

# Redeemable without penalty Guaranteed Investment Certificate (GIC)

## Prescribed Information with respect to Guaranteed Investment Certificates (ss. 627.77 and 627.78(1) of the *Bank Act*)

This document summarizes the conditions of the Redeemable without penalty Guaranteed Investment Certificate (GIC). However, you should read your entire agreement. In this document, “we” refers to National Bank of Canada and “you” refers to the holder (or each holder).

The French version of the standard clauses of this document is available [here](#).

La version française des clauses type de ce document est disponible [ici](#).

Principal amount	<ul style="list-style-type: none"><li>› is the amount invested in your GIC.</li><li>› is guaranteed and payable at maturity.</li></ul>
Term	<ul style="list-style-type: none"><li>› is the period during which the funds are invested.</li><li>› is offered with a 1 or 2-year term only.</li><li>› begins on the issue date and ends on the maturity date.</li></ul>
Annual interest rate	<ul style="list-style-type: none"><li>› is fixed and annual.</li><li>› depends on:<ul style="list-style-type: none"><li>– the term;</li><li>– the type of interest;</li><li>– the interest payment frequency;</li><li>– any redemption feature of your GIC—not applicable to non-redeemable GICs.</li></ul></li></ul> <p>You can view the interest rates for all our GICs by visiting:</p> <ul style="list-style-type: none"><li>› <a href="#">nbc.ca/gic</a> &gt; Choose a GIC &gt; Choose a category &gt; All</li></ul> <p>For businesses, learn more in branch.</p>
Type of interest	<ul style="list-style-type: none"><li>› simple or compound.</li></ul> <p>The interest paid is calculated during the term. Interest ceases to accrue on the maturity date.</p>
Simple interest and calculation method	<ul style="list-style-type: none"><li>› is calculated annually on the anniversary date of the GIC.</li></ul>
Simple interest payment frequency	<ul style="list-style-type: none"><li>› is paid to you monthly, semi-annually, annually or at maturity according to the interest payment frequency that was chosen.</li><li>› may not be changed during the term of your GIC.</li><li>› if you have chosen simple interest to be paid monthly or semi-annually, the annual interest rate is reduced as follows:<ul style="list-style-type: none"><li>– monthly payment frequency: the rate is reduced by 0.125%.</li><li>– semi-annual payment frequency: the rate is reduced by 0.05%.</li></ul></li></ul>
Compound interest and calculation method	<ul style="list-style-type: none"><li>› is calculated and reinvested in your GIC, annually on the anniversary date of the GIC.</li><li>› is added annually to the principal amount and bears interest at the fixed annual interest rate of your GIC.</li></ul>
Compound interest payment frequency	<ul style="list-style-type: none"><li>› is paid on the maturity date of the GIC.</li></ul>
Fees	<ul style="list-style-type: none"><li>› no fees to renew your GIC or your renewed GIC.</li><li>› no fees and no redemption penalty when you redeem your GIC according to the selected term:<ul style="list-style-type: none"><li>– GIC with a 1-year term: <b>30 days after</b> the issue date or the renewal date.</li><li>– GIC with a 2-year term: <b>6 months after</b> the issue date or the renewal date.</li></ul></li></ul>

Automatic renewal of your GIC	<ul style="list-style-type: none"> <li>› automatically renews at maturity at the fixed annual interest rate in effect on the day of renewal.</li> <li>› applies to any renewed GIC.</li> <li>› you do not have to sign a new agreement.</li> <li>› no fees.</li> </ul> <p><b>Conditions of renewal</b></p> <p><b>a) Interest rate applicable to the renewed GIC</b></p> <ul style="list-style-type: none"> <li>› fixed and annual.</li> <li>› depends on: <ul style="list-style-type: none"> <li>- the term;</li> <li>- the type of interest;</li> <li>- the interest payment frequency, and</li> <li>- any redemption feature of your GIC—not applicable to non-redeemable GICs.</li> </ul> </li> </ul> <p>You can view the interest rates for all our GICs by visiting:</p> <ul style="list-style-type: none"> <li>› <a href="https://nbc.ca/gic">nbc.ca/gic</a> &gt; Choose a GIC &gt; Choose a category &gt; All</li> </ul> <p><b>b) Other conditions applicable to the renewed GIC</b></p> <ul style="list-style-type: none"> <li>› The following conditions remain the same: <ul style="list-style-type: none"> <li>- principal amount;</li> <li>- term;</li> <li>- type of interest;</li> <li>- interest payment frequency;</li> <li>- any redemption feature of your GIC—not applicable to non-redeemable GICs.</li> </ul> </li> </ul> <p><b>Renewal with different conditions or as another type of GIC</b></p> <p>At any time before the maturity date, you may change the renewal instructions regarding the principal amount and the term or reinvest your funds into another GIC offered by the Bank. Let us know if you need additional information. We are here to offer the GIC that best meets your needs.</p> <p><b>Cancelling a renewed GIC</b></p> <p>You have 10 business days after the renewal date of the GIC to cancel it without any fee.</p>
The funds invested in your GIC and deposit insurance	<p>Your GIC may qualify as a deposit that is insurable subject to the maximum coverage limits:</p> <ul style="list-style-type: none"> <li>› by the Canada Deposit Insurance Corporation (CDIC) if your GIC is issued by National Bank of Canada or Natcan Trust Company; OR</li> <li>› by the <i>Autorité des marchés financiers</i> (AMF) if your GIC is issued by National Bank Trust.</li> </ul> <p>In both cases, conditions apply to determine the maximum coverage. Any amount over the maximum coverage limit is not covered.</p> <p>To find out more, read:</p> <ul style="list-style-type: none"> <li>› the "Protecting your deposits" brochure online at <a href="https://www.cdic.ca">www.cdic.ca</a> or call 1-800-461-7232 if your GIC is issued by National Bank of Canada or Natcan Trust Company; OR</li> <li>› the "Your deposits are protected. That's a guarantee!" brochure online at <a href="https://www.lautorite.qc.ca">www.lautorite.qc.ca</a> or call 418-525-0337 or 1-877-525-0337 if your GIC is issued by National Bank Trust.</li> </ul>
GIC redeemable before maturity	<p><b>Conditions for redeeming your GIC</b></p> <ul style="list-style-type: none"> <li>› You will have access to the funds in your GIC at no charge and with no redemption penalty according to the selected term: <ul style="list-style-type: none"> <li>- GIC with a 1-year term: <b>30 days after</b> the issue date or the renewal date.</li> <li>- GIC with a 2-year term: <b>6 months after</b> the issue date or the renewal date.</li> </ul> </li> </ul> <p><b>Amount paid on redemption</b></p> <p>If your GIC is redeemed in full or in part according to the conditions above, we will pay to the holders of the GIC the principal amount redeemed and the interest earned on that amount. The interest is calculated as follows:</p> <p><b>Interest</b> = Number of days elapsed in the term X Interest rate of the GIC X Principal amount redeemed</p>
Cancelling a GIC	<p>You have 10 business days from the issue date of the GIC to cancel it without any fee by notifying us.</p> <ul style="list-style-type: none"> <li>› the principal amount is paid.</li> <li>› no interest paid.</li> </ul>
Changes to the GIC	<p>We may change the conditions of your GIC, for example, when market conditions or product offerings change.</p> <p>We will use commercially reasonable efforts to ensure that any change will not have a material adverse economic effect on you.</p> <p>You may not make changes to the conditions of your GIC before the maturity date.</p>
Conflicts of interest	<p>For information on how we avoid and deal with potential or real conflicts of interest, visit "What you need to know about prohibited conduct" at <a href="https://nbc.ca">nbc.ca</a>.</p>

