

NOTICE TO UNITHOLDERS

**NATIONAL BANK PROTECTED CANADIAN BOND FUND
NATIONAL BANK PROTECTED RETIREMENT BALANCED FUND
NATIONAL BANK PROTECTED GROWTH BALANCED FUND
NATIONAL BANK PROTECTED CANADIAN EQUITY FUND
NATIONAL BANK PROTECTED GLOBAL RSP FUND**

(HEREINAFTER REFERRED TO AS THE "PROTECTED FUNDS")

1. Termination of Sale of Units

National Bank Securities Inc., the manager of the Protected Funds, hereby gives notice of its decision to terminate the sale of new units of the Protected Funds. After March 31, 2005, it will no longer be possible to purchase new units of the Protected Funds or switch units between Protected Funds. Nonetheless, after March 31, 2005 unitholders will still be able to receive distributions in the form of additional units. You therefore have until March 31, 2005 if you wish to increase your investment in Protected Funds.

Please note that after March 31, 2005, you may continue to redeem units of the Protected Funds according to the procedures established by National Bank Securities Inc.

2. Guarantees

After March 31, 2005, National Bank Life Insurance Company, which guarantees the value of the Protected Fund units, will no longer allow the reference dates for guarantees to be voluntarily reset by unitholders. Moreover, after March 31, 2005, the guarantees will no longer be reset automatically for a 10-year period on the maturity date of the Protected Funds.

Please note that the current guarantees applicable to your Protected Funds, namely the 10-year guarantee on the value of your Protected Funds as indicated in your account statement and the guarantee in the event of death before the maturity date and the unitholder's 70th birthday, remain in force and will stay in force after March 31, 2005. However, the current guarantees will end on March 31, 2015 at the latest.

If you have any questions, please contact your financial advisor.

Dated at Montreal, this 6th day of December, 2004.



Charles Guay
President and Chief Operating Officer
National Bank Securities Inc.