

**VARIABLE-RETURN GUARANTEED INVESTMENT CERTIFICATE (the variable-return GICs) INFORMATION STATEMENT
DATED MARCH 31, 2014**

Before purchasing a variable-return GIC, prospective investors should determine whether this product corresponds to their investment objectives. Please read this document and take it into consideration when making your decision.

INVESTMENT HIGHLIGHTS

Issuer:	National Bank of Canada or, where applicable, Natcan Trust Company
Issue Date:	April 24, 2014
Maturity Date:	April 23, 2019
Term:	5 years
Minimum Investment:	\$500
Eligible for CDIC Coverage:	Yes, subject to maximum CDIC coverage limitations
Secondary Market:	None
Dividends Reinvested:	No. The Reference Portfolio Return is a price return.
Maximum Interest at maturity:	29.40% over the term of the Diversified GIC - Performance, including the Guaranteed Interest of 3.15%.

CONDITIONS SPECIFIC TO THE INVESTMENT
Diversified GIC - Performance, Series 31, Investors Category (the “Diversified GIC - Performance”)

The initial principal amount will be invested on the Issue Date (the “principal invested on the Issue Date”). On the first Business Day following the Maturity Date, investors of the Diversified GIC - Performance will be entitled to receive repayment of the principal invested on the Issue Date. In addition, depending on the performance of the Reference Portfolio which is a notional portfolio composed of Reference Assets, investors will be entitled to receive a Variable Interest including the Guaranteed Interest. The Maturity Date will be five years following the Issue Date. Assuming an Issue Date on April 24, 2014, the Maturity Date will be April 23, 2019.

The variable interest (the “Variable Interest”) payment, if any, is calculated as follows:

$$\text{The Variable Interest} = \text{Principal invested on the Issue Date} \times \text{Reference Portfolio Return.}$$

The Variable Interest will be no less than 3.15% of the principal invested on the Issue Date (the “Guaranteed Interest”) (which is equivalent to a compounded annual rate of return of 0.62%) and will be limited to a maximum of 29.40% of the principal invested on the Issue Date (the “Maximum Interest”), which would be the equivalent of a compounded annual rate of return of approximately 5.29%.

The Variable Interest on the Diversified GIC - Performance is based on the return of the following three reference assets (the "Reference Assets") set forth in the following reference portfolio (the "Reference Portfolio"):

Reference Assets	Reference Asset Weight
NBC Conventional fixed-rate GIC (the "Fixed-rate GIC")	25%
Canadian Precision 10GIC (the "Canadian Precision 10")	30%
Global Precision 10 GIC (the "Global Precision 10")	45%

The Reference Portfolio Return is equal to the weighted average return of the Reference Assets calculated as the sum of the Weighted Reference Asset Return of the Reference Assets comprising the Reference Portfolio.

Where: the Weighted Reference Asset Return means for each Reference Asset contained in the Reference Portfolio and on any day, the product of (i) the Reference Asset Return and (ii) the Reference Asset Weight of such Reference Asset as specified in the table above.

In order for the Diversified GIC – Performance to pay the Maximum Interest of 29.40% at maturity, the Reference Asset Return of each of the Canadian Precision 10 and the Global Precision 10 must be equal to or above their maximum Reference Asset Return of 35.00%, which is equivalent to a compound annual rate of return of 6.19%. Conversely, with respect to the calculation of the Reference Portfolio Return, the minimum Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 will be fixed at 0% even when the actual Reference Asset Return of the Canadian Precision 10 or the Global Precision 10 is negative.

Fixed-rate GIC

The return on the Fixed-rate GIC is based on the return of the non-redeemable 5-year conventional fixed-rate GIC issued by the National Bank of Canada.

More specifically, the Reference Asset Return of the Fixed-rate GIC is a percentage (rounded to two decimal places) equal to 2.40%. The Reference Asset Return of the Fixed-rate GIC is compounded annually over five years.

The Fixed-rate GIC will be used solely as a notional reference asset for the purpose of calculating the Variable Interest. No actual funds will be invested in the purchase of the Fixed-rate GIC. Investors will not be the owners of, or have any rights or interest in or to, the Fixed-rate GIC.

Canadian Precision 10 and Global Precision 10

The return on the Canadian Precision 10 is based on the price return of the common shares of 20 Canadian companies (the "Reference Shares of the Canadian Precision 10") comprised in the following reference basket (the "Reference Basket of the Canadian Precision 10"):

Reference Shares of the Canadian Precision 10	Primary Exchange*	Sector	Ticker symbol
Barrick Gold Corporation	Toronto	Materials	ABX
BCE Inc.	Toronto	Telecommunication Services	BCE
Bank of Montreal	Toronto	Financial Services	BMO
Canadian Imperial Bank of Commerce	Toronto	Financial Services	CM
Canadian National Railway Company	Toronto	Industrials	CNR
Enbridge Inc.	Toronto	Energy	ENB
Encana Corporation	Toronto	Energy	ECA
Husky Energy Inc.	Toronto	Energy	HSE
Loblaw Companies Limited	Toronto	Consumer Staples	L
Potash Corporation of Saskatchewan Inc.	Toronto	Materials	POT
Power Corporation of Canada	Toronto	Financial Services	POW
Rogers Communications Inc., Class B	Toronto	Telecommunication Services	RCI/B
Royal Bank of Canada	Toronto	Financial Services	RY
Shaw Communications Inc., Class B	Toronto	Consumer Discretionary	SJR/B
Saputo Inc.	Toronto	Consumer Staples	SAP
Teck Resources Limited, Class B	Toronto	Materials	TCK/B
TELUS Corporation	Toronto	Telecommunication Services	T
Thomson Reuters Corporation	Toronto	Consumer Discretionary	TRI
TransAlta Corporation	Toronto	Utilities	TA
TransCanada Corporation	Toronto	Energy	TRP

*Source: Bloomberg

The sector diversification of the Reference Basket of the Canadian Precision 10 by weight is set out below:

Sector diversification	Weight
Energy	20%
Financial Services	20%
Materials	15%
Telecommunication Services	15%
Consumer Discretionary	10%
Consumer Staples	10%
Industrials	5%
Utilities	5%

The return on the Global Precision 10 is based on the price return converted into Canadian dollars (for shares denominated in a foreign currency) of the common shares of 20 international companies (the "Reference Shares of the Global Precision 10", and, collectively with the Reference Shares of the Canadian Precision 10, the "Reference Shares") comprised in the following reference basket (the "Reference Basket of the Global Precision 10" and, collectively with the Reference Basket of the Canadian Precision 10, the "Reference Baskets"):

Reference Shares of the Global Precision 10	Primary Exchange*	Sector	Ticker symbol
BHP Billiton Limited	ASE	Materials	BHP
BT Group PLC	London	Telecommunication Services	BT/A
Duke Energy Corporation	New York	Utilities	DUK
General Electric Company	New York	Industrials	GE
Honda Motor Co., Ltd.	Tokyo	Consumer Discretionary	7267
HSBC Holdings PLC	London	Financial Services	HSBA
Intel Corporation	NASDAQ GS	Information Technology	INTC
Mitsubishi Corporation	Tokyo	Industrials	8058
The Procter & Gamble Company	New York	Consumer Staples	PG
Royal Dutch Shell PLC	EN Amsterdam	Energy	RDSA
General Mills, Inc.	New York	Consumer Staples	GIS
Johnson & Johnson	New York	Health Care	JNJ
Kinder Morgan Energy Partners, L.P.	New York	Energy	KMP
McDonald's Corporation	New York	Consumer Discretionary	MCD
Siemens AG	Xetra	Industrials	SIE
Sumitomo Mitsui Financial Group, Inc.	Tokyo	Financial Services	8316
Novartis AG	SIX Swiss EX	Health Care	NOVN
RWE AG	Xetra	Utilities	RWE
Unilever N.V.	EN Amsterdam	Consumer Staples	UNA
Verizon Communications Inc.	New York	Telecommunication Services	VZ

*Source: Bloomberg

The sector diversification of the Reference Basket of the Global Precision 10 by weight is set out below:

Sector diversification	Weighting
Consumer Staples	15%
Industrials	15%
Consumer Discretionary	10%
Energy	10%
Financial Services	10%
Health Care	10%
Telecommunication Services	10%
Utilities	10%
Information Technology	5%
Materials	5%

The geographic diversification of the Reference Basket of the Global Precision 10 by weight is set out below:

Geographic diversification	Weighting
United States	45%
Japan	15%
Germany	10%
Great Britain	10%
Netherlands	10%
Australia	5%
Switzerland	5%

None of the entities comprising the Reference Baskets have had any involvement with respect to the Diversified GIC - Performance or the preparation of this document and such entities do not assume any responsibility or liability in respect of the Diversified GIC - Performance, and further, they make no representation as to the soundness of the purchasing of the Diversified GIC - Performance. The Diversified GIC - Performance is not sponsored, endorsed or promoted by any of these entities. All information included in this document with respect to publicly traded securities and the issuer of those securities is taken solely from information published by that issuer or by the providers of the Reference Shares or other publicly available information. The Bank and its affiliates have not reviewed the public information disseminated by these entities and assume no liability in respect of the accuracy and completeness of information disseminated by such entities.

For each of the Canadian Precision 10 and the Global Precision 10, the Reference Asset Return is the arithmetic average (expressed as a percentage and rounded to two decimal places) of the price return of the 10 Reference Shares of the applicable Reference Basket having the sixth to fifteenth highest return of the 20 Reference Shares of the applicable Reference Basket (the "ten middle performing Reference Shares") over the period starting on the Issue Date of the Diversified GIC - Performance and ending on the Valuation Date, subject to a maximum of 35.00% and a minimum of 0%. For greater certainty, when calculating the Reference Asset Return, each of the five Reference Shares of the applicable Reference Basket with the highest return (The "top five performing Reference Shares") and each of the five Reference Shares of the same Reference Basket with the lowest return (the "bottom five performing Reference Shares") will be ignored. In an effort to reduce the Reference Asset Return's volatility, each of the Canadian Precision 10 and the Global Precision 10 will target the ten middle performing Reference Shares of their respective Reference Basket of 20 Reference Shares.

The return of each of the Reference Shares will be that of the Reference Share's percentage gain or loss measured from its closing price on the Issue Date, converted into Canadian dollars at the foreign exchange rate (the "FX Rate") on the Issue Date (for shares denominated in a foreign currency), to its closing price on the Valuation Date, converted into Canadian dollars at the FX Rate on the Valuation Date (for shares denominated in a foreign currency). The Valuation Date will be (subject to certain exceptions) the fifth Business Day preceding the Maturity Date.

As a result, for the Reference Asset Return of the Global Precision 10, investors will be exposed to fluctuations between the Canadian dollar and the foreign currencies in which the Reference Shares may be traded. See "Risk Factors - Currency Risks".

The two Reference Baskets are used solely as a notional reference for the purpose of calculating the Reference Asset Return of the Canadian Precision 10 and the Global Precision 10, and therefore, the Variable Interest. No actual funds will be invested in the purchase of the Canadian Precision 10 and the Global Precision 10 or the Reference Shares, investors will not be the owners of, or have any rights or interest in or to, the Canadian Precision 10 and the Global Precision 10 or the Reference Shares. The Reference Asset Return will not reflect the payment of ordinary dividends in respect of the Reference Shares in the two Reference Baskets since the Reference Asset Return calculation is based on the price return of the Reference Shares and will not take into account dividends paid on such shares.

As of March 6, 2014, the dividends paid on account of all of the Reference Shares in the Reference Basket of the Canadian Precision 10 represented an annual return of approximately 3.43%.

As of March 6, 2014, the dividends paid on account of all of the Reference Shares in the Reference Basket of the Global Precision 10 represented an annual return of approximately 3.77%.

The return of each Reference Share will be equal to a number, expressed as a percentage, determined as per the following formula:

$$\frac{\text{Reference Share Final Value} - \text{Reference Share Initial Value}}{\text{Reference Share Initial Value}}$$

WHERE:

- "Reference Share Initial Value" will be equal to the Reference Share Price on the Issue Date.
- "Reference Share Final Value" will be equal to the Reference Share Price on the Valuation Date (i.e. the fifth Business Day preceding the Maturity Date).
- "Reference Share Price" means, on any day, the closing price of a Reference Share on the primary exchange on which the Reference Share is traded, as reported by such exchange, as converted into Canadian dollars at the applicable FX Rate for any Reference Share denominated in a foreign currency if applicable, provided that if the primary exchange on which a particular Reference Share is traded is not open for trading on that day, if there is no closing price on that day or if there is a market disruption event affecting such Reference Share on that day, the closing price on the immediately preceding day on which such exchange is open for trading (and for which there is a closing price and no market disruption event) will be used as converted into Canadian dollars at the applicable FX Rate for any Reference Share denominated in a foreign currency if applicable, except if this occurs on the Issue Date or the Valuation Date, in which case the closing price on the immediately following day on which such exchange is open for trading (and for which there is a closing price and no market disruption event) will be used, up to a maximum postponement of five Business Days. If the closing of the primary exchange, the absence of a closing price or the market disruption event should last for five Business Days, the closing price of the relevant Reference Share will be a price (converted in Canadian dollars, as the case may be) determined on such fifth Business Day by the Calculation Agent in its sole discretion and in good faith using market-accepted practices.

Adjustments to the Reference Baskets. In certain cases, it may be necessary for the Calculation Agent to adjust any of the Reference Basket and calculations to be made under the Diversified GIC - Performance. Examples of such situations are provided below.

In the event of a Potential Adjustment Event in respect of a Reference Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Reference Share and, if so, may (i) make the corresponding adjustments, if any, to any one or more of the Reference Share Initial Value, the Reference Asset Return, or any other component or variable relevant to the determination of a Reference Share Price as the Calculation Agent determines appropriate to account for the diluting or concentrative effect and (ii) determine the effective date of the adjustments. A "Potential Adjustment Event" means, as determined by the Calculation Agent acting in good faith, any event that may have a diluting or concentrative effect on the theoretical value of the relevant Reference Shares, including a subdivision, consolidation or reclassification of the Reference Shares, an extraordinary dividend and shareholder right distribution.

Moreover, on or after the closing of a Merger Event, the Calculation Agent may either (i) (a) make adjustment(s), if any, to any one or more of the Reference Share Initial Value, the Reference Asset Return, or any other component or variable relevant to the determination of the Variable Interest as the Calculation Agent determines appropriate to account for the economic effect on the Diversified GIC - Performance of the relevant Merger Event and (b) determine the effective date of the adjustments, or (ii) if the Calculation Agent determines that no adjustments that it could make under (i) will produce a commercially reasonable result, the Calculation Agent may replace the affected Reference Share as set forth below. A "Merger Event" means any transaction such as a consolidation, amalgamation, merger, binding unit exchange, take-over bid or similar transaction involving a Reference Share or the issuer thereof which happens on or before the date on which the return of the Reference Share is to be determined.

In the event that an entity included in a Reference Basket becomes insolvent or files for bankruptcy or similar insolvency proceedings before the Maturity Date, the Calculation Agent will attribute a nil value to the common shares of that entity. If an entity in a Reference Basket is delisted or in the event of any other special circumstances that would affect its inclusion in the Reference Portfolio, the Calculation Agent may decide to replace it. In such a case, the Calculation Agent will try to replace it with an entity of similar size, sector of activity, and geographic area, or as it deems appropriate under the circumstances.

Before the Issue Date, the Bank may replace a maximum of two Reference Shares per Reference Basket, if certain material events, financial or otherwise, occur in respect of such Reference Share that the Bank may consider, at its sole discretion, to be detrimental to the interest of investors in the Diversified GIC - Performance. Any replacement Reference Share selected for replacement shall be of an issuer of a similar size operating in a similar industry. The Bank is not in the obligation to replace a Reference Share even if certain material events detrimental to the investor occur in respect of such Reference Share.

In all cases, the Calculation Agent will make all appropriate decisions and adjustments in the best interest of investors.

General

No interest or any other amount will be paid during the term of the Diversified GIC - Performance. Notwithstanding whether the Reference Portfolio Return is positive or not at maturity, the Diversified GIC - Performance will generate the Guaranteed Interest. However, if the Reference Portfolio Return is not greater than 3.15%, the Diversified GIC - Performance will generate only the Guaranteed Interest in addition to the principal invested on the Issue Date.

With respect to the reporting throughout the term of the Diversified GIC - Performance, the Bank will use a Reference Portfolio level to demonstrate and calculate the performance of the Reference Portfolio. On the Issue Date, the Reference Portfolio level will be set at 1,000 and after that date, the level will fluctuate, either increasing or decreasing, depending on the Reference Portfolio Return, calculated as follows:

$$1,000 \times [1 + \text{Reference Portfolio Return}].$$

When calculating the Reference Portfolio level, the Fixed-rate GIC will increase linearly throughout the term. Notwithstanding the Fixed-rate GIC, the Diversified GIC - Performance is not a conventional fixed income investment, as it does not provide investors with a defined income stream or a return that can be calculated by reference to a fixed or floating rate of interest that is determinable in advance (except for the Guaranteed Interest). The following tables demonstrate the hypothetical performance of a conventional fixed-rate GIC compared to the potential performance of the Diversified GIC - Performance. These tables are included for illustration purposes only, the rates used for the fixed-rate GICs are hypothetical. No assurance can be given that the Diversified GIC - Performance will generate the Maximum Interest and each product is subject to its own features.

	Hypothetical conventional fixed-rate GICs			Diversified GIC - Performance	
				Minimum Variable Interest at maturity (Guaranteed Interest)	Maximum Interest at maturity
Annual interest	2%	3%	4%	0.62%	5.29%
Compound interest at maturity (5 years)	10.41%	15.93%	21.67%	3.15%	29.40%
Compound interest at maturity on a \$1,000 investment	\$104.08	\$159.27	\$216.65	\$31.50	\$294.00

Issue Date: April 24, 2014

Maturity Date: April 23, 2019

Examples

The following hypothetical examples are included for illustration purposes only and should not be construed as forecasts or projections. There can be no assurance that the results shown will be achieved.

Diversified GIC - Performance

Example #1 - Hypothetical example of a Maximum Interest

Fixed-rate Reference Asset Return	
Reference Asset Return of the Fixed-rate GIC	2.40%
Reference Asset Return of the Fixed-rate GIC (compounded)	12.59%

Canadian Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price (\$C)	FX Rate	Reference Share Initial Value (\$C)	Closing price (\$C)	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Barrick Gold Corporation	35.34	1.00	35.34	28.35	1.00	28.35	-19.79%	58.04%
BCE Inc.	42.50	1.00	42.50	39.67	1.00	39.67	-6.67%	
Bank of Montreal	58.74	1.00	58.74	56.90	1.00	56.90	-3.13%	
Canadian Imperial Bank of Commerce	78.08	1.00	78.08	82.54	1.00	82.54	5.72%	
Canadian National Railway Company	86.78	1.00	86.78	101.24	1.00	101.24	16.67%	
Encana Corporation	20.81	1.00	20.81	28.20	1.00	28.20	35.52%	
Enbridge Inc.	38.90	1.00	38.90	53.87	1.00	53.87	38.49%	
Husky Energy Inc.	27.23	1.00	27.23	38.29	1.00	38.29	40.63%	
Loblaw Companies Limited	33.35	1.00	33.35	47.22	1.00	47.22	41.58%	
Potash Corporation of Saskatchewan Inc.	38.80	1.00	38.80	56.53	1.00	56.53	45.69%	
Power Corporation of Canada	24.31	1.00	24.31	38.40	1.00	38.40	57.95%	
Rogers Communications Inc. - Class B	43.50	1.00	43.50	72.36	1.00	72.36	66.35%	
Royal Bank of Canada	55.95	1.00	55.95	97.00	1.00	97.00	73.37%	
Saputo Inc.	43.75	1.00	43.75	82.45	1.00	82.45	88.45%	
Shaw Communications Inc. - Class B	21.54	1.00	21.54	41.44	1.00	41.44	92.37%	
TELUS Corporation	65.60	1.00	65.60	127.10	1.00	127.10	93.75%	
TransAlta Corporation	15.30	1.00	15.30	29.83	1.00	29.83	94.94%	
Teck Resources Limited - Class B	32.81	1.00	32.81	65.35	1.00	65.35	99.18%	
Thomson Reuters Corporation	27.81	1.00	27.81	61.00	1.00	61.00	119.34%	
TransCanada Corporation	45.09	1.00	45.09	104.33	1.00	104.33	131.38%	
Arithmetic average of the ten middle performing Reference Shares								58.04%
Canadian Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)								35.00%

Global Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance and that the FX Rate fluctuation will positively impact the return of the Reference Shares.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price	FX Rate	Reference Share Initial Value (\$C)	Closing price	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Honda Motor Co., Ltd.	¥2,356	0.012	28.27	¥709	0.013	9.36	-66.91%	58.47%
Mitsubishi Corporation	¥1,432	0.012	17.18	¥911	0.013	12.03	-29.99%	
Royal Dutch Shell PLC	€ 26.97	1.30	35.06	€ 22.75	1.43	32.53	-7.21%	
HSBC Holdings PLC	£ 608.60	1.60	973.76	£ 526.63	1.76	926.87	-4.82%	
Siemens AG	€ 79.77	1.30	103.70	€ 75.72	1.43	108.28	4.42%	
Johnson & Johnson	\$US 69.48	1.00	69.48	\$US 75.41	1.10	82.95	19.39%	
Novartis AG	€ 57.20	1.30	74.36	€ 72.66	1.43	103.90	39.73%	
BHP Billiton Limited	\$A 33.75	1.03	34.76	\$A 43.27	1.13	49.03	41.04%	
McDonald's Corporation	\$US 84.66	1.00	84.66	\$US 108.55	1.10	119.41	41.04%	
Kinder Morgan Energy Partners, L.P.	\$US 78.30	1.00	78.30	\$US 106.82	1.10	117.50	50.07%	
Verizon Communications Inc.	\$US 42.56	1.00	42.56	\$US 60.49	1.10	66.54	56.34%	
RWE AG	€ 79.77	1.60	127.63	€ 126.80	1.76	223.17	74.85%	
Sumitomo Mitsui Financial Group, Inc.	¥2,368	0.012	28.42	¥3,849	0.013	50.81	78.80%	
General Electric Company	€66.85	1.30	86.91	€114.80	1.43	164.17	88.91%	
The Procter & Gamble Company	\$US 66.85	1.00	66.85	\$US 118.25	1.10	130.07	94.57%	
Unilever N.V.	€ 28.65	1.30	37.24	€ 53.29	1.43	76.21	104.64%	
Intel Corporation	\$US 20.28	1.00	20.28	\$US 41.44	1.10	45.58	124.78%	
General Mills, Inc.	\$US 39.34	1.00	39.34	\$US 97.12	1.10	106.83	171.55%	
Duke Energy Corporation	\$US 62.02	1.00	62.02	\$US 159.61	1.10	175.57	183.08%	
BT Group PLC	£ 227.90	1.60	364.64	£ 595.24	1.76	1047.62	187.30%	
Arithmetic average of the ten middle performing Reference Shares								58.47%
Global Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)								35.00%

Reference Portfolio Return

	Reference Assets Returns	Reference Asset Weight	Weighted Reference Assets Returns
Fixed-rate GIC	12.59%	25%	3.15%
Canadian Precision 10 Reference Asset	35.00%	30%	10.50%
Global Precision 10 Reference Asset	35.00%	45%	15.75%
Reference Portfolio Return			3.15% + 10.50% + 15.75%
Reference Portfolio Return			29.40%
Reference Portfolio Return (compounded annually)			5.29%

Issue Date: April 24, 2014

Maturity Date: April 23, 2019

Diversified GIC - Performance

Example #2 - Hypothetical example of a positive Variable Interest

Fixed-rate Reference Asset Return

Reference Asset Return of the Fixed-rate GIC	2.40%
Reference Asset Return of the Fixed-rate GIC (compounded)	12.59%

Canadian Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price (\$C)	FX Rate	Reference Share Initial Value (\$C)	Closing price (\$C)	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Barrick Gold Corporation	35.34	1.00	35.34	28.35	1.00	28.35	-19.79%	58.04%
BCE Inc.	42.50	1.00	42.50	39.67	1.00	39.67	-6.67%	
Bank of Montreal	58.74	1.00	58.74	56.90	1.00	56.90	-3.13%	
Canadian Imperial Bank of Commerce	78.08	1.00	78.08	82.54	1.00	82.54	5.72%	
Canadian National Railway Company	86.78	1.00	86.78	101.24	1.00	101.24	16.67%	
Encana Corporation	20.81	1.00	20.81	28.20	1.00	28.20	35.52%	
Enbridge Inc.	38.90	1.00	38.90	53.87	1.00	53.87	38.49%	
Husky Energy Inc.	27.23	1.00	27.23	38.29	1.00	38.29	40.63%	
Loblaw Companies Limited	33.35	1.00	33.35	47.22	1.00	47.22	41.58%	
Potash Corporation of Saskatchewan Inc.	38.80	1.00	38.80	56.53	1.00	56.53	45.69%	
Power Corporation of Canada	24.31	1.00	24.31	38.40	1.00	38.40	57.95%	
Rogers Communications Inc. - Class B	43.50	1.00	43.50	72.36	1.00	72.36	66.35%	
Royal Bank of Canada	55.95	1.00	55.95	97.00	1.00	97.00	73.37%	
Saputo Inc.	43.75	1.00	43.75	82.45	1.00	82.45	88.45%	
Shaw Communications Inc. - Class B	21.54	1.00	21.54	41.44	1.00	41.44	92.37%	
TELUS Corporation	65.60	1.00	65.60	127.10	1.00	127.10	93.75%	
TransAlta Corporation	15.30	1.00	15.30	29.83	1.00	29.83	94.94%	
Teck Resources Limited - Class B	32.81	1.00	32.81	65.35	1.00	65.35	99.18%	
Thomson Reuters Corporation	27.81	1.00	27.81	61.00	1.00	61.00	119.34%	
TransCanada Corporation	45.09	1.00	45.09	104.33	1.00	104.33	131.38%	

Arithmetic average of the ten middle performing Reference Shares	58.04%
Canadian Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)	35.00%

Global Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance and that the FX Rate fluctuation will negatively impact the return of the Reference Shares.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price	FX Rate	Reference Share Initial Value (\$C)	Closing price	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Honda Motor Co., Ltd.	¥2,356	0.012	28.27	¥765	0.011	8.26	-70.79%	23.69%
Mitsubishi Corporation	¥1,432	0.012	17.18	¥1,303	0.011	14.08	-18.08%	
Royal Dutch Shell PLC	€ 26.97	1.30	35.06	€ 25.82	1.17	30.21	-13.84%	
HSBC Holdings PLC	£ 608.60	1.60	973.76	£ 597.21	1.44	859.98	-11.68%	
Siemens AG	€ 79.77	1.30	103.70	€ 80.46	1.17	94.14	-9.22%	
Johnson & Johnson	\$US 69.48	1.00	69.48	\$US 70.23	0.90	63.21	-9.03%	
Novartis AG	€ 57.20	1.30	74.36	€ 60.17	1.17	70.40	-5.33%	
BHP Billiton Limited	\$A 33.75	1.03	34.76	\$A 42.15	0.93	39.07	12.39%	
McDonald's Corporation	\$US 84.66	1.00	84.66	\$US 117.13	0.90	105.42	24.52%	
Kinder Morgan Energy Partners, L.P.	\$US 78.30	1.00	78.30	\$US 109.95	0.90	98.96	26.38%	
Verizon Communications Inc.	\$US 42.56	1.00	42.56	\$US 62.29	0.90	56.06	31.73%	
RWE AG	€ 79.77	1.60	127.63	€ 117.75	1.44	169.56	32.85%	
Sumitomo Mitsui Financial Group, Inc.	¥2,368	0.012	28.42	¥3,571	0.011	38.57	35.73%	
General Electric Company	€66.85	1.30	86.91	€105.13	1.17	123.00	41.53%	
The Procter & Gamble Company	\$US 66.85	1.00	66.85	\$US 108.57	0.90	97.71	46.17%	
Unilever N.V.	€ 28.65	1.30	37.24	€ 48.52	1.17	56.77	52.46%	
Intel Corporation	\$US 20.28	1.00	20.28	\$US 34.95	0.90	31.46	55.10%	
General Mills, Inc.	\$US 39.34	1.00	39.34	\$US 104.80	0.90	94.32	139.75%	
Duke Energy Corporation	\$US 62.02	1.00	62.02	\$US 172.23	0.90	155.01	149.93%	
BT Group PLC	£ 227.90	1.60	364.64	£ 642.31	1.44	924.93	153.66%	

Arithmetic average of the ten middle performing Reference Shares	23.69%
Global Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)	23.69%

Reference Portfolio Return

	Reference Assets Returns	Reference Asset Weight	Weighted Reference Assets Returns
Fixed-rate GIC	12.59%	25%	3.15%
Canadian Precision 10 Reference Asset	35.00%	30%	10.50%
Global Precision 10 Reference Asset	23.69%	45%	10.66%

Reference Portfolio Return	3.15% + 10.50% + 10.66%
Reference Portfolio Return	24.31%
Reference Portfolio Return (compounded annually)	4.45%

Issue Date: April 24, 2014

Maturity Date: April 23, 2019

Diversified GIC - Performance
Example #3 - Hypothetical example of a positive Variable Interest
Fixed-rate Reference Asset Return

Reference Asset Return of the Fixed-rate GIC	2.40%
Reference Asset Return of the Fixed-rate GIC (compounded)	12.59%

Canadian Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price (\$C)	FX Rate	Reference Share Initial Value (\$C)	Closing price (\$C)	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Barrick Gold Corporation	35.34	1.00	35.34	28.35	1.00	28.35	-19.79%	24.35%
BCE Inc.	42.50	1.00	42.50	39.67	1.00	39.67	-6.67%	
Bank of Montreal	58.74	1.00	58.74	56.90	1.00	56.90	-3.13%	
Canadian Imperial Bank of Commerce	78.08	1.00	78.08	79.83	1.00	79.83	2.24%	
Canadian National Railway Company	86.78	1.00	86.78	91.74	1.00	91.74	5.72%	
Encana Corporation	20.81	1.00	20.81	23.39	1.00	23.39	12.39%	
Enbridge Inc.	38.90	1.00	38.90	45.38	1.00	45.38	16.67%	
Husky Energy Inc.	27.23	1.00	27.23	32.84	1.00	32.84	20.59%	
Loblaw Companies Limited	33.35	1.00	33.35	40.33	1.00	40.33	20.94%	
Potash Corporation of Saskatchewan Inc.	38.80	1.00	38.80	47.12	1.00	47.12	21.45%	
Power Corporation of Canada	24.31	1.00	24.31	29.60	1.00	29.60	21.77%	
Rogers Communications Inc. - Class B	43.50	1.00	43.50	52.99	1.00	52.99	21.81%	
Royal Bank of Canada	55.95	1.00	55.95	68.62	1.00	68.62	22.64%	
Saputo Inc.	43.75	1.00	43.75	55.43	1.00	55.43	26.69%	
Shaw Communications Inc. - Class B	21.54	1.00	21.54	34.15	1.00	34.15	58.56%	
TELUS Corporation	65.60	1.00	65.60	104.57	1.00	104.57	59.40%	
TransAlta Corporation	15.30	1.00	15.30	25.18	1.00	25.18	64.55%	
Teck Resources Limited - Class B	32.81	1.00	32.81	57.19	1.00	57.19	74.31%	
Thomson Reuters Corporation	27.81	1.00	27.81	56.93	1.00	56.93	104.73%	
TransCanada Corporation	45.09	1.00	45.09	92.97	1.00	92.97	106.19%	
Arithmetic average of the ten middle performing Reference Shares								24.35%
Canadian Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)								24.35%

Global Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will increase during the 5-year term of the Diversified GIC - Performance but not sufficiently to offset the negative impact of the FX Rate fluctuation.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price	FX Rate	Reference Share Initial Value (\$C)	Closing price	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Honda Motor Co., Ltd.	¥2,356	0.012	28.27	¥802	0.010	8.18	-71.08%	-4.39%
Mitsubishi Corporation	¥1,432	0.012	17.18	¥865	0.010	8.83	-48.63%	
Royal Dutch Shell PLC	€ 26.97	1.30	35.06	€ 22.40	1.11	24.76	-29.39%	
HSBC Holdings PLC	£ 608.60	1.60	973.76	£ 542.70	1.36	738.08	-24.20%	
Siemens AG	€ 79.77	1.30	103.70	€ 72.87	1.11	80.52	-22.35%	
Johnson & Johnson	\$US 69.48	1.00	69.48	\$US 64.85	0.85	55.12	-20.66%	
Novartis AG	€ 57.20	1.30	74.36	€ 56.04	1.11	61.92	-16.73%	
BHP Billiton Limited	\$A 33.75	1.03	34.76	\$A 37.61	0.88	32.93	-5.27%	
McDonald's Corporation	\$US 84.66	1.00	84.66	\$US 96.92	0.85	82.38	-2.69%	
Kinder Morgan Energy Partners, L.P.	\$US 78.30	1.00	78.30	\$US 91.43	0.85	77.71	-0.75%	
Verizon Communications Inc.	\$US 42.56	1.00	42.56	\$US 49.73	0.85	42.27	-0.69%	
RWE AG	€ 79.77	1.60	127.63	€ 93.89	1.36	127.69	0.05%	
Sumitomo Mitsui Financial Group, Inc.	¥2,368	0.012	28.42	¥2,789	0.010	28.45	0.13%	
General Electric Company	€66.85	1.30	86.91	€79.17	1.11	87.48	0.67%	
The Procter & Gamble Company	\$US 66.85	1.00	66.85	\$US 80.25	0.85	68.21	2.04%	
Unilever N.V.	€ 28.65	1.30	37.24	€ 35.09	1.11	38.77	4.11%	
Intel Corporation	\$US 20.28	1.00	20.28	\$US 24.87	0.85	21.14	4.24%	
General Mills, Inc.	\$US 39.34	1.00	39.34	\$US 48.59	0.85	41.30	4.98%	
Duke Energy Corporation	\$US 62.02	1.00	62.02	\$US 88.05	0.85	74.84	20.68%	
BT Group PLC	£ 227.90	1.60	364.64	£ 334.07	1.36	454.34	24.60%	
Arithmetic average of the ten middle performing Reference Shares								-4.39%
Global Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)								0.00%

Reference Portfolio Return

	Reference Assets Returns	Reference Asset Weight	Weighted Reference Assets Returns
Fixed-rate GIC	12.59%	25%	3.15%
Canadian Precision 10 Reference Asset	24.35%	30%	7.31%
Global Precision 10 Reference Asset	0.00%	45%	0.00%
Reference Portfolio Return			3.15% + 7.31% + 0.00%
Reference Portfolio Return			10.45%
Reference Portfolio Return (compounded annually)			2.01%

Issue Date: April 24, 2014

Maturity Date: April 23, 2019

Diversified GIC - Performance

Example #4 - Hypothetical example of a Guaranteed Interest

Fixed-rate Reference Asset Return

Reference Asset Return of the Fixed-rate GIC	2.40%
Reference Asset Return of the Fixed-rate GIC (compounded)	12.59%

Canadian Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will decrease during the 5-year term of the Diversified GIC - Performance.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price (\$C)	FX Rate	Reference Share Initial Value (\$C)	Closing price (\$C)	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Barrick Gold Corporation	35.34	1.00	35.34	2.90	1.00	2.90	-91.78%	
BCE Inc.	42.50	1.00	42.50	28.60	1.00	28.60	-32.70%	
Bank of Montreal	58.74	1.00	58.74	46.10	1.00	46.10	-21.52%	
Canadian Imperial Bank of Commerce	78.08	1.00	78.08	62.63	1.00	62.63	-19.79%	
Canadian National Railway Company	86.78	1.00	86.78	70.09	1.00	70.09	-19.23%	
Encana Corporation	20.81	1.00	20.81	17.18	1.00	17.18	-17.47%	
Enbridge Inc.	38.90	1.00	38.90	32.18	1.00	32.18	-17.27%	
Husky Energy Inc.	27.23	1.00	27.23	23.44	1.00	23.44	-13.91%	
Loblaw Companies Limited	33.35	1.00	33.35	28.87	1.00	28.87	-13.43%	
Potash Corporation of Saskatchewan Inc.	38.80	1.00	38.80	35.02	1.00	35.02	-9.74%	
Power Corporation of Canada	24.31	1.00	24.31	22.69	1.00	22.69	-6.67%	
Rogers Communications Inc. - Class B	43.50	1.00	43.50	41.90	1.00	41.90	-3.68%	
Royal Bank of Canada	55.95	1.00	55.95	54.20	1.00	54.20	-3.13%	
Saputo Inc.	43.75	1.00	43.75	42.41	1.00	42.41	-3.06%	
Shaw Communications Inc. - Class B	21.54	1.00	21.54	22.02	1.00	22.02	2.24%	
TELUS Corporation	65.60	1.00	65.60	67.30	1.00	67.30	2.59%	
TransAlta Corporation	15.30	1.00	15.30	15.82	1.00	15.82	3.38%	
Teck Resources Limited - Class B	32.81	1.00	32.81	34.69	1.00	34.69	5.72%	
Thomson Reuters Corporation	27.81	1.00	27.81	34.94	1.00	34.94	25.63%	
TransCanada Corporation	45.09	1.00	45.09	64.14	1.00	64.14	42.24%	

Arithmetic average of the ten middle performing Reference Shares	-8.61%
Canadian Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)	0.00%

Global Precision 10 Reference Asset Return

The following table is based on the assumption that most of the price returns for the Reference Shares will decrease during the 5-year term of the Diversified GIC - Performance and that the FX Rate fluctuation will negatively impact the return of the Reference Shares.

Reference Shares	Issue Date			Valuation Date				Arithmetic average of the 10 middle performing Reference Shares
	Closing price	FX Rate	Reference Share Initial Value (\$C)	Closing price	FX Rate	Reference Share Final Value (\$C)	Return of the Reference Shares	
Honda Motor Co., Ltd.	¥2,356	0.012	28.27	¥681	0.012	8.18	-71.08%	
Mitsubishi Corporation	¥1,432	0.012	17.18	¥830	0.012	9.96	-42.05%	
Royal Dutch Shell PLC	€ 26.97	1.30	35.06	€ 16.32	1.30	21.21	-39.50%	
HSBC Holdings PLC	£ 608.60	1.60	973.76	£ 409.70	1.60	655.53	-32.68%	
Siemens AG	€ 79.77	1.30	103.70	€ 54.37	1.30	70.69	-31.84%	
Johnson & Johnson	\$US 69.48	1.00	69.48	\$US 55.12	1.00	55.12	-20.66%	
Novartis AG	€ 57.20	1.30	74.36	€ 45.48	1.30	59.12	-20.49%	
BHP Billiton Limited	\$A 33.75	1.03	34.76	\$A 26.98	1.03	27.79	-20.05%	
McDonald's Corporation	\$US 84.66	1.00	84.66	\$US 67.85	1.00	67.85	-19.85%	
Kinder Morgan Energy Partners, L.P.	\$US 78.30	1.00	78.30	\$US 63.87	1.00	63.87	-18.43%	
Verizon Communications Inc.	\$US 42.56	1.00	42.56	\$US 35.03	1.00	35.03	-17.69%	
RWE AG	€ 79.77	1.60	127.63	€ 65.99	1.60	105.58	-17.28%	
Sumitomo Mitsui Financial Group, Inc.	¥2,368	0.012	28.42	¥1,972	0.012	23.66	-16.73%	
General Electric Company	€66.85	1.30	86.91	€56.39	1.30	73.31	-15.65%	
The Procter & Gamble Company	\$US 66.85	1.00	66.85	\$US 56.98	1.00	56.98	-14.77%	
Unilever N.V.	€ 28.65	1.30	37.24	€ 24.45	1.30	31.78	-14.66%	
Intel Corporation	\$US 20.28	1.00	20.28	\$US 17.69	1.00	17.69	-12.77%	
General Mills, Inc.	\$US 39.34	1.00	39.34	\$US 36.53	1.00	36.53	-7.15%	
Duke Energy Corporation	\$US 62.02	1.00	62.02	\$US 57.85	1.00	57.85	-6.73%	
BT Group PLC	£ 227.90	1.60	364.64	£ 212.98	1.60	340.77	-6.55%	

Arithmetic average of the ten middle performing Reference Shares	-18.16%
Global Precision 10 Reference Asset Return (Min: 0%, Max: 35.00%)	0.00%

Reference Portfolio Return

	Reference Assets Returns	Reference Asset Weight	Weighted Reference Assets Returns
Fixed-rate GIC	12.59%	25%	3.15%
Canadian Precision 10 Reference Asset	0.00%	30%	0.00%
Global Precision 10 Reference Asset	0.00%	45%	0.00%

Reference Portfolio Return	3.15% + 0.00% + 0.00%
Reference Portfolio Return	3.15%
Reference Portfolio Return* (compounded annually)	0.62%

Issue Date: April 24, 2014

Maturity Date: April 23, 2019

SUITABILITY CONSIDERATIONS AND GUIDELINES

An investment in the Diversified GIC - Performance is not suitable for all investors and even if suitable, investors should consider what part the Diversified GIC - Performance should serve in an overall investment plan.

Notwithstanding the Fixed-rate GIC, the Diversified GIC - Performance is not a conventional fixed income investment, as it does not provide investors with a defined income stream or return that can be calculated by reference to a fixed or floating rate of interest that is determinable in advance (except for the Guaranteed Interest).

The Variable Interest, other than the Guaranteed Interest, of the Diversified GIC - Performance (if any), unlike the return on conventional fixed income investments offered by Canadian banks, is uncertain in that if the Reference Portfolio does not generate a positive price return at maturity greater than 3.15% (the Guaranteed Interest), the Diversified GIC - Performance will produce no additional Variable Interest on the investor's principal invested on the Issue Date. There is no assurance that the Canadian Precision 10 and the Global Precision 10 will be able to generate a positive price return at maturity. Therefore, there is no assurance that an investor will receive any amount at maturity other than repayment of the principal invested on the Issue Date and the Guaranteed Interest which is equivalent to the Fixed-rate GIC return multiplied by its Reference Asset Weight. Moreover, the value of an investment in the Diversified GIC - Performance may diminish over time owing to inflation and other factors that adversely affect the present value of future payments.

The performance of the Fixed-rate GIC, the 20 Reference Shares included in the Reference Basket of each of the Canadian Precision 10 and in the Reference Basket of the Global Precision 10 will ultimately determine the Reference Portfolio Return and thus, the Variable Interest. Each investor should make its own investigation, have an understanding and form its own view of each of the Reference Shares. Neither the Bank nor any of its affiliates make any representation or express a view on the merits of the Reference Shares for the purposes of the investment.

The Diversified GIC - Performance is designed for investors who:

- Seek the protection of a guaranteed investment certificate combined with the return potential of the market;
- Want exposure to two distinct diversified portfolios of Canadian and global equities;
- Have an investment horizon of at least 5 years and who are prepared to hold the Diversified GIC - Performance until maturity;
- Are prepared to assume the risks associated with the Diversified GIC - Performance, including a return linked to the performance of the Reference Portfolio;
- Are prepared to be exposed to fluctuations between Canadian dollar and the foreign currencies in which the Reference Shares of the Global Precision 10 may be traded;
- Are prepared to assume the risk that they may receive only the repayment of the principal that they invested on the Issue Date and the Guaranteed Interest at maturity;
- Are prepared to assume that the Diversified GIC - Performance is subject to the Maximum Interest and any positive Reference Portfolio Return beyond the Maximum Interest will not yield any additional return for the Diversified GIC - Performance; and
- Are willing to accept a guaranteed return less than that of a fixed rate GICs for the potential to earn a higher market-linked return.

RISK FACTORS

An investment in the Diversified GIC - Performance is not without risk. An investment in the Diversified GIC - Performance is subject to certain risks that investors should carefully examine before purchasing the Diversified GIC - Performance, including the following factors. **Prospective investors that are not prepared to accept the following risks should not invest in the Diversified GIC - Performance.**

Suitability for investment: Diversified GIC - Performance may not be a suitable investment for some investors. An investor should reach a decision to invest in the Diversified GIC - Performance after carefully considering, in conjunction with his or her advisor or otherwise, the suitability of the Diversified GIC - Performance in light of his or her investment objectives and the other information set out in this document.

Uncertain return until maturity; the Diversified GIC - Performance is linked to the return of the Reference Portfolio which includes the Reference Assets. The Variable Interest, other than the Guaranteed Interest, if any, on the Diversified GIC - Performance will not be known until the Maturity Date. There can be no assurance that the Diversified GIC - Performance will generate a positive Variable Interest payment in addition to the Guaranteed Interest. The Diversified GIC - Performance is linked to the return of the Reference Portfolio which is linked to the Fixed-rate GIC and on the ten middle performing Reference Shares in the Reference Basket of the Canadian Precision 10 and in the Reference Basket of the Global Precision 10. There is, moreover, no guarantee that, at maturity, the price of the Reference Shares included in the Reference Baskets will have appreciated since the Issue Date.

Currency risks. The Reference Share Price and therefore the return of the Reference Shares of the Global Precision 10 will be subject to fluctuations in the exchange rates between the Canadian dollar and the foreign currencies of which some of the Reference Shares may be denominated. A decrease of the Canadian dollar over such foreign currencies will positively impact the Reference Share Price and therefore the return of the Reference Shares of the Global Precision 10, and inversely an increase of the Canadian dollar over such foreign currencies will negatively impact the Reference Share Price and therefore the return of the Reference Shares of the Global Precision 10. The price of currencies is affected by various factors, including interest rates, unemployment rates and geopolitical events. Traditionally, if a country raises its interest rates, the currency of that country will strengthen in relation to other countries, as investors shift assets to that country to gain a higher return. Increases in interest rates, however, are generally bad news for stock markets. Some investors will transfer some money out of a country's stock market when interest rates are increased, believing that higher borrowing costs will affect balance sheets negatively and result in devalued stock, causing the country's currency to weaken. The unemployment rate is regarded as a strong indicator of a country's economic strength. When unemployment is high, the economy may be weak and, as a result, its currency may fall in value. A trade deficit or an increase therein may cause a devaluation of a country's currency. Currency markets are affected by events occurring worldwide. Key political events around the world or in a particular country can have a big impact on an economy and the value of its currency.

Fluctuations in currency exchange rates of the Reference Shares of the Global Precision 10 will affect the performance of the Reference Asset Return of the Global Precision 10 and therefore, Reference Portfolio Return and as a result, the value of the Diversified GIC - Performance.

Reference Portfolio diversification; due to the weighting of each Reference Asset in the Reference Portfolio, its exposure to the Fixed-rate GIC is limited. The Reference Asset Weight indicates the exposure of the Reference Portfolio to each of the Reference Assets and only 25% of the Reference Portfolio of the Diversified GIC - Performance is exposed to the Fixed-rate GIC although 75% of the Reference Portfolio is exposed to the market including 30% of the exposure to the Canadian market and 45% of the exposure to the global market. See "Risk Factors relating to equities" below.

The Maximum Interest of 29.40% at maturity will only be payable if the Reference Asset Return of each of the Canadian Precision 10 and the Global Precision 10 is equal to or above their maximum Reference Asset Return of 35.00%, which is equivalent to a compound annual rate of return of 6.19%. As a result, investors should be comfortable with the prospects of realizing such performance taking into consideration the manner in which the Reference Asset Return will be calculated (i.e. discarding the returns of 5 highest and the 5 lowest performing Reference Shares as described herein, and, for the Global Precision 10, taking into account the currency fluctuation risks between the Canadian dollar and the Reference Shares denominated in a foreign currency) and taking into consideration the weighting of the Canadian Precision 10 and the Global Precision 10 in the Reference Portfolio and the calculation of the Variable Return.

Maximum Interest; the return on the Diversified GIC - Performance may not reflect the full Reference Portfolio Return. Because of the Maximum Interest which is 29.40% of the principal invested on the Issue Date, the Variable Interest on the Diversified GIC - Performance is capped at maturity. Investors will not be able to participate in the full Reference Portfolio Return if its appreciation exceeds this maximum rate of return of 29.40%.

Maximum Reference Asset Return; the Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 may not reflect the full Reference Asset Return. Because the Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 is subject to a maximum of 35.00%, investors will not be able to participate in the full return of each of the Reference Baskets if their appreciation exceeds the fixed maximum rate of return of 35.00%.

The Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 will not reflect the price return of each Reference Share included in each of the Reference Baskets. The Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 will not reflect the return that may be associated with the Reference Basket at the Maturity Date as each of the five Reference Shares with the highest return and each of the five Reference Shares with the lowest return in each Reference Baskets will be ignored for the purposes of calculating the Reference Asset Return. Investors will therefore not participate in the potential price appreciation of each Reference Share in each of the Reference Baskets.

Issue Date: April 24, 2014

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The Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 may be lower than the arithmetic average of the price return of the 20 Reference Shares in the Reference Baskets for each of the Reference Asset. By ignoring the top five performing Reference Shares and the bottom five performing Reference Shares in the calculation of the Reference Asset Return, the arithmetic average of the ten middle performing Reference Shares may be lower than the arithmetic average of the price return of the 20 Reference Shares included in each of the Reference Baskets.

The maximum negative return of each of the bottom five performing Reference Shares is limited to -100% while the maximum positive return of each of the top five performing Reference Shares is unlimited. Therefore, the arithmetic average of the price return of the 20 Reference Shares in each Reference Basket may be higher than the Reference Asset Return.

The return of each Reference Share will not reflect the full appreciation in the Reference Shares when including dividends. The return of the Reference Shares used to calculate the Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 is a price return and will not take into account dividends paid on such shares. As of March 6, 2014, the dividends paid on account of all of the Reference Shares in the Reference Basket of the Canadian Precision 10 represented an annual return of approximately 3.43%. As of March 6, 2014, the dividends paid on account of all of the Reference Shares in the Reference Basket of the Global Precision 10 represented an annual return of approximately 3.77%.

No ownership interest in the Reference Shares. An investment in the Diversified GIC - Performance does not constitute an investment in the Fixed-rate GIC, the Canadian Precision 10, the Global Precision 10 or the Reference Shares included in each of the Reference Basket. An investor will not be a beneficial owner of the Fixed-rate GIC, the Canadian Precision 10, the Global Precision 10 or the Reference Shares during the term of the Diversified GIC - Performance and, in particular, will not be entitled to receive any dividends or similar amounts paid on the Reference Shares, nor will the investor be entitled to any recourse to Fixed-rate GIC, the Canadian Precision 10, the Global Precision 10 or the Reference Shares to satisfy amounts owing under the Diversified GIC - Performance or to acquire Reference Shares by virtue of their ownership of the Diversified GIC - Performance. Moreover, an investor will not be entitled to any voting rights or to other control rights that holders of Reference Shares may have.

Payments at maturity, of the Variable Interest, including the Guaranteed Interest and the principal invested on the Issue Date are unsubordinated and unsecured obligations of the Bank and Natcan, where applicable, and are dependent upon the creditworthiness of the Bank. Because the obligation to make payments to investors of the GIC is incumbent upon the Bank, the likelihood that such investors will receive the payments owing to them in connection with the Diversified GIC - Performance, including the principal invested on the Issue Date, will be dependent upon the financial health and creditworthiness of the Bank.

No independent calculations; conflict of interest. The Calculation Agent will be solely responsible for calculating the Reference Portfolio Return, the Variable Interest including the Guaranteed Interest, payable at maturity and any other determination and calculation with respect to any payment in connection with the Diversified GIC - Performance. The Calculation Agent will also be solely responsible for determining whether a market disruption or extraordinary event has occurred and for making certain other determinations with regard to the Diversified GIC - Performance and the Reference Portfolio. No calculation agent other than the National Bank of Canada or an affiliate will be retained to make or confirm the determinations and calculations made by the Calculation Agent.

The Bank, as Calculation Agent, may have economic interests that differ from and may be adverse to those of the Diversified GIC - Performance investors, including with respect to certain determinations that the Calculation Agent must make in connection with the amounts owing by the Bank under the terms and conditions of the Diversified GIC - Performance.

In addition, the Bank and its affiliates may engage in trading activities that are neither on behalf of Diversified GIC - Performance investors nor on their own behalf. These trading activities may present a conflict between the interests of Diversified GIC - Performance investors and the interests that the Bank and/or its affiliates have in their proprietary accounts in facilitating transactions, including block trades and other derivatives transactions, for their clients and in accounts under their management. These trading activities, if they influence the value of the Diversified GIC - Performance, could be adverse to the interests of Diversified GIC - Performance investors. The Bank and its affiliates may, at present or in the future, engage in business with issuers of shares comprising the Reference Baskets, including by granting loans and providing advisory services to such entities. These services could include investment banking services, merger and acquisition services and advisory services. These activities may present a conflict between the obligations of the Bank and its affiliates and the interests of Diversified GIC - Performance investors. Moreover, subsidiaries of the Bank may publish research reports on all or part of the issuers of the shares comprising the Reference Baskets. Such research may be modified without notice and represent opinions or recommendations that are inconsistent with purchasing or holding the Diversified GIC - Performance. Any of these activities of the Bank or its affiliates may affect the price of the shares comprising the Reference Baskets and, consequently, the value of Diversified GIC - Performance and the interest payable thereon.

Hedging transactions could have an impact on the Reference Portfolio. No later than the date of maturity, the Bank and the members of its group may hedge all or part of the Bank's anticipated exposure in connection with the Diversified GIC - Performance by investing in the Fixed-rate GIC, the Canadian Precision 10, the Global Precision 10 or by purchasing and selling Reference Shares and/or exchange-traded and/or over-the-counter options on any of the Reference Shares comprising the Reference Baskets and/or futures or futures contracts or by taking positions in any other instruments they may wish to use in connection with hedging. The Bank and its affiliates may also modify a hedge position throughout the term of the Diversified GIC - Performance, including on the Valuation Date. The Bank and its affiliates may also from time to time buy or sell Reference Shares comprising the Reference Baskets or derivatives related to such Reference Shares in connection with their normal business practices. Although the Bank does not believe that such activities will have a material impact on the price of these options, Reference Shares, futures or futures contracts or on the price or level of Reference Shares comprising the Reference Baskets, there is no assurance that the Bank or its affiliates will have no impact on the price or level of Reference Shares or on the value of the Reference Baskets and therefore, on the value of the Reference Portfolio of the Diversified GIC - Performance as a result of such activities. It is possible that the Bank could receive substantial returns or incur substantial losses from these activities while the market value of Diversified GIC - Performance or the value of the Reference Portfolio declines.

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The Diversified GIC - Performance could be redeemed prior to maturity under a reimbursement under special circumstances. If a special circumstance (as defined in this document) occurs, the Bank may redeem the Diversified GIC - Performance before their maturity pursuant to a reimbursement under special circumstances. Upon the occurrence of a special circumstance where the Bank decides to reimburse the Diversified GIC - Performance, the Calculation Agent will establish a value for the Diversified GIC - Performance, acting in good faith in accordance with market-accepted methods, based on a number of interrelated factors, such as the appreciation and volatility of the Reference Shares, interest rates and the time remaining to maturity. Such value will be the reimbursement amount, and will not be less than the principal invested on the Issue Date and the accrued portion of the Guaranteed Interest of 3.15%. Under such circumstances, the investor will not be able to participate fully in the increase in the Reference Portfolio that might have occurred up to the payment date pursuant to a reimbursement under special circumstances. Investors may only be entitled to receive their principal invested on the Issue Date and the accrued portion of the Guaranteed Interest.

The occurrence of a market disruption event could postpone the Valuation Date, which may affect the payment at maturity. The occurrence of a market disruption event with respect to one or more Reference Share, as determined by the Calculation Agent acting in good faith, could lead to a postponement of the Valuation Date in respect of the affected Reference Shares up to a maximum of five Business Days, after which the Calculation Agent will use a value for the affected shares established in good faith according to market-accepted practices. If there is a postponement of the Valuation Date in respect of one or more Reference Shares of the Reference Baskets owing to the occurrence of a market disruption event or the absence of a closing price for any such Reference Shares on such day or the primary exchange for any such Reference Share being closed on such date, the interest that would be payable to an investor at maturity could be substantially lower than the interest that would have been otherwise payable at maturity had the Valuation Date not been postponed.

Risk factors relating to the Reference Shares in the Reference Baskets. Certain risk factors applicable to investors who invest directly in the Reference Shares comprising the Reference Baskets of the Diversified GIC - Performance may apply indirectly to an investment in a Diversified GIC - Performance to the extent that those risk factors could indirectly adversely affect the return of the Reference Portfolio and, consequently, the potential Variable Interest, other than the Guaranteed Interest of the Diversified GIC - Performance. Some of these risk factors are described below.

Risk factors relating to equities. The Reference Baskets are composed of equity securities. As a result, investors will be exposed to equities. The value of most investments and, in particular, equity securities, including the Reference Shares, is affected by changes in general market conditions and by changes in investors' perception of inflation expectations and the condition of the issuers of equity securities. These changes may be caused by actual or anticipated corporate developments, changes in interest rates, changes in the level of inflation, global or regional political, economic or credit crises and other political and economic developments. These changes can affect the price of equity securities which can move up or down, without any predictability. These changes can affect the price of the Reference Shares, which can increase or decrease unforeseeably. It is possible that the price of the Reference Shares might not appreciate after the Issue Date and could in fact fall. A decline in the price of the Reference Shares would therefore be detrimental to the Reference Asset Return of each of the Canadian Precision 10 and the Global Precision 10 and therefore, to the Reference Portfolio Return.

Exposure to foreign investments. Some Reference Shares are shares of foreign companies. The value of foreign investments may be affected by factors not typically associated with investments made in Canada. For example, there may be less information available about foreign companies, lower standards of government supervision and regulation, and different accounting and financial reporting standards. In addition, foreign investments sometimes cannot be sold as quickly or as easily as similar investments in Canada. Political, social and economic instability as well as diplomatic developments can also negatively affect the value of foreign investments. An investment in foreign markets may be subject to changes in imposition of taxes or in expropriation of assets. All these factors can influence the value of investments in Diversified GIC - Performance.

Adjustments to the Reference Baskets may have an impact on the Variable Interest. The composition of the Reference Baskets may be subject to changes and adjustments as described herein. Such changes or adjustments will have an impact on the Reference Asset Return of the Canadian Precision 10 and the Global Precision 10 and, consequently, the Variable Interest.

GENERAL CONDITIONS OF THE INVESTMENT

VARIABLE-RETURN GUARANTEED INVESTMENT CERTIFICATE (the variable-return GICs) INFORMATION STATEMENT DATED MARCH 31, 2014.

This agreement should be completed with the F.15142-002 or, where applicable, any other form required by the Bank or its affiliates.

1. The initial principal amount and the guaranteed interest (if any) are both fully guaranteed at maturity by the National Bank of Canada (the "Bank") or Natcan Trust Company ("Natcan"), as applicable. All references to the Bank herein shall be deemed to be a reference to Natcan where the GIC is issued by Natcan with the exception that the Calculation Agent will be National Bank of Canada in all cases. The initial principal amount will be invested on the Issue Date (the "principal invested on the Issue Date").
2. A variable-return GIC issued by the Bank that is payable in Canada in Canadian dollars and has a term no longer than five years is insured by the Canada Deposit Insurance Corporation (CDIC), subject to the maximum dollar limit of CDIC coverage. More information about CDIC deposit insurance can be found in the "Protecting Your Deposits" brochure, available online at www.cdic.ca or by telephone at 1-800-461-2342.
3. A minimum investment of \$500 is required for any investment in a variable-return GIC. The Bank reserves the right to discontinue accepting subscriptions at any time without notice. The Bank, may in its sole discretion, at any time prior to the Issue Date, elect whether or not to proceed in whole or in part with the issue of a variable-return GIC. If for any reason the closing of this offering does not occur, any unaccepted initial principal amount will be returned to investors, without interest or charge. Moreover, the Bank may, in its sole discretion, postpone the Issue Date to a later date within thirty days following the Issue Date specified in this Information Statement. In such case, the Maturity Date will be adjusted in order to correspond to the end of the term following the variable-return GIC's Issue Date.
4. The investment is in Canadian dollars. The principal invested on the Issue Date and interest, if any, will be repaid in Canadian dollars.
5. Variable-return GICs are offered only in the provinces and territories in Canada where permitted by law. Variable-return GICs may be subject to other restrictions in a given province or territory.
6. Variable-return GICs are not redeemable by the investor prior to their Maturity Date, except in case of death. In such event, the investor's successor shall receive an amount equal to the principal invested on the Issue Date and, if applicable, interest prorated to the term elapsed, subject to the maximum variable interest (if any) and net of the guaranteed interest already paid (if any), as calculated by the Calculation Agent, on the date the Bank processes the redemption request.
7. Principal invested on the Issue Date and Variable Interest, if any, will be repaid within the 1st Business Day following the Maturity Date of this investment or the payment date of the guaranteed interest, if any, during the Bank's regular business hours.
8. If the investor has not provided the Bank with instructions regarding the payment of those amounts payable following the Maturity Date, amounts owed pursuant to the variable-return GIC will be reinvested into a renewable fixed rate guaranteed investment certificate issued by the Bank for one year at no charge to the investor.
9. Variable Interest on a variable-return GIC is based on variation of the value of the underlying asset, including, without limitation, a Reference Index, Reference Share, Reference Unit or Reference Portfolio. Such underlying asset value may fluctuate up or down. These fluctuations will have a direct impact on the returns of variable-return GICs. **The return of the underlying asset could therefore be nil; in this case, no interest (other than the guaranteed interest, if applicable) would be paid.**
10. The rate of return at maturity or at any other specified time period is not an annual interest rate, unless otherwise specified.
11. It is possible that a disruption in the financial markets, a change in the calculation or publication of the underlying asset or any other event beyond the control of the Bank, may occur and affect the ability of the Calculation Agent to calculate the return or to fulfill any other obligation. In such case, the Bank may not comply with the general and specific conditions of the variable-return GIC and in such case, the Calculation Agent may take any measures deemed necessary, including, without limitation, an adjustment of the amount payable before or at maturity of the variable-return GIC, deferral of the calculation or payment of the return, a different determination of the return or the use of a replacement underlying asset. The Calculation Agent will be solely responsible for determining and calculating the return of the applicable underlying asset. The Calculation Agent will also decide whether a market disruption event has occurred and make any other decisions necessary with regard to the variable-return GICs. All the decisions and calculations made by the Calculation Agent are in its sole discretion and, except for obvious errors, are final and binding. A "market disruption event" means, with respect to an underlying asset, any *bona fide* event, circumstance or cause (whether or not reasonably foreseeable) beyond the reasonable control of the Calculation Agent or any person that does not deal at arm's length with the Calculation Agent which has or will have a material adverse effect on the ability of the Bank generally to place, maintain or modify hedge positions in respect of any underlying asset or the variable-return GICs. A market disruption event may include, without limitation, a suspension, absence or material limitation of trading or subscription, a regulatory change or any event having a material adverse effect on the financial markets.
12. If a special circumstance (as defined below) occurs, the Bank may redeem the variable-return GICs before their maturity pursuant to a reimbursement under special circumstances. Upon the occurrence of a special circumstance where the Bank decides to reimburse the variable-return GICs, the Calculation Agent will establish a value for the variable-return GICs, acting in good faith in accordance with market-accepted methods, based on a number of interrelated factors, such as the appreciation and volatility of the underlying asset and the time remaining to maturity. Such value will be the reimbursement amount, and will not be less than the principal invested on the Issue Date and if applicable, the accrued portion of the guaranteed interest. Under such circumstances, the investor will not be able to participate fully in the increase of the underlying asset that might have occurred up to the payment date pursuant to a reimbursement under special circumstances. Investors may only be entitled to receive their principal invested on the Issue Date and if applicable, the accrued portion of the guaranteed interest. A "special circumstance" means a circumstance of a taxation nature where, in the opinion of the Bank, acting reasonably and in good faith, an amendment or a change is made to an act, regulation, policy, taxation practice or administration or to the interpretation of an act, regulation, policy, taxation practice policy or taxation administration which would make it illegal or, from the Bank's perspective, disadvantageous from a legislative, regulatory or financial point of view, for the variable-return GIC to remain outstanding.

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13. There is no assurance that an investment in the variable-return GIC will be eligible for protection under the Canadian Investor Protection Fund (CIPF). An investor should take the necessary steps in order to verify the product's eligibility with respect to the protection under the CIPF and, where applicable, consult with his or her investment advisor as to whether the investor's investment in the variable-return GIC is eligible for protection in light of such investor's particular circumstances.
14. Investors shall be entitled to a right of cancellation, which must be exercised within two Business Days after the later of (i) the day on which the agreement to purchase the variable-return GIC is entered into, and (ii) the day on which this Information Statement is provided to the purchaser.

The agreement to purchase the variable-return GIC will be entered into (i) if the order to purchase is received via telephone or electronic means, on the day on which the order to purchase is received, and (ii) if the order to purchase is received in person, on the later of the second day following (a) the day on which the Information Statement is provided to the investor and (b) the day on which the order to purchase is received.

Investors will be deemed to have been provided the Information Statement (i) on the day recorded as the time of sending by the server or other electronic transmission system, if provided by electronic means; (ii) on the day recorded as the time of sending by a fax machine, if provided by fax; (iii) five Business Days after the postmark date, if provided by mail; and (iv) when it is received, in any other case.

Upon cancellation of the purchase of the variable-return GIC, the purchaser will be entitled to a refund of the principal invested on the Issue Date. To exercise their right of cancellation, the investor may contact their branch advisor or their broker with whom their account is held.
15. All information regarding the variable-return GIC is available on the website www.bnc.ca, by contacting your branch advisor, by calling 1-888-4-TELNAT or by contacting an investment service representative from National Bank Direct Brokerage at 514-866-6755 or 1-800-363-3511.

Investors should be aware that the information that will be appearing on their periodical investment account statements, on the website and/or any other communication related to the variable-return GIC, must not under any circumstances, be considered as a statement of the value of the investor's variable-return GIC before the Maturity Date. Such information may include, but is not limited to the estimated price and the return of the applicable underlying asset of the variable-return GIC. The rate of return and therefore the Variable Interest payable are only determined on the Maturity Date of the variable-return GIC. For greater certainty and subject to the conditions specific to the investment, the estimated price would be the price payable on the Maturity Date should the date of the estimated price be the Maturity Date. As the principal invested on the Issue Date is guaranteed at maturity, such mention of the estimated price will never be below the principal invested on the Issue Date, even if the return of the underlying asset is negative.

The Calculation Agent is responsible for all calculations and decisions concerning the variable-return GIC; it will calculate the interest payable at maturity, the variation of the applicable underlying asset value on the Initial Date and the Valuation Date and will determine if a market disruption or an extraordinary event has occurred. All the Calculation Agent's decisions will bind the investors of the variable-return GIC. The Calculation Agent will act in good faith in accordance with accepted market practices.
16. The term of the Variable-return GICs may be amended by the Bank without the consent of the investors if, in the reasonable opinion of the Bank, the amendment would not materially and adversely affect the interest of the investors. In all other cases, the Bank will provide investors a notice of the amendment prior to making the amendment or without delay after the amendment is made.
17. The Bank will give notice to the holders of any material events relating to the Variable-return GICs, including any amendments to the Variable-return GICs that impacts interest payable under the Variable-return GICs. All notices to the investors will be validly given once published on the website www.bnc.ca.
18. In this document, "Business Day" means every day, other than a Saturday or a Sunday or a day on which commercial Banks in either Montreal or Toronto are required or authorized by law to remain closed and every day that the Toronto Stock Exchange is open for business.
19. Before the Maturity Date of the variable-return GIC and in accordance with the conditions set forth in the contract between the investor and his advisor or broker, it is the investor's responsibility to give the relevant instructions to his advisor or broker with respect to the reinvestment, at maturity, of the principal invested on the Issue Date (together with the Variable Interest, if any).
20. Non-registered variable-return GICs are transferable by the investor only upon going to a branch of the Bank. No transfer will be made during the 15 days immediately preceding the Maturity Date of the investments. At the time of the transfer, the former investor and the new investor must adjust the interest between them, since the interest payable on these GICs shall be paid to the new investor. Variable-return GICs are not otherwise transferable. Investors should consult their tax specialist in respect to the tax consequences related to a transfer before proceeding to any transfer.
21. Variable-return GICs will not be listed on any stock exchange or other market and no secondary market will be established to sell variable-return GICs.
22. Federal laws of Canada prohibit anyone from charging or receiving interest or other amounts for the advancing of credit at effective rates in excess of 60% per annum. Therefore, when any payment is to be made by the Bank to an investor at the Maturity Date, payment of a portion of such payment constituting a variable return that would exceed 60% per annum may be deferred to ensure compliance with such laws. The Bank will pay any portion so deferred to the investor together with interest at the Bank's equivalent term deposit rate as soon as Canadian law permits. In addition, the Bank may withhold a portion of any payment to an investor that the Bank is legally able or required to withhold.

Investors should be aware that variable-return GICs are not securities issued by a mutual fund and that investors do not benefit from certain rights and recourses otherwise provided by certain securities laws in connection with the issuance of such securities, including the right to receive a prospectus and other current information documents provided by issuers, right of rescission and certain other rights to rescind a purchase, revise the purchase price or seek damages in case documents show false or misleading information. However, investors will receive a copy of this document, which grants investors in certain circumstances a contractual right of rescission described herein.

TAX CONSIDERATIONS

To the persons concerned:

The following is a summary of the principal federal income tax implications in Canada that generally apply to individuals who purchase the variable-return GIC from the Bank who, at all times, for the purposes of the *Income Tax Act* of Canada (the "Act") are residents of Canada, and who hold the variable-return GIC until maturity outside of a registered savings plan (such as a Registered Retirement Savings Plan, a Registered Retirement Income Fund, a Registered Education Savings Plan, a Registered Disability Savings Plan, a Tax-free Savings Account or a Deferred Profit Sharing Plan). The information provided below is based on the provisions of the Act and the regulations thereunder ("Regulations") in effect on the date that this summary was drafted, all specific proposed amendments to the Act and its Regulations as publicly announced by the Minister of Finance prior to the date on which this summary was drafted, and certain administrative policies and practices of the Canada Revenue Agency. Provincial and foreign tax considerations have not been addressed in this document.

This summary is of a general nature; it is not exhaustive of all Canadian federal income tax considerations and does not constitute legal or tax advice to investors. No advice is provided concerning the Canadian federal income tax on the specific situation of a particular investor. Provincial and foreign tax considerations have not been addressed in this document.

Please consult your tax specialist with respect to your situation.

Inclusion of gains in income:

In the case of investments in a variable-return GIC with a guaranteed minimum rate, an investor must include in computing his or her income annually the amount that is paid in respect of the guaranteed minimum rate on the variable-return GIC or, if the guaranteed minimum rate is not paid in the year, the amount that is accrued up to and including each anniversary of the issuance of such variable-return GIC occurring during the particular year. The amount by which the final value of the investment that is determined at the maturity of the variable-return GIC exceeds the total of the principal amount of the variable-return GIC and the minimum rate that has not already been paid and included in the calculation of the investor's income for the previous years will be included in the investor's income for the taxation year in which the date of maturity of the variable-return GIC falls.

In the case of investments in a variable-return GIC without a guaranteed minimum rate, investors are generally not required to add an amount to their income with respect to the variable-return GIC for a particular year until the final investment value has been determined at maturity. At maturity, if the investor receives interest, he must include this interest in his income. If there is a discontinuance of investing with a given issue, an investor may be deemed to receive interest on the variable-return GIC in the taxation year in which the discontinuance occurs.

Information concerning registered plans. Variable-return GICs are investments that are eligible investments for a Registered Retirement Savings Plan ("RRSP"), a Registered Education Savings Plan, a Registered Retirement Income Fund ("RRIF"), a Registered Disability Savings Plan, a Tax-free Savings Account ("TFSA") or a Deferred Profit Sharing Plan, other than a Deferred Profit Sharing Plan under which the Bank or any person or partnership with which the Bank does not deal at arm's length, within the meaning of the Act, is an employer and may be held in such plans subject to the conditions applicable to each of them. If the variable-return GICs are "prohibited investments" (within the meaning of the Act), for a TFSA, RRSP or RRIF, the holder of the TFSA, or the annuitant of the RRSP or the RRIF (as the case may be) (the "Plan Holder") will be subject to a penalty tax as set out in the Act. The variable-return GICs will be "prohibited investments" (within the meaning of the Act) for a TFSA, RRSP or RRIF belonging to a Plan Holder who has a "significant interest" (as defined in the Act) in the Bank or who does not deal at arm's length with the Bank for the purposes of the Act. Investors should consult their own tax advisors in this regard.

DIVERSIFIED GIC - PERFORMANCE, Series 31, Investors Category

Issue Date: April 24, 2014
Maturity Date: April 23, 2019
Term: 5 years

Sale at branch

- I hereby acknowledge having received and read this agreement on the date indicated below.
- Both the investor and the institution hereby acknowledge that the information contained in this agreement (including the information prescribed by the regulation) has been communicated to the investor on the date indicated below. The investor and the institution wish to enter into this agreement on the date indicated below.

Agreement date: _____
YYYY MM DD

Investor's signature

First and Last Name of the Investor

Employee's signature

First and Last Name of the Employee

- National Bank of Canada
- Natcan Trust Company

Sale via telephone

First and Last Name of the Investor

Instructions received on: _____
Date (YYYY MM DD) Time

Agreement was sent on: _____
YYYY MM DD

Agreement sent by: Fax Mail

Employee's signature

First and Last Name of the Employee

- National Bank of Canada
- Natcan Trust Company

Sale via electronic means (except the branch network)

First and Last Name of the Investor

Agreement was sent on: _____
YYYY MM DD

Agreement sent by: Fax Mail

Employee's signature

First and Last Name of the Employee

- National Bank of Canada
- Natcan Trust Company

Issue Date: April 24, 2014

Maturity Date: April 23, 2019