



# NATIONAL BANK OF CANADA

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## NOTICE TO BENEFICIAL NOTEHOLDERS

March 7, 2024

**YOUR PARTICIPATION IS IMPORTANT.**

**THIS DOCUMENT REQUIRES YOUR IMMEDIATE ATTENTION.**

**TAKE ACTION WELL IN ADVANCE OF THE EXPIRY:**

**5:00 P.M. (ET) ON APRIL 15, 2024**

### **Solicitation of Voting Instructions from the holders of the following:**

- **4.30% Limited Recourse Capital Notes, Series 1 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) of National Bank of Canada (CUSIP 63306AGL4);**
- **4.05% Limited Recourse Capital Notes, Series 2 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) of National Bank of Canada (CUSIP 63306AGP5); and**
- **7.50% Limited Recourse Capital Notes, Series 3 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) of National Bank of Canada (CUSIP 63306AHJ8)**

**in connection with a Special Meeting of First Preferred Shareholders of National Bank of Canada to be held on April 19, 2024 as described in the Voting Instruction Solicitation Statement dated March 7, 2024.**

Enclosed herewith is a copy of the Voting Instruction Solicitation Statement of National Bank of Canada (the “**Bank**”) dated March 7, 2024 (the “**Statement**”). All capitalized terms used in this notice and not otherwise defined herein shall have the meanings given to them in the Statement.

### **PLEASE READ THE INSTRUCTIONS BELOW AND ACCOMPANYING STATEMENT CAREFULLY**

The Bank has called a special meeting of first preferred shareholders (the “**Meeting**”) to be held on April 19, 2024. At the Meeting, holders of first preferred shares of the Bank (the “**First Preferred Shareholders**”) will consider a special resolution (the “**Resolution**”) to approve an amendment to Section 1 of By-Law II of the Bank to increase the maximum aggregate consideration for which First Preferred Shares may be issued. The full text of the Resolution is set out in the accompanying Statement.

Pursuant to the terms of the Trust Indentures, Computershare Trust Company of Canada, as the Indenture Trustee for the Notes (as defined below), is soliciting (the “**Solicitation**”) voting instructions (each a “**Voting Instruction**”) from (i) the holders of the Bank’s 4.30% Limited Recourse Capital Notes, Series 1 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) (the “**LRCN Series 1 Notes**”), (ii) the holders of the Bank’s 4.05% Limited Recourse Capital Notes, Series 2 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness)

(the “**LRCN Series 2 Notes**”), and (iii) the holders of the Bank’s 7.50% Limited Recourse Capital Notes, Series 3 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) (the “**LRCN Series 3 Notes**”, and together with the LRCN Series 1 Notes and the LRCN Series 2 Notes, the “**Notes**”, and the holders of the Notes, collectively, the “**Noteholders**”) in respect of the Resolution to be considered by the First Preferred Shareholders at the Meeting. The Indenture Trustee will deliver to the LRT Trustee the voting instructions received from the Noteholders pursuant to the Solicitation and direct the LRT Trustee to vote each series of LRCN Preferred Shares held by the LRT Trustee in accordance with such instructions at the Meeting.

The Solicitation is being made by Computershare Trust Company of Canada, as Indenture Trustee for the Notes, pursuant to the Statement and the related Voting Instruction Forms (which are described in the Statement). However, each series of Notes has been issued in the form of global notes registered in the name of CDS Clearing and Depository Services Inc. or its nominee (“**CDS**”) and, as such, CDS is the sole registered Noteholder of each series of Notes. Only registered Noteholders, or their duly appointed proxyholders, have the right to execute a Voting Instruction Form, and as such, beneficial Noteholders will not receive a Voting Instruction Form and none is enclosed with the accompanying Statement.

You are a beneficial Noteholder if your interest in Notes is held either:

- (i) in the name of an intermediary with whom you deal in respect of the Notes, such as, among others, banks, trust companies, securities dealers or brokers; or
- (ii) in the name of a clearing agency (such as CDS) of which the intermediary is a direct or indirect participant.

**Beneficial Noteholders are requested to read and carefully consider the information contained in the accompanying Statement and to give their voting instructions on the Resolution to their broker, dealer, commercial bank, trust company or other intermediary who is a participant in CDS (“CDS Participant”) through which they hold their Notes.**

Beneficial Noteholders should follow the directions of their CDS Participant through which they hold their Notes with respect to the procedures to be followed for providing Voting Instructions. Generally, your CDS Participant will, directly or indirectly, provide you with a form of voting instruction or other instruction on how to provide Voting Instructions to your CDS Participant. These procedures are designed to permit you to direct the Voting Instructions of the Notes that you beneficially own.

Any beneficial Noteholder who wishes to deliver a Voting Instruction must deliver the form of voting instruction or other instruction provided by its CDS Participant to its CDS Participant to execute the applicable Voting Instruction Form(s) on its behalf. See “The Solicitation - Procedures for Providing Voting Instructions” in the Statement for further details.

The Expiration Time shall occur at 5:00 p.m. (ET) on April 15, 2024, unless the Meeting is adjourned or postponed. In the case of any adjournment or postponement of the Meeting by the Bank, the Expiration Time shall automatically be extended to the fourth business day preceding the date fixed for the adjourned or postponed meeting. The Bank will issue a press release advising of any adjournment or postponement of the Meeting by the Bank.

**Beneficial Noteholders should be aware that their CDS Participant may establish its own earlier deadlines for participation in the Solicitation. Accordingly, beneficial Noteholders wishing to participate in the Solicitation and have Voting Instructions delivered in respect of their Notes should contact the CDS Participant through which they hold their Notes as soon as possible in order to determine the times by which they must take action in order to participate in the Solicitation.**

**You are receiving this notice as a beneficial Noteholder. If you otherwise hold common shares of the Bank (the “Common Shares”) or First Preferred Shares, you will receive separate materials with respect to the Meeting and the voting of your Common Shares or First Preferred Shares, as the case may be. It is important that you exercise your right to vote your Common Shares and/or First Preferred Shares, if applicable, in addition to providing instructions with respect to the Notes you beneficially own. Accordingly, separate proxy and voting instruction forms may be required to be completed.**