

**AMENDING AGREEMENT TO
MASTER DEFINITIONS AND CONSTRUCTION AGREEMENT**

THIS AMENDING AGREEMENT TO MASTER DEFINITIONS AND CONSTRUCTION AGREEMENT (this “**Agreement**”) is made as of the 30th day of June, 2014.

BY AND AMONG

- (1) **NATIONAL BANK OF CANADA**, a bank named in Schedule I to the *Bank Act* (Canada), whose executive office is at 600 De La Gauchetière Street West, Montréal, Québec, Canada H3B 4L2 in its capacities as Issuer, Seller, Servicer, Cash Manager, Interest Rate Swap Provider and Covered Bond Swap Provider;
- (2) **NBC COVERED BOND (LEGISLATIVE) GUARANTOR LIMITED PARTNERSHIP**, a limited partnership formed under the laws of the Province of Ontario whose registered office is at 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6, by its managing general partner **NBC COVERED BOND (LEGISLATIVE) GP INC.**;
- (3) **COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company formed under the laws of Canada, whose registered office is at 1500 University Street, Suite 700, Montréal, Québec, Canada, H3A 3S8 in its capacities as Bond Trustee and Custodian;
- (4) **NBC COVERED BOND (LEGISLATIVE) GP INC.**, a corporation incorporated under the laws of Canada, whose registered office is at 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6;
- (5) **8603413 CANADA INC.**, a corporation incorporated under the laws of Canada whose registered office is at 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, Ontario, M5K 1E6; and
- (6) **DELOITTE S.E.N.C.R.L./s.r.l.**, a société en nom collectif à responsabilité limitée formed under the laws of the Province of Québec, acting through its offices located at 1 Place Ville Marie, Suite 3000, Montréal, Québec, Canada H3B 4T9.

WHEREAS the parties entered into a master definitions and construction agreement made as of October 31, 2013 (the “**Master Definitions and Construction Agreement**”);

AND WHEREAS the parties hereto have agreed to amend the Master Definitions and Construction Agreement pursuant to the terms of this Agreement in accordance with Section 3 of the Master Definitions and Construction Agreement, Section 8.02 of the Security Agreement and Clause 21.2 of the Trust Deed;

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

ARTICLE 1 – AMENDMENTS

1.01 Amendments

(1) The definition of “Indexation Methodology” is added to Article 1 of the Master Definitions and Construction Agreement in alphabetical order as follows:

“**Indexation Methodology**” means, the indexation methodology determined by the Guarantor that meets the requirements provided for in the CMHC Guide to determine indexed valuations for Properties relating to the Loans in the Covered Bond Portfolio, which, as of the date of this Agreement is the Teranet-NBC House Price Index (HPI) sub-indices, where available, and, where not available, the Teranet-NBC National Composite 11 House Price Index, as more particularly described in the Prospectus, whether directly or by reference, and which methodology may be updated from time to time upon notice to CMHC;

(2) The definition of “Latest Valuation” in Article 1 of the Master Definitions and Construction Agreement is deleted in its entirety and replaced by the following:

“**Latest Valuation**” means, in relation to any Property, the value given to that Property by the most recent valuation addressed to the Seller or, as applicable, an Originator or obtained from an independently maintained risk assessment model, acceptable to reasonable and prudent institutional mortgage lenders in the Seller’s or Originator’s market or the purchase price of that Property or current property tax assessment, as applicable; provided that, commencing July 1, 2014, such value shall be adjusted at least quarterly to account for subsequent price adjustments using the Indexation Methodology;

ARTICLE 2– MISCELLANEOUS

2.01 Further Assurances

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

2.02 Other Amendments

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

2.03 Governing Law

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

2.04 Interpretation

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

[SIGNATURE PAGES FOLLOW]

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

NATIONAL BANK OF CANADA

Per: "Éric Girard"
Name: Éric Girard
Title: Authorized Signatory

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

Per: "Éric Girard"
Name: Éric Girard
Title: Authorized Signatory

**NBC COVERED BOND (LEGISLATIVE)
GP INC.**

Per: "Éric Girard"
Name: Éric Girard
Title: Authorized Signatory

**COMPUTERSHARE TRUST COMPANY
OF CANADA**

Per: "Nathalie Gagnon"

Name: Nathalie Gagnon

Title: Corporate Trust Officer

Per: "Sophie Brault"

Name: Sophie Brault

Title: Corporate Trust Officer

8603413 CANADA INC.

Per: "Toni De Luca"

Name: Toni De Luca

Title: Authorized Signatory

DELOITTE S.E.N.C.R.L./s.r.l.

Per: "Deloitte S.E.N.C.R.L./s.r.l."

Name: Carl Magnan

Title: Partner