waiver - Modification and Waiver*) in relation only to all determinations of the rate of interest payable on any U.S. dollar

denominated Floating Rate Covered Bonds calculated by reference to SOFR and any related Covered Bond Swap Agreements.

The Covered Bondholders and the other Secured Creditors shall be deemed to have instructed the Bond Trustee to concur with such amendments and shall be bound by them regardless of whether or not they are materially prejudicial to the interests of the Covered Bondholders or the other Secured Creditors.

Therefore, it is possible that a modification to the Reference Rate (and as otherwise described above) could be made without the vote of any holders of the relevant Series of Covered Bonds or even if holders of such Series of Covered Bonds holding less than 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds objected to it. In addition, holders of the Covered Bonds should be aware that, unless they have made arrangements to promptly receive notices sent to Covered Bondholders from any custodians or other intermediaries through which they hold their Covered Bonds and give the same their prompt attention, meetings may be convened or resolutions (including Extraordinary Resolutions) may be proposed and considered and passed or rejected or deemed to be passed or rejected without their involvement even if, were they to have been promptly informed by such custodians or other intermediaries as aforesaid, they would have voted in an affirmative manner to the holders of the Covered Bonds which passed or rejected the relevant proposal or resolution.”

- ii. The following risk factors are added to page 60 of the Prospectus under the heading “*Risk Factors – 5. Factors Which Are Material for the Purpose of Assessing Risks Related to a Particular Issue of Covered Bonds – (a) Risks related to Floating Rate Covered Bonds*” immediately preceding the risk factor entitled “*Changes or uncertainty in respect of interest rates and indices that are deemed “benchmarks” may adversely affect the value or payment of interest under the Covered Bonds, including where such benchmarks, including LIBOR and/or EURIBOR, may not be available*”:

“The market continues to develop in relation to SOFR as a reference rate for Covered Bonds

- (i) *The composition and characteristics of SOFR are not the same as those of U.S. dollar LIBOR, and SOFR is not expected to be a comparable replacement for U.S. dollar LIBOR.*

In June 2017, the Alternative Reference Rate Committee (“ARRC”) announced SOFR as its recommended alternative to U.S. dollar LIBOR. However, the composition and characteristics of SOFR are not the same as those of U.S. dollar LIBOR. SOFR is a broad Treasury repurchase financing rate that represents overnight secured funding transactions and is not the economic equivalent of U.S. dollar LIBOR. While SOFR is a secured rate, U.S. dollar LIBOR is an unsecured rate. And, while SOFR is currently only an overnight rate, U.S. dollar LIBOR is a forward-looking rate that represents interbank funding for a specified term.

As a result, there can be no assurance that SOFR will perform in the same way as U.S. dollar LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. For the same reasons, SOFR is not expected to be a comparable replacement for U.S. dollar LIBOR.

- (ii) *SOFR has a limited history, and the future performance of SOFR cannot be predicted based on historical performance.*

The publication of SOFR began in April 2018, and, therefore, it has a limited history. In addition, the future performance of SOFR cannot be predicted based on the limited historical performance. Future levels of SOFR may bear little or no relation to the historical actual or historical indicative SOFR data. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR, such as correlations, may change in the future. While some pre-publication historical data have been released by the FRBNY, such analysis inherently involves assumptions, estimates and approximations. The future performance of SOFR is impossible to predict and therefore no future performance of SOFR may be inferred from any of the historical actual or historical indicative data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR. There can be no assurance that SOFR or Compounded SOFR (as defined below in Condition 5.03) will be positive.

- (iii) *SOFR may be more volatile than other benchmark or market rates.*

Since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as three-month U.S. dollar LIBOR, during corresponding periods, and SOFR may bear little or no relation to the historical actual or historical indicative data. For example, volatility in the overnight repo market caused SOFR to increase temporarily to 5.25% in September 2019. In addition, although changes in Compounded SOFR generally are not expected to be as volatile as changes in daily levels of SOFR, the return on value of and market for any SOFR-referenced Covered Bonds issued under the Programme from time to time may fluctuate more than floating rate securities that are linked to less volatile rates.

- (iv) *Any failure of SOFR to gain market acceptance could adversely affect any SOFR-referenced Covered Bonds.*

According to the ARRC, SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to U.S. dollar LIBOR in part because it is considered a good representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable replacement or successor for all of the purposes for which U.S. dollar LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR. Any failure of SOFR to gain market acceptance could adversely affect the return on and value of any SOFR-referenced Covered Bonds issued under the Programme from time to time and the price at which investors can sell such Covered Bonds in the secondary market.

- (v) *The Compounded SOFR rate is relatively new in the marketplace.*

For any SOFR-referenced Covered Bonds issued under the Programme from time to time, in each Interest Period, the interest rate is based on Compounded SOFR, which is calculated using the specific formula described in Condition 5.03, not the SOFR rate published on or in respect of a particular date during such Interest Period or an arithmetic average of SOFR rates during such period. For this and other reasons, the interest rate on the SOFR-referenced Covered Bonds during any Interest Period will not be the same as the interest rate on other SOFR-linked investments that use an alternative basis to determine the applicable interest rate. Further, if the SOFR rate in respect of a particular date during an Interest Period is negative, its contribution to Compounded SOFR will be less than one, resulting in a reduction to Compounded SOFR used to calculate the interest payable on the SOFR-referenced Covered Bonds on the Interest Payment Date for such Interest Period.

In addition, very limited market precedent exists for securities that use SOFR as the interest rate and the method for calculating an interest rate based upon SOFR in those precedents varies. Accordingly, the specific formula for the Compounded SOFR rate used in any SOFR-referenced Covered Bonds may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method, that could adversely affect the market value of such Covered Bonds.

- (vi) *Compounded SOFR with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period.*

For any SOFR-referenced Covered Bonds issued under the Programme from time to time, the level of Compounded SOFR applicable to a particular Interest Period and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date for such Interest Period. Because each such date is near the end of such Interest Period, investors will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such Covered Bonds without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Covered Bonds.

- (vii) *The secondary trading market for securities linked to SOFR may be limited.*

If SOFR does not prove to be widely used as a benchmark in securities that are similar or comparable to any SOFR-referenced Covered Bonds issued under the Programme from time to time, the trading price of such Covered Bonds may be lower than those of securities that are linked to rates that are more widely used. Similarly, market terms for securities

that are linked to SOFR, including, but not limited to, the spread over the reference rate reflected in the interest rate provisions, or manner of compounding the reference rate, may evolve over time, and as a result, trading prices of any SOFR-referenced Covered Bonds may be lower than those of later-issued securities that are based on SOFR. Investors in such Covered Bonds may not be able to sell the Covered Bonds at all or may not be able to sell the Covered Bonds at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

In addition, there currently is no uniform market convention with respect to the implementation of SOFR as a base rate for floating-rate covered bonds or other securities. The manner of calculation and related conventions with respect to the determination of interest rates based on SOFR in floating-rate covered bond markets may differ materially compared with the manner of calculation and related conventions with respect to the determination of interest rates based on SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the manner of calculation and related conventions with respect to the determination of interest rates based on SOFR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposition of the SOFR-referenced Covered Bonds.

- (viii) *SOFR may be modified or discontinued and any SOFR-referenced Covered Bonds may bear interest by reference to a rate other than Compounded SOFR, which could adversely affect the value of such Covered Bonds.*

SOFR is a relatively new rate, and the FRBNY (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on any SOFR-referenced Covered Bonds issued under the Programme from time to time, which may adversely affect the trading prices of such Covered Bonds. The administrator of SOFR may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SOFR in its sole discretion and without notice (in which case a fallback method of determining the interest rate on any SOFR-referenced Covered Bonds as further described under Condition 13.02(c)(ii) will apply) and has no obligation to consider the interests of holders of the Covered Bonds in calculating, withdrawing, modifying, amending, suspending or discontinuing SOFR. ”

- iii. The risk factor on page 62 of the Prospectus entitled “*Risk Factors – 5. Factors Which Are Material for the Purpose of Assessing Risks Related to a Particular Issue of Covered Bonds – (a) Risks related to Floating Rate Covered Bonds - Changes or uncertainty in respect of interest rates and indices that are deemed “benchmarks” may adversely affect the value or payment of interest under the Covered Bonds, including where such benchmarks, including LIBOR and/or EURIBOR, may not be available – (ii) Fallback arrangements under the Programme*” is amended as follows:

1. The first paragraph is deleted in its entirety and replaced with the following:

“The Conditions provide for certain fallback arrangements in the event that a published benchmark is discontinued or otherwise becomes unavailable, including the possibility under Condition 13.02 (and subject to the requirements thereof) that the rate of interest could be determined: (i) by the Issuer, (ii) by the Benchmark Transition Designee (as defined below), or (iii) set by reference to an Alternative Base Rate. In making such determinations and adjustments, the Issuer may be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.”

2. Paragraph (c) is deleted in its entirety and replaced with the following:

- “(c) while an amendment may be made under Condition 13.02(c) to change the base rate on the Floating Rate Covered Bonds from LIBOR, EURIBOR or SOFR or any other relevant benchmark to an alternative base rate under certain circumstances broadly related to a discontinuation of such benchmark and subject to certain conditions being satisfied there can be no assurance that any such amendment will be made or, if made, that it (i) will, fully or effectively, mitigate all or any relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Floating Rate Covered Bonds, which could result in a material adverse effect on the value of and return on such Covered Bonds or (ii) will be made prior to any date on which any of the risks described in this risk factor may arise (see “*Certain modifications to the Transaction Documents may be made in some cases without the consent of Covered Bondholders, and in other cases, Covered Bondholders will be deemed to have consented to such*

modifications unless holders of the Covered Bonds representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds have notified their objection to the Bond Trustee in writing” above);”

- iv. The first paragraph of the risk factor on page 63 of the Prospectus entitled “*Risk Factors – 5. Factors Which Are Material for the Purpose of Assessing Risks Related to a Particular Issue of Covered Bonds – (a) Risks related to Floating Rate Covered Bonds*” immediately preceding the risk factor entitled “*Changes or uncertainty in respect of interest rates and indices that are deemed “benchmarks” may adversely affect the value or payment of interest under the Covered Bonds, including where such benchmarks, including LIBOR and/or EURIBOR, may not be available – (iii) Additional risks related to benchmarks applicable to Covered Bonds*” is deleted in its entirety and replaced it with the following:

“The use of an Alternative Base Rate, the replacement of the USD Benchmark by the Benchmark Replacement or effecting Benchmark Replacement Conforming Changes may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the Covered Bonds if the relevant benchmark remained available in its current form.”

B. Terms and Conditions of the Covered Bonds

- i. The section entitled “Terms and Conditions of the Covered Bonds – Interest - Interest on Floating Rate Covered Bonds – Interest Payment Dates – Rate of Interest – Other than SONIA” under Condition 5.03 is amended by adding the words “or SOFR” in the title of the section after “Rate of Interest – Other than SONIA” and in the first paragraph after the words “in the applicable Final Terms as being a rate other than SONIA”.
- ii. The following section shall be inserted immediately after the section entitled “Terms and Conditions of the Covered Bonds – Interest - Interest on Floating Rate Covered Bonds – Interest Payment Dates – Rate of Interest –SONIA or SOFR” under Condition 5.03 :

“Rate of Interest – SOFR

SOFR is published by the FRBNY and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities.

The FRBNY notes on its publication page for SOFR that use of SOFR is subject to important limitations, indemnification obligations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

Where the Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Final Terms as being SOFR, then the Rate of Interest for each Interest Period will, subject as provided below and subject to the provisions of Condition 13.02, be Compounded SOFR plus or minus the Margin (as indicated in the applicable Final Terms) as determined by the Calculation Agent. Compounded SOFR will be determined in accordance with either the observation shift method (an “**Observation Shift Convention**”) or the index method (a “**SOFR Index Convention**”, each a “**Compounded SOFR Convention**”), in accordance with the terms and provisions applicable to either such convention as set forth below. The applicable Final Terms will specify the applicable Compounded SOFR Convention.

Observation Shift Convention

Where the Compounded SOFR Convention is specified in the applicable Final Terms as Observation Shift Convention, “**Compounded SOFR**” means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with SOFR as the reference rate for the calculation of interest) as calculated by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d**” is the number of calendar days in the relevant Observation Shift Period;

“**d_o**” for any Observation Shift Period, is the number of U.S. Government Securities Business Days in the relevant Observation Shift Period;

“**i**” is a series of whole numbers from one to **d_o**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Shift Period; and

“**n_i**” for any U.S. Government Securities Business Day “**i**” in the relevant Observation Shift Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day “**i**” to, but excluding, the following U.S. Government Securities Business Day “**i+1**”.

“**Observation Shift Period**” means in respect of each Interest Period, the period from, and including, the date falling “**p**” U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date falling “**p**” U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period, or such other period as may be specified in the Final Terms.

“**p**”, for any Observation Shift Period, is the number of U.S. Government Securities Business Days specified in the applicable Final Terms.

SOFR Index Convention

Where the Compounded SOFR Convention is specified in the applicable Final Terms as SOFR Index Convention, “**Compounded SOFR**” means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with SOFR as the reference rate for the calculation of interest) as calculated by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one millionth of a percentage point, with 0.0000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left(\frac{360}{d} \right)$$

where:

“**SOFR Index_{Start}**” is the SOFR Index value for the day which is “**p**” U.S. Government Securities Business Days preceding the first date of the relevant Interest Period;

“**SOFR Index_{End}**” is the SOFR Index value for the day which is “**p**” U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period;

“**d**” is the number of calendar days from, and including, the SOFR Index_{Start} to, but excluding, the SOFR Index_{End} ;

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate); and

“**SOFR Index**” means, with respect to any U.S. Government Securities Business Day:

- (a) the SOFR Index value as published by the SOFR Administrator as such index appears on the Federal Reserve Bank of New York's Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day; provided that:
- (b) if a SOFR Index value does not so appear as specified in (1) above at the specified time, unless both a Benchmark Transition Event (as defined in Condition 13.02(c)(ii)) and its related Benchmark Replacement Date (as defined in Condition 13.02(c)(ii)) have occurred, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailable" provisions (defined below).
- (c) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, then Compounded SOFR shall be the rate determined pursuant to Condition 13.02(c)(ii).

If the relevant Series of Covered Bonds become due and payable in accordance with Condition 7, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Covered Bonds become due and payable, and the Rate of Interest on such Covered Bonds shall, for so long as such Covered Bonds remain outstanding, be that determined on such date.

For the purposes of this section "*Rate of Interest – SOFR*", the following expressions have the following meaning:

"Secured Overnight Financing Rate" or **"SOFR"** means, with respect to any U.S. Government Securities Business Day:

- (1) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the Federal Reserve Bank of New York's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day; or
- (2) if the rate specified in (1) above does not so appear, unless both a Benchmark Transition Event (as defined in Condition 13.02(c)(ii)) and its related Benchmark Replacement Date (as defined in Condition 13.02(c)(ii)) have occurred, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the Federal Reserve Bank of New York's Website.
- (3) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, then SOFR shall be determined to be the rate determined in accordance with Condition 13.02(c)(ii).

"SOFR_i" for any U.S. Government Securities Business Day "i" in the relevant Observation Shift Period, is equal to SOFR in respect of that day "i";

"SOFR Index Unavailable" means if the SOFR Index is not published for a SOFR Index_{Start} or SOFR Index_{End}, on the associated Interest Determination Date, "Compounded SOFR" means, for an Interest Determination Date for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the formula for SOFR Averages, and the definitions required for such formula, published on the SOFR Administrator's Website at <https://www.newyorkfed.org/markets/treasury-repo-reference-rates-information>. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "SOFR Index Observation Period", "SOFR" and "SOFR_i" shall mean as defined in this Condition and the words "that is, 30-, 90-, or 180- calendar days" shall be removed.

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source.

"SOFR Index Observation Period" means in respect of each Interest Period, the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period, or such other period as may be specified in the Final Terms.

“p”, for any SOFR Index Observation Period, is the number of U.S. Government Securities Business Days specified in the applicable Final Terms.

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.”

iii. The definition of “Interest Determination Date” in the section entitled “Terms and Conditions of the Covered Bonds – Interest – Interest on Floating Rate Covered Bonds – Definitions” under Condition 5.09 is amended by:

1. adding the words “or in U.S. Dollars (and the Reference Rate is other than SOFR)” after the words “(and the Reference Rate is other than SONIA)” in sub-paragraph (a);
2. creating a new sub-paragraph “(c)”:

“(c) in the case of Covered Bonds denominated in U.S. Dollars where the Reference Rate is SOFR, five U.S. Government Securities Business Days prior to the end of each Interest Period; or”; and

3. renumbering the existing sub-paragraph to “(c)” to sub-paragraph “(d)”.

iv. The definition of “Interest Period” in the section entitled “Terms and Conditions of the Covered Bonds – Interest - Interest on Floating Rate Covered Bonds – Definitions” under Condition 5.09 is amended by:

1. adding “: (i)” after the word “means”; and
2. adding the following at the end of the definition, after the words “as applicable”:

“; or (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which in the case of the scheduled final or early redemption of any Covered Bonds, shall be such redemption date and in other cases where the relevant Covered Bonds become due and payable in accordance with Condition 7, shall be the date on which such Covered Bonds become due and payable).”

v. The definition of “Reference Rate” in the section entitled “Terms and Conditions of the Covered Bonds – Interest - Interest on Floating Rate Covered Bonds – Definitions” under Condition 5.09 is amended by adding the word “, SOFR” after the word “SONIA”.

vi. The section entitled “Terms and Conditions of the Covered Bonds – Meetings of Holders of the Covered Bonds, Modification and Waiver - Meetings of Holders of the Covered Bonds, Modification and Waiver” under Condition 13.02(c) is amended by:

1. adding “(i)” at the beginning of the paragraph, before “any modification”;
2. adding the words “(other than in respect of a USD Benchmark)” after “(any such rate, an “Alternative Base Rate)””;
3. renumbering sub-paragraphs “A(i)”, “A(ii)” and “A(iii)” as subparagraphs “A(1)”, “A(2)” and “A(3)”;
4. deleting the references to “Condition 13.02”, “Condition 13” and “Condition 13.02(c)” in sub-paragraph C and replacing them by “Condition 13.02(c)(i)”;
5. adding the following new sub-paragraph “(ii)” at the end of Condition 13.02(c):

“(ii) *Effect of Benchmark Transition Event on USD Benchmark-referenced Floating Rate Covered Bonds*

If the Issuer or the Benchmark Transition Designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined below) have occurred with respect to a USD Benchmark, then the Bond Trustee shall, without the consent or sanction of the Covered

Bondholders being required (including without the requirement to provide Covered Bondholders an opportunity to object) and subject only to the consent of the Secured Creditors (i) party to the relevant Transaction Document being amended or (ii) whose ranking in any Priorities of Payments is affected, subject to the satisfaction of Condition 13.02(c)(ii)(D) (the “**Benchmark Transition Event Conditions**”), concur with the Issuer or the Benchmark Transition Designee in making any modification (other than in respect of a Series Reserved Matter, provided that neither replacing the then-current USD Benchmark with the Benchmark Replacement nor any Benchmark Replacement Conforming Changes (each as defined below) shall constitute a Series Reserved Matter) of these Conditions or any of the Transaction Documents solely with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to the USD Benchmark that the Issuer or the Benchmark Transition Designee decides may be appropriate to give effect to the provisions set forth under this Condition 13.02(c)(ii) in relation only to all determinations of the rate of interest payable on any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark and any related Covered Bond Swap Agreements, provided that:

- A) *Benchmark Replacement.* If the Issuer or the Benchmark Transition Designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Relevant Time in respect of any determination of the USD Benchmark on any date applicable to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark, subject to satisfaction of the Benchmark Transition Event Conditions, the Benchmark Replacement will replace the then-current USD Benchmark for all purposes relating to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark in respect of such determination on such date and all determinations on all subsequent dates.
- B) *Benchmark Replacement Conforming Changes.* In connection with the implementation of a Benchmark Replacement with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark, the Issuer or the Benchmark Transition Designee will have the right, subject to satisfaction of the Benchmark Transition Event Conditions, to make Benchmark Replacement Conforming Changes with respect to any U.S. dollar denominated Floating Rate Covered Bonds from time to time.
- C) *Decisions and Determinations.* Any determination, decision or election that may be made by the Issuer or the Benchmark Transition Designee pursuant to this Condition 13.02(c)(ii), including any determination with respect to tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, in each case, solely with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark:
 - (i) will be conclusive and binding absent manifest error;
 - (ii) if made by the Issuer, will be made in the Issuer’s sole discretion;
 - (iii) if made by the Benchmark Transition Designee, will be made after consultation with the Issuer, and the Benchmark Transition Designee will not make any such determination, decision or election to which the Issuer objects; and
 - (iv) shall become effective without consent from any other party (including Covered Bondholders), except with respect to Secured Creditors as otherwise provided in this Condition 13.02(c)(ii).

Any determination, decision or election pursuant to the benchmark replacement provisions not made by the Benchmark Transition Designee will be made by the Issuer on the basis as described above. The Benchmark Transition Designee shall have no liability for not making any such determination, decision or election absent bad faith or fraud.

- D) *Other Conditions.*
 - (i) The Issuer shall certify in writing to the Bond Trustee (such certificate, a “**USD Benchmark Base Rate Modification Certificate**”) that (I) a Benchmark Transition Event and its related Benchmark Replacement Date have occurred specifying the

Benchmark Replacement; and (II) that the Benchmark Replacement Conforming Changes have been made in accordance with this Condition 13.02(c)(ii);

- (ii) The Issuer shall have obtained the consent of each Secured Creditor (x) which is party to the relevant Transaction Document being amended, or (y) whose ranking in any Priorities of Payments is affected (evidence of which shall be provided by the Issuer to the Bond Trustee with the Base Rate Modification Certificate);
- (iii) with respect to each Rating Agency, the Rating Agency Condition (as specified in Condition 20) has been satisfied; and
- (iv) the Issuer pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Bond Trustee in connection with such Base Rate Modification.

The following definitions shall apply with respect to this Condition 13.02(c)(ii):

“USD Benchmark” means, initially, Compounded SOFR, as such term is defined in Condition 5.03; provided that if the Issuer or the Benchmark Transition Designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement.

“Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Issuer or the Benchmark Transition Designee as of the Benchmark Replacement Date:

- (i) the sum of: (a) an alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current USD Benchmark and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or the Benchmark Transition Designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current USD Benchmark for U.S. dollar denominated floating rate covered bonds at such time and (b) the Benchmark Replacement Adjustment.

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or the Benchmark Transition Designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or the Benchmark Transition Designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current USD Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate covered bonds at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark

(including changes to the definitions or interpretations of Interest Period, the timing and frequency of determining rates and making payments of interest, the rounding of amounts, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period and other administrative matters) and any related Covered Bond Swap Agreements that the Issuer or the Benchmark Transition Designee decides may be appropriate to reflect the adoption of such Benchmark Replacement with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark in a manner substantially consistent with market practice (or, if the Issuer or the Benchmark Transition Designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or the Benchmark Transition Designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or the Benchmark Transition Designee determines is reasonably practicable).

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of clause (i) or (ii) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the USD Benchmark permanently or indefinitely ceases to provide the USD Benchmark; or
- (ii) in the case of clause (iii) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

“**Benchmark Transition Designee**” means, with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark and a particular obligation to be performed in connection with the transition to a Benchmark Replacement, such investment bank of national standing in the United States as the Issuer may appoint, from time to time, to assist with any benchmark replacement determinations, including for greater certainty, an affiliate of the Issuer.

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current USD Benchmark (including the daily published component used in the calculation thereof, in each case, as applicable):

- (i) a public statement or publication of information by or on behalf of the administrator of the USD Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the USD Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component);
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark (or such component), the central bank for the currency of the USD Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the USD Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the USD Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the USD Benchmark (or such component), which states that the administrator of the USD Benchmark has ceased or will cease to provide the USD Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the USD Benchmark (or such component); or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the USD Benchmark announcing that the USD Benchmark is no longer representative.

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current USD Benchmark.

“Relevant ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the Relevant ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the USD Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

“Reference Time” with respect to any determination of the USD Benchmark means (1) if the USD Benchmark is Compounded SOFR, 3:00 p.m. (New York time) on the U.S. Government Securities Business Day the relevant rate is in respect of (where the Compounded SOFR Convention is SOFR Index Convention) or immediately following the date the relevant rate is in respect of (where the Compounded SOFR Convention is Observation Shift Convention) and (2) if the USD Benchmark is not Compounded SOFR, the time determined by the Issuer or the Benchmark Transition Designee after giving effect to the Benchmark Replacement Conforming Changes.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

To the extent that there is any inconsistency between the conditions set out in this Condition 13.02(c)(ii) and any other Condition, the statements in this section shall prevail with respect to any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark.

Nothing in this Condition 13.02(c)(ii) affects the rights of the Covered Bondholders of Covered Bonds other than any U.S. dollar denominated Floating Rate Covered Bonds calculated by reference to a USD Benchmark.

- (iii) For the avoidance of doubt, the Issuer may give effect to an Alternative Base Rate or Benchmark Replacement on more than one occasion provided that the conditions set out in this Condition 13.02(c) are satisfied.

Without prejudice to the obligations of the Issuer under this Condition 13.02(c), any Reference Rate (including in respect of a USD Benchmark) and the fallback provisions provided for in Condition 5.03 will continue to apply unless and until the Bond Trustee has received the USD Benchmark Base Rate Modification Certificate or Base Rate Modification Certificate, as applicable in accordance with this Condition 13.02(c). For the avoidance of doubt, this paragraph

shall apply to the determination of the Interest Rate on the relevant Interest Determination Date, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 13.02(c).”

- vii. The section entitled “Terms and Conditions of the Covered Bonds – Meetings of Holders of the Covered Bonds, Modification and Waiver - Meetings of Holders of the Covered Bonds, Modification and Waiver” under Condition 13.02(d)(A) is amended by adding the words “or USD Benchmark Base Rate Modification Certificate” after “any Base Rate Modification Certificate”.
- viii. The definition of “Series Reserved Matter” in the section entitled “Terms and Conditions of the Covered Bonds – Meetings of Holders of the Covered Bonds, Modification and Waiver - Meetings of Holders of the Covered Bonds, Modification and Waiver” under Condition 13.02(c) is amended by adding the words “, the replacement of the USD Benchmark to the Benchmark Replacement or effecting Benchmark Replacement Conforming Changes” after the words “other than, for the avoidance of doubt, a Base Rate Modification”.

C. Pro Forma Final Terms

- i. Floating Rate Covered Bond Provisions under “Provisions Relating to Interest (if any) Payable” on pages 129-131 of the Base Prospectus are deleted and replaced in their entirety with the following:

15. Floating Rate Covered Bond Provisions: [Applicable [from and including the Final Maturity Date to but excluding the Extended Due for Payment Date]/Not Applicable]

(Condition 5.03)

(i) Interest Period(s): [[] [subject to adjustment in accordance with the Business Day Convention specified in (iii) below] [not subject to any adjustment as the Business Day Convention specified in (iii) below is specified to be Not Applicable]]/[Not Applicable]

(ii) Specified Interest Payment Dates: [[] [subject to adjustment in accordance with the Business Day Convention specified in (iii) below] [not subject to any adjustment as the Business Day Convention specified in (iii) below is specified to be Not Applicable] [(provided however that after the Extension Determination Date, the Specified Interest Payment Date shall be monthly)]]/[Not Applicable]

(iii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Modified Business Day Convention/ Preceding Business Day Convention/ FRN Convention/ Eurodollar Convention]/[Not Applicable]

(iv) Financial Centre(s): [London]/[Toronto]/[Montréal]/[New York]/[Sydney]/[Auckland]/[Not Applicable]

(v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]

(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]) : []

(vii) Screen Rate Determination: [Applicable]/[Not Applicable]

– Reference Rate: [SONIA]/[[]-month] [[] LIBOR/EURIBOR/SOFR]

- Compounded SOFR Convention: [Observation Shift Convention][SOFR Index Convention][Not Applicable]
- Interest Determination Date(s): [Second London Banking Day prior to the start of each Interest Period] [first day/first London Business Day of each Interest Period] [[] [TARGET2/[]] Business Days [in []] prior to the [] day in each Interest Period/each Interest Payment Date][[] London Banking Day prior to the end of each Interest Period] [] [[] U.S. Government Securities Business Days prior to the end of each Interest Period]
- Relevant Screen Page: []
- Relevant Time: []
- Reference Banks: []/[Not Applicable]
- Observation Lookback Period: [[] [London Banking Day prior to the end of each Interest Period] [Not Applicable]
- Observation Shift Period: [[] U.S. Government Securities Business Days]/[Not Applicable] *[to be completed for Observation Shift Convention]*
- SOFR Index Observation Shift Period: [[] U.S. Government Securities Business Days]/[Not Applicable] *[to be completed for SOFR Index Convention]*
- (viii) ISDA Determination: [Issuer is [Fixed Rate/Fixed Amount/Floating Rate/Floating Amount] Payer]/[Not Applicable]
- Floating Rate Option: []
- Designated Maturity: []
- Reset Date: []
- (ix) Margin(s) : [+/-][] per cent. per annum
- (x) Linear Interpolation (Condition 5.10) [Not Applicable]/[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (xi) Minimum Interest Rate: (Condition 5.05) [] per cent. per annum/[Not Applicable]
- (xii) Maximum Interest Rate: (Condition 5.05) [] per cent. per annum/[Not Applicable]
- (xiii) Day Count Fraction: [Actual/Actual *or* Actual/Actual (ISDA)
Actual/365 (Sterling)
Actual/365 (Fixed)
Actual/360
30E/360 *or* Eurobond Basis
30/360 *or* 360/360 *or* Bond Basis
30E/360 (ISDA)]

D. Glossary

- i. Definition changes made in Paragraph C above apply equally as updates to the Glossary.
- ii. The following definition is added prior to the definition of “FRN Convention”:
“**FRBNY**”..... Federal Reserve Bank of New York;
- iii. The definition of “SOFR” is deleted and replaced with the following:
“**SOFR**”..... The meaning given on the cover page;

IV. BREXIT RELATED AMENDMENTS

Definitions and Important Notices

- A. The first sentence of the first paragraph on the cover page is deleted and replaced with the following:

“This document (the “**Prospectus**”) constitutes a base prospectus (“**Base Prospectus**”) for the purpose of Article 8 of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) (the “**UK Prospectus Regulation**”) in respect of all Covered Bonds other than Exempt Covered Bonds (as defined below) issued under the Programme.”

- B. All references to “Prospectus Regulation” in the seventh paragraph on the cover page are replaced with references to “UK Prospectus Regulation”.

- C. The second sentence in the eighth paragraph on the cover page is deleted and replaced with the following:

“The Market is a UK regulated market for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”).”

- D. The words, “*or the UK Prospectus Regulation, as applicable*” are inserted after the words “*Prospectus Regulation*” in the final two paragraphs on the cover page.

- E. The notice regarding the Benchmarks Regulation in the final paragraph on the cover page is deleted and replaced with the following:

“Amounts payable under the Covered Bonds may be calculated by reference to the London Inter-Bank Offered Rate (“**LIBOR**”), the Euro Inter-Bank Offered Rate (“**EURIBOR**”), the Sterling Overnight Index Average (“**SONIA**”) or the Secured Overnight Financing Rate (“**SOFR**”), which are provided by ICE Benchmark Administration Limited (“**IBA**”), the European Money Markets Institute (“**EMMI**”), the Bank of England and the Federal Reserve Bank of New York (“**FRBNY**”), respectively. As at the date of this Prospectus, the IBA appears on the register of administrators and benchmarks (the “**Register**”) established and maintained by the Financial Conduct Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) as it forms part of domestic law by virtue of the EUWA (the “**UK BMR**”). As at the date of this Prospectus, none of EMMI, the Bank of England or FRBNY appears on the Register. As far as the Issuer is aware, the transitional provisions of Article 51 of the UK BMR apply such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the United Kingdom, recognition, endorsement or equivalence) and the Bank of England, as administrator of SONIA and FRBNY, as administrator of SOFR, are not required to be registered by virtue of Article 2 of the UK BMR.”

- F. The first paragraph on page 5 of the Base Prospectus is deleted and replaced with the following:

“This Prospectus has been prepared on the basis that any offer of Covered Bonds in any Member State of the EEA or in the UK will be made pursuant to an exemption under the Prospectus Regulation or the UK Prospectus Regulation, as applicable, from the requirement to publish a prospectus for offers of Covered Bonds. Accordingly, any person making or intending to make an offer in any Member State of the EEA or in the UK of Covered Bonds which are the subject of an offering contemplated in this Prospectus as completed by Final Terms in relation to the offer of those Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or section 85 of the Financial Services and Markets Act 2000, as amended, (the “FSMA”), as applicable, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation or the UK Prospectus Regulation, as applicable, in each case, in relation to such offer. None of the Issuer, the Guarantor, the Bond Trustee, the Arranger or any Dealer has authorized, nor do they authorize, the making of any offer of Covered Bonds in any Member State of the EEA or in the UK in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.”

- G. The notice entitled “*Important – EEA and UK Retail Investors*” on page 5 is amended to remove all references to the United Kingdom and the following is added immediately succeeding that notice:

“**IMPORTANT – UK RETAIL INVESTORS** – If the Final Terms in respect of any Covered Bonds includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (“EUWA”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.”

- H. The following is added immediately succeeding the notice entitled “*MiFID II Product Governance/Target Market*” on page 5:

“**UK MiFIR PRODUCT GOVERNANCE – TARGET MARKET** – The Final Terms in respect of any Covered Bonds may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**UK distributor**”) should take into consideration the target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Covered Bonds is a UK manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a UK manufacturer for the purpose of the UK MiFIR Product Governance Rules.”

- I. Definition of European Economic Area and EEA

The paragraph defining “*European Economic Area*” or “*EEA*” on page 6 is deleted in its entirety and replaced with the following:

“All references in this Prospectus to the “European Economic Area” and “EEA” are to the Member States of the European Union together with Iceland, Norway and Liechtenstein (and “Member State” shall be construed accordingly).”

J. Credit Rating Agencies

- i. The definition of and disclosure related to the “CRA Regulation” and “EU CRA” on page 2 of the cover page is deleted in its entirety and replaced with the following:

“Covered Bonds issued under the Programme are expected on issue to be assigned a rating by at least two of the following rating agencies: Moody’s Investors Service, Inc. (“**Moody’s**”), Fitch Ratings, Inc. (“**Fitch**”) and DBRS Limited (“**DBRS**”). Covered Bonds are expected on issue to be assigned at least two of the following ratings “Aaa” by Moody’s, “AAA” by Fitch and “AAA” by DBRS, unless otherwise specified in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning agency and each rating should be evaluated independently of any other. Investors are cautioned to evaluate each rating independently of any other rating. Unless otherwise specified in the applicable Final Terms, it is not expected that any credit rating applied for in relation to any Series of Covered Bonds will be issued by a credit rating agency established in the European Union or the United Kingdom and registered under Regulation (EC) No. 1060/2009 (as amended) (the “**EU CRA Regulation**”) or Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the “**UK CRA Regulation**” and together with the EU CRA Regulation, the “**CRA Regulations**”). The credit ratings included and referenced in this Prospectus have been issued by Standard & Poor’s Financial Services LLC, Moody’s, Moody’s Canada Inc., Fitch and DBRS, none of which is established in the European Union or the United Kingdom, but each of which has an affiliate established in the European Union or the United Kingdom and registered under the applicable CRA Regulation. See “Credit Rating Agencies” on page 8 and “Ratings” on page 140.

In general, European and UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union (in the case of European regulated investors) or (in the case of United Kingdom regulated investors) the United Kingdom and registered under the applicable CRA Regulation (a “**Registered CRA**”), unless the rating is provided by a credit rating agency operating in the European Union or the United Kingdom before 7 June 2010, or a non-European Union or non-United Kingdom credit rating agency that is a member of the same group, where the Registered CRA has submitted an application for registration in accordance with the applicable CRA Regulation (or in the case of a non-European Union or non-United Kingdom affiliate, the Registered CRA has in such application disclosed an intention to endorse the non-European Union or non-United Kingdom affiliate’s ratings) and such registration (or, in the case of the non-European or non-United Kingdom rating, the ability to endorse the relevant non-European Union or non-United Kingdom affiliate’s rating) is not refused.”

- ii. The section entitled “*Credit Rating Agencies*” on page 8 of the Prospectus is deleted in its entirety and replaced with the following:

“**Moody’s is not established nor is it registered in the EU or the UK** but: (1) Moody’s Investors Service Ltd, its Registered CRA affiliate (i) is established in the UK; (ii) is registered under the UK CRA Regulation; and (iii) is permitted to endorse credit ratings of Moody’s used in specified third countries, including the United States and Canada, for use in the UK by relevant market participants; and (2) Moody’s Deutschland GmbH, its Registered CRA affiliate (i) is established in the EU; (ii) is registered under the EU CRA Regulation; and (iii) is permitted to endorse credit ratings of Moody’s used in specified third countries, including the United States and Canada, for use in the EU by relevant market participants.

DBRS is not established nor is it registered in the EU or the UK but: (1) DBRS Ratings Limited, its Registered CRA affiliate: (i) is established in the UK; (ii) is registered under the UK CRA Regulation; and (iii) is permitted to endorse credit ratings of DBRS used in specified third countries, including the United States and Canada, for use in the UK by relevant market participants; and (2) DBRS Ratings GmbH, its Registered CRA affiliate: (i) is established in the EU; (ii) is registered under the EU CRA Regulation; and (iii) is permitted to endorse credit ratings of DBRS used in specified third countries, including the United States and Canada, for use in the EU by relevant market participants.

Fitch is not established nor is it registered in the EU or the UK but: (1) Fitch Ratings Limited, its Registered CRA affiliate: (i) is established in the UK; (ii) is registered under the UK CRA Regulation; and (iii) is permitted to endorse credit ratings of Fitch used in specified third countries, including the United States and Canada, for use in the UK by relevant market participants; and (2) Fitch Ratings Ireland Limited, its Registered CRA affiliate: (i) is established in the EU; (ii) is registered under the EU CRA Regulation; and (iii) is permitted to endorse credit ratings of Fitch used in specified third countries, including the United States and Canada, for use in the EU by relevant market participants.

Moody's Canada Inc. is not established nor is it registered in the EU or the UK but: (1) Moody's Investors Service Ltd, its Registered CRA affiliate (i) is established in the UK; (ii) is registered under the UK CRA Regulation; and (iii) is permitted to endorse credit ratings of Moody's used in specified third countries, including the United States and Canada, for use in the UK by relevant market participants; and (2) Moody's Deutschland GmbH, its Registered CRA affiliate (i) is established in the EU; (ii) is registered under the EU CRA Regulation; and (iii) is permitted to endorse credit ratings of Moody's used in specified third countries, including the United States and Canada, for use in the EU by relevant market participants.

Standard & Poor's Financial Services LLC, a subsidiary of S&P Global, Inc. is not established nor is it registered in the EU or the UK but: (1) Standard & Poor's Global Ratings UK Limited, its Registered CRA affiliate: (i) is established in the UK; (ii) is registered under the UK CRA Regulation; and (iii) is permitted to endorse credit ratings of Standard & Poor's Financial Services LLC used in specified third countries, including the United States and Canada, for use in the UK by relevant market participants; and (2) Standard & Poor's Global Ratings Europe Limited, its Registered CRA affiliate: (i) is established in the EU; (ii) is registered under the EU CRA Regulation; and (iii) is permitted to endorse credit ratings of Standard & Poor's Financial Services LLC used in specified third countries, including the United States and Canada, for use in the EU by relevant market participants.

ESMA is obliged to maintain on its website a list of credit rating agencies registered in accordance with the EU CRA Regulation. This list must be updated within 5 working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the EU CRA Regulation. ESMA's website address is <http://esma.europa.eu>. Please note that this website does not form part of this Prospectus.

The FCA is obliged to maintain on its website a list of credit rating agencies registered in accordance with the UK CRA Regulation. The FCA's website address is <https://www.fca.org.uk/markets/credit-rating-agencies/registered-certified-cras>. Please note that this website does not form part of this Prospectus."

- iii. The second paragraph of the risk factor entitled "*Credit ratings might not reflect all risks*" on page 58 is deleted and replaced with the following:

"In general, EU and UK regulated investors are restricted under the applicable CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU (in the case of European regulated investors) or (in the case of UK regulated investors) the UK and registered under the applicable CRA Regulation (and such registration has not been withdrawn or suspended) subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. See "*Credit Rating Agencies*" on page 8 of this Prospectus for additional information. Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a Registered CRA or the relevant non-EU or non-UK rating agency is certified in accordance with the applicable CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Each of the list of registered and certified credit rating agencies published by ESMA on its website in accordance with the EU CRA Regulation and the list of registered and certified credit rating agencies published by the FCA on its website in accordance with the UK CRA Regulation, is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. If the regulated status of a rating agency under the applicable, CRA Regulation changes, European and/or UK regulated investors may no longer be able to use the rating for regulatory purposes and the Covered Bonds may have a different regulatory treatment. This may result in European and/or UK regulated investors selling the Covered Bonds which may impact the value of the Covered Bonds on any Secondary Market. Certain information with respect to the credit rating agencies and ratings is disclosed in the "*Credit Rating Agencies*" section on page 8."

- iv. The paragraph regarding the credit rating agencies in the section entitled “*National Bank of Canada – Ratings*” on page 140 is deleted and replaced with the following:

“As of the date of this Prospectus, each of S&P Financial Services LLC, Moody’s, Fitch and DBRS, is established outside of the European Union or the UK but its respective Registered CRA affiliate: (i) is established in the European Union or the UK; (ii) is registered under the applicable CRA Regulation; and (iii) is permitted to endorse the credit ratings of Standard & Poor’s Financial Services LLC, Moody’s, Fitch or DBRS, as applicable used in specified third countries, including the United States and Canada, for use in the European Union or the United Kingdom, as applicable, by relevant market participants. See also “*Credit Rating Agencies*” on page 8.”

K. Risk Factors

The risk factor entitled: “*UK political uncertainty*” is deleted in its entirety and replaced with the following:

“On 31 January 2020, the UK withdrew from the EU as a Member State and entered into a transition period until 31 December 2020, during which time the UK remained subject to EU rules and regulations. On 1 January 2021, the transition period ended and the EU rules and regulations which, during that period, remained applicable to the UK, ceased to apply to it. Although the EU and the UK agreed a post-Brexit trade and cooperation agreement on 24 December 2020, it is not yet fully certain what arrangements will define the future relationship between the EU and the UK, or the length of time that this may take to implement. The UK’s decision to leave the EU has caused, and is anticipated to continue to cause, significant new uncertainties and instability in the financial markets.

Although direct operations of the Issuer in the UK are limited, given that the Issuer is operating in the financial markets and that the Covered Bonds, when issued, may be listed and admitted to trading in London, any significant new uncertainties and instability in the financial markets may affect the Issuer and the trading price of the Covered Bonds.

Until the terms of the trade and cooperation agreement between the UK and the EU are better understood, it is not possible to determine the impact of Brexit and/or any related matters may have on the Issuer or any of the Issuer’s Covered Bonds as a result of, amongst other items, their listing and admission to trading in London, including the market value or the liquidity thereof in the secondary market, or on the other parties to the transaction documents. See “*Subscription and Sale and Transfer and Selling Restrictions - Prohibition of Sales to EEA Retail Investors and - Prohibition of Sales to UK Retail Investors*” on page 249 of this Prospectus for additional information on the UK and EEA selling restrictions applicable to this Programme.”

L. Form of the Final Terms

- i. The legend entitled “*Prohibition of Sales to EEA and UK Retail Investors*” is amended to remove all references to the United Kingdom and the following is added immediately succeeding that legend:

“**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended) as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]”

- ii. The following is added immediately succeeding the legend entitled “*MiFID II Product Governance/Professional Investors and ECPs Only Target Market*”:

“**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018] [EUWA] (“**UK MiFIR**”); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**UK distributor**”) should take into consideration the manufacturer’s target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.]”

- iii. The first two sentences of the first paragraph under “*Part A – Contractual Terms*” is deleted and replaced with the following:

“[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Prospectus dated 9 September 2020 [and the supplemental Prospectus[es] dated [date]] which [together] constitute[s] [a base prospectus (the “**Prospectus**”) for the purposes of [Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended] (the “**UK Prospectus Regulation**”)]/[the UK Prospectus Regulation]]. This document constitutes the Final Terms of the Covered Bonds described herein [for the purposes of Article 8 of the UK Prospectus Regulation] and must be read in conjunction with such Prospectus in order to obtain all relevant information. ”

- iv. The reference to the UK in item 5(iii) of “*Part B – Other Information*” is deleted and the following new item is added as 5(iv):

“(iv) Prohibition of Sales to UK Retail Investors [Applicable/Not Applicable]”

M. Subscription and Sale and Transfer and Selling Restrictions

All references to the United Kingdom are deleted from the selling restriction entitled “*Prohibition of Sales to EEA and UK Retail Investors*” and the following new selling restriction is added immediately succeeding that selling restriction:

“**Prohibition of sales to UK Retail Investors**”

Unless the Final Terms in respect of any Covered Bonds specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression retail investor means a person who is one (or more) of the following:
- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the “**EUWA**”); or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

- (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

If the Final Terms in respect of any Covered Bonds specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Covered Bonds to the public in the United Kingdom:

(A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Covered Bonds referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an offer of Covered Bonds to the public in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

N. Glossary

The definition of “Relevant State” is deleted and replaced with the following:

“**Relevant State**” any member state of the EEA.”

The definition of “MiFID II” is deleted and replaced with the following:

“**MiFID II**” Directive 2014/65/EU (as amended)”

V. CALL OPTION OR EARLY REDEMPTION FOR SPECIAL CIRCUMSTANCE RELATED AMENDMENTS

By virtue of this Supplement, the definition of “Special Circumstance” in the section entitled “*Terms and Conditions of the Covered Bonds - Call Option or Early Redemption for Special Circumstance*” is amended by:

A. creating a new sub-paragraph “(i)” after the words “Special Circumstance means” and adding “; or” at the end of the definition of “Special Circumstance”; and

B. adding the following at the end of the definition of “Special Circumstance”:

“(ii) the Issuer provides to the Guarantor and the Bond Trustee a notice under the Programme indicating that:

- (a) the Issuer will not issue any further Covered Bonds under the Programme; and
- (b) the Issuer will wind down the Programme following the repayment (including, for greater certainty, in respect of an applicable series, pursuant to an early redemption by the Issuer under this Condition 6.03) of the then outstanding Series of Covered Bonds; provided that such notice shall not be given unless, at the time of giving the notice, the only existing Series of Covered Bonds are those that when originally issued had a term of 10 year or more”

VI. APPOINTMENT OF NEW OFFICER AND DIRECTOR

The list of the board of directors of the Bank in the section entitled “*National Bank of Canada – Board of Directors*” is updated to add the following:

“Name and Location

Laurent Ferreira
Québec, Canada

Principal Occupation

Chief Operating Officer, National Bank of Canada”

GENERAL

To the extent that any document or information incorporated by reference in this Supplement, itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Supplement for the purposes of the UK Prospectus Regulation, except where such information or documents are stated within this Supplement as specifically being incorporated by reference or where this Supplement is specifically defined as including such information.

Copies of this Supplement, the Prospectus and the documents incorporated by reference in either can be (i) viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Bank and the headline “Publication of Prospectus”; (ii) viewed on the Bank’s website at <https://www.nbc.ca/en/about-us/investors/investor-relations/capital-debt-information/debt/legislative-covered-bonds-program/legislative-covered-bonds.html>; and (iii) obtained without charge from the Bank at 600 De La Gauchetière Street West, Montréal, Québec, Canada H3B 4L2, Attention: Investor Relations and the specified office each Paying Agent set out at the end of the Prospectus. No website referred to herein nor any information contained thereon, forms part of this Supplement, nor have the contents of any such website been approved by or submitted to the FCA, unless, in each case, such website or information is expressly incorporated by reference in this Supplement.