NATIONAL BANK

AGREEMENT FOR THE LOAN OF MONEY AT A VARIABLE RATE

Date: ____/__/__

☐ Personal Loan ☐ RRSP Loan ☐ Revision of the payment amount – Loan No. ______

1. Summary of important dates, amounts and rates (information box)

This information box summarizes the terms and conditions of the loan that we are extending to you. However, you should read your entire agreement. In this agreement, "we" or the "Bank" refers to National Bank of Canada and "you" refers to the borrower (or each borrower).

Principal	**$_____**
Annual interest rate	**_____%** Variable rate per year. Interest is payable on the payment dates and is calculated based on the frequency of the payments.
Determination of interest	**Prime rate + _____%** Your annual interest rate is expressed as the prime rate plus an adjustment factor. Your interest rate fluctuates with the prime rate. It is adjusted with each variation to the prime rate. The prime rate is the annual rate that we publish from time to time as the reference rate used to determine the interest rate for on demand loans granted in Canada in Canadian dollars. This rate is available at www.nbc.ca.
Annual percentage rate	**%** This is the interest rate for a whole year (annualized). Your annual percentage rate is equal to your annual interest rate, since your cost of borrowing is composed solely of interest.
Duration of the loan (term) and amortization period	**months** We lend you the principal for the period of time indicated above. This period also corresponds to the amortization period of your loan. This is the time it will take you to repay your loan in full based on the terms and conditions applicable on the date of this agreement. You can repay all or part of the loan before the end of the term without having to pay a penalty.
Date of advance	**/ /** **YYYY/MM/DD** This is the date your funds will be advanced. Interest will be calculated and charged from this date on.

Payments	**$**

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	Once a month on the ______ day of the month or Every two weeks on ______ or Weekly on ______ The payments include a portion for the payment of interest and another for the repayment of interest.	
Prepayment privilege and charges	N/A	
Default insurance	N/A	
Other fees	Fee for a copy of a previously issued statement or notice of change	**$10**

2. Terms and conditions of your loan

Your loan's terms and conditions are indicated in this section as well as in the *Other terms and conditions* section. The following table also constitutes your **cost of borrowing disclosure statement** on the date indicated at the beginning of this agreement.

The financial information contained in the table is an estimate calculated using the prime rate in effect on the date indicated at the beginning of this agreement and assuming it would remain the same throughout the term of the loan.

INFORMATION ABOUT YOUR LOAN	
1. General inquiries	**1 888 835-6281** (toll-free) or **514 394-5555** (Montreal) You can also visit our website at www.nbc.ca.
AMOUNT AND TERM OF YOUR LOAN	
2. Principal (loan amount)	**$______**
3. Expected date of advance (beginning of the term)	**YYYY/MM/DD** The total amount of the loan will be available at this date. Interest calculated at the rate provided for in this agreement begins to accrue on this date.
4. Duration of your loan (term) and amortization period	**months** We lend you the principal for the period of time indicated above. This period also corresponds to the amortization period of your loan. The term will be extended if, on the date indicated on **line 5**, your loan is not fully repaid. If the term is extended, we will continue to collect your payments according to the terms and conditions then applicable to your loan. You can repay all or part of the loan before the end of the term without having to pay a penalty.
5. End of the term	**YYYY/MM/DD** (based on the initial interest rate)
INTEREST	
6. Annual interest rate	______% (prime rate) **+** ______% = ______% **per year** (as of the date indicated at the beginning of this agreement) (initial interest rate)

	Your annual interest rate is variable: it fluctuates with the prime rate. The prime rate is the annual rate that we publish from time to time as the reference rate used to determine the interest rate for on demand loans granted in Canada in Canadian dollars. You can obtain this rate at any of our branches, at www.nbc.ca or by calling the number on **line 1**. Interest is included in your payment amount (**line 9**) and is therefore payable on the payment dates.
7. Total amount of interest	**$** Total amount of interest to be paid over the term. This amount is calculated based on the initial interest rate and assuming that this rate does not change.
8. Critical interest rate	_____% This represents the interest rate at which your payment amount is no longer sufficient to repay the interest accrued during the period of your payment. This rate is calculated based on the initial principal amount (**line 2**) and the initial interest rate (**line 6**) We recommend that you contact us at the number indicated above if the interest rate increases and you want to know or mitigate the impact of such an increase. For instance, you could increase the amount of your payment or make a prepayment.
9. Date from which interest accrues	Interest begins to accrue from the date of advance (**line 3**). It continues to accrue as long as the loan is not repaid in full (including if you are in defaul or if a judgment was rendered against you).
10. Interest rate revision frequency	Since your interest rate is variable, it is revised on each payment date. When the prime rate changes, the revised interest rate is applied to your loan as of the first payment following the change in the prime rate, except for RRSP loans. For RRSP loans, the revised interest rate is applied to your loan on the same day that the prime rate change is announced.
REPAYING YOUR LOAN	
11. Payments	**$** Principal and interest amount payable at the frequency indicated on **line 12**. The payment amount **is fixed** for the entire term, except for the last one, which may be less. The portion of the payment going towards interest varies according to the interest rate applicable to the loan. We reserve the right to modify the amount of your payment if the interest rate applicable to your loan increases and your payment no longer allows you to repay your loan within the term indicated on **line 4**. In such a case, we will send you a notice containing the new terms and conditions applicable to your loan. If you take out a life, disability or critical illness insurance policy, the premiums will be charged in a separate transaction on the same date and with the same frequency as your loan payment.
12. Payment frequency	Once a month on the _____ day of the month or Every two weeks on _____ or

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	Weekly on ______
13. Date of first payment	**YYYY/MM/DD**
14. Date of last payment (date of loan maturity)	**YYYY/MM/DD** This date may change as the interest rate on your loan fluctuates. If your loan is not fully repaid at the end of the term indicated on **line 5**, we will extend the term of your loan and continue to collect your payments on the terms and conditions then applicable to your loan.
15. Period of deferred payment (for RRSP loans only)	**months** No payment is required during the period of deferred payment. Interest accrued between the date of disbursement and the date of the first payment is added to the balance of your loan and bears interest at the rate indicated on **line 6**. As a result, the accrued interest is capitalized. In this particular case, the first payment is applied in full to the principal.
16. Total amount of all payments	**$** Total amount of principal and interest payments over the term. This amount is based on the initial interest rate shown on **line 6**, assuming that this rate does not change.
17. Number of all payments	Total number of payments over the term.
18. How your payments are applied (allocation of payments)	Payments are applied in the following order: 1) Payment of interest 2) Repayment of the loan principal
19. Repaying your loan faster without charge	You may prepay all or part of the outstanding balance of your loan at any time without any charge or penalty. If you prepay part of your loan, you must continue to pay the payment amounts due on the payment due dates until you have repaid the balance of the principal amount in full..
LATE PAYMENTS	
20. Unpaid interest on late payments	If a payment is late, we calculate the interest owing on the outstanding principal balance for each day that it is late, without capitalizing it, using the interest rate applicable to your loan.
FEES	
21. Default charges	If your loan is in default, you will need to pay any legal fees we incur in order to recover any unpaid amounts, to realize a security interest or to exercise our rights and remedies. Your loan is in default when you fail to comply with the terms and conditions of this agreement. For instance, if you fail to make your payments.
22. Other fees (not included in the cost of borrowing)	Fee for a copy of a previously issued statement or notice of change — **$ 10**
COST OF BORROWING OVER THE TERM	

23. Annual percentage rate (APR)	% Cost of borrowing (**line 24**) expressed as an annual rate. Your annual percentage rate is equal to your annual interest rate (**line 6**), since your cost of borrowing is composed solely of interest.
24. Cost of borrowing	**$** Your cost of borrowing is equal to the total amount of interest over the term of your loan (**line 7**) since your cost of borrowing is composed solely of interest. This amount is calculated based on the initial interest rate (**line 6**) and is subject to change as the interest rate fluctuates.
OPTIONAL SERVICES	
25. Life, disability or critical illness insurance	You can purchase life, disability, or critical illness insurance. The fees and cancellation conditions will be communicated to you in a separate document before the insurance takes effect. You may cancel the insurance you have requested by giving **30 days'** written notice. After the date of cancellation, any amount you have paid in advance for the service you have cancelled will be refunded to you.
COLLATERAL	
26. Collateral description	

3. Other terms and conditions

1. INFORMATION ABOUT YOUR LOAN

1.1 General information

You can obtain information about your loan by contacting us at **1 888 835-6281** (toll free) or **514 394-5555** (Montreal area). You can also visit our website at www.nbc.ca.

1.2 Regulatory brochures

If you have chosen to receive our regulatory brochures electronically (online), you can always consult them again or download a copy from our website at www.nbc.ca/financing-documentation.

1.3 Information on our complaint settlement process

For more information on our complaint settlement process, please visit the "Complaint settlement" section at nbc.ca or call the number above.

2. RRSP LOAN

If your personal loan is an RRSP loan, the following terms and conditions apply, in addition to the other terms and conditions of this agreement.

2.1 Using your RRSP loan

You agree to comply with these terms and conditions until your RRSP loan is fully repaid (principal and interest):

1) You will use your RRSP loan to invest in a Registered Retirement Savings Plan (RRSP) of the Bank;
2) You will not redeem, liquidate, sell or otherwise transfer your RRSP investments without the prior written consent of the Bank.

2.2 Period of deferred payment

You can take advantage of a period of deferred payment. Your loan must then be repaid over a shorter period.

Examples: Variable rate with fixed principal and interest payments

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Deferral	Term of the loan	Determination of payment
Without deferral	12 months	Payment calculated over 12
3-month deferral	12 months	Payment calculated over 9 months
6-month deferral	12 months	Payment calculated over 6 months

No payment is required during the period of deferred payment. Interest accrued between the date of disbursement and the date of the first payment is added to the balance of your loan and bears interest at the rate indicated on line 6 of the cost of borrowing disclosure statement above. As a result, the accrued interest is capitalized. The first payment is applied in full to the principal.

3. REPAYING YOUR LOAN

3.1 Your obligation to make the payments

You will make all payments specified in this agreement.

3.2 How to make your payments

Payments must be made in Canadian currency.

We will collect the amounts owed by pre-authorized debit from the designated account. The conditions applicable to pre-authorized debit are set out in another document that you have to sign.

4. OUR RIGHT TO CHANGE FEES AND PAYMENT

We may change any fees set out in this agreement or add a new fee upon a **30 days'** notice to you.

You agree to pay these fees on the day of the transaction, at the then applicable rate.

5. LIFE, DISABILITY OR CRITICAL ILLNESS INSURANCE

You can purchase life, disability, or critical illness insurance (optional service). The fees and cancellation conditions will be communicated to you in a separate document before the insurance takes effect.

6. YOUR STATEMENT

6.1 Where and when your statement is sent

We mail your statement once a year to the last known address we have on file for you.

6.2 Content

Your statement details the payments made during the statement period and provides you with information on the interest rate applicable to your loan and the balance of your loan. You can also see the impact of the variation in the interest rate applicable to your loan on your payment schedule.

7. CHANGING YOUR PAYMENTS

7.1 Payment date

You can change the date of your payments at any time. This change will be followed by an interest adjustment. This amount will be debited directly from the bank account designated for the repayment of your loan.

7.2 Payment frequency

You can change the frequency of your payments at any time. The amount of your new payment will be established according to your new payment frequency.

If any interest is due at the time of the change, it will be paid in priority.

7.3 Payment deferral

You may request the deferral of a payment. The Bank reserves the right to accept or refuse such a request.

Deferring a payment does not equate a complete payment exemption. The deferral applies only to the principal portion of your payment. The interest portion of your payment will be charged based on the scheduled payment date.

7.4 Payment amount

You can request a revision of the amount of your payments after making a partial prepayment or after a fluctuation in your interest rate. The interest accrued between the date of the last payment before the revision and the date of the revision will then be added to the principal balance of your loan (and therefore capitalized).

7.5 If there are several borrowers (power of attorney)

If one of you requests:

- a change to the payment date; or
- a change to the payment frequency; or
- a payment deferral; or
- a revision of the payment amount,

you authorize this borrower to make the change on your behalf.

8. CANCELLATION OF THIS AGREEMENT

8.1 Your right to cancel this agreement

You can cancel your agreement at any time after you sign it. We will then terminate your personal loan. You remain responsible for paying the amounts owed on the loan at the time of cancellation until the loan is fully repaid.

If you cancel the agreement within **14 days of its signature**, we will send you an acknowledgment of receipt. You will then need to repay any amounts owed within **5 days** of the acknowledgment of receipt. Amounts owed represent:

- the balance of the loan that was disbursed;
- any accrued interest, if applicable.

In all cases, the agreement will continue to apply until the amounts owed are paid in full.

8.2 Your right in the presence of several borrowers

If there are several borrowers, each of you has the right to cancel the agreement in accordance with **section 8.1**. If one of the borrowers exercises this right, then a new loan application must be made by the other borrowers, if applicable.

8.3 How to request a cancellation

You can request the cancellation of this agreement by calling **1 888 835-6281** (toll free) or **514 394-5555** (Montreal area). You can also visit our website at www.nbc.ca.

9. OUR RIGHTS IF YOU DO NOT COMPLY WITH YOUR OBLIGATIONS

9.1 Non-compliance with the terms and conditions of the loan

You do not comply with the terms and conditions of the loan (you are in default) when:

- You fail to pay an amount on the due date;
- You fail to comply with the obligations set out in this agreement, or in the security agreement if applicable;
- One of the statements made in this agreement or at the time of the loan application is incorrect;
- You fail to meet your obligations under another agreement with us;
- You become insolvent or bankrupt or you cease to operate your business;
- If applicable, you sell, assign, mortgage, lease or dispose of the personal property given as security, without our prior written consent;
- If applicable, the personal property given as security is destroyed, lost or hidden outside the province or territory where it is supposed to be located for a period of more **than 30 consecutive days.**
- If applicable, the personal property given as security is seized or is the subject of proceedings by a creditor, a receiver or any person performing similar functions.

9.2 Our rights

If you are in default under this agreement, we may demand immediate payment of all amounts that you owe us. You will also need to pay any legal fees we incur in order to recover any unpaid amounts, to realize a security interest and/or to exercise our rights and remedies.

In order to obtain a repayment, we can seek any remedies available to us under the law, this agreement or any security interest.

We may seek a remedy as soon as you become in default or later, at our discretion.

We will send you the notice required by law if we demand immediate payment of the amounts you owe us (acceleration) (Quebec only):

"Clause required under the Consumer Protection Act.

(Clause of forfeiture of benefit of the term)

Before availing himself of this clause, the merchant must send the consumer a notice in writing and a statement of account.

Within **30 days** following receipt by the consumer of the notice and the statement of account, the consumer may:

a) either remedy the fact that he is in default;

b) or present an application to the court to have the terms and conditions of payment prescribed in this agreement changed.

It is in the consumer's interest to refer to sections **104** to **110** of the Consumer Protection Act (**chapter P-40.1**) and, where necessary, to communicate with the Office de la protection du consommateur.".

10. YOUR RESPONSIBILITY IF THERE ARE SEVERAL BORROWERS

Each of the borrowers is jointly and severally (solidarily, in Québec) liable for the obligations under this agreement. This means, among other things, that in the event of default, we may demand repayment of the entire loan and performance of the obligations under this agreement from one borrower without having to demand repayment from the other borrower (or other borrowers).

11. IF WE ARE INDEBTED TO YOU (NO COMPENSATION)

Even if we are indebted to you, you cannot reduce your payments or request that our debt be used to repay your entire debt.

Any amount you owe under this agreement must be paid in full. In other words, no compensation or set-off is possible.

12. ASSIGNING THIS AGREEMENT

We may, without your consent, assign to any person the amounts owed to us under the loan, with or without the benefit of the rights provided for in this agreement.

Furthermore, you may not transfer our rights under this agreement, including by subrogation (Quebec), without our prior written consent. In addition, you may not assign your rights under this agreement without our prior written consent.

This agreement binds our successors and assigns as well as your heirs and legal representatives.

13. IF THIS AGREEMENT IS ENTERED INTO FOLLOWING A REVISION OF THE AMOUNT OF YOUR PAYMENTS

You acknowledge that this agreement does not create any novation of the loan or any other existing credit. If you have encumbered certain property in our favour to secure the repayment of the loan and the performance of your other

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obligations, you acknowledge that such security interest is still valid and legally constitutes a continuing and permanent security interest in such property.

14. IF ANY CLAUSE OF THIS AGREEMENT IS DETERMINED TO BE INVALID OR INEFFECTIVE (SEVERANCE)

If any clause of this agreement is determined to be invalid or ineffective by a court, the invalidity or ineffectiveness of this clause will not affect the validity or the effectiveness of the other clauses of the agreement, which shall continue in full force and effect.

15. CONFLICTS BETWEEN AGREEMENTS

In the event of a conflict between the clauses of this agreement, a security interest or any document related to the loan, the clauses set out in this agreement shall prevail.

16. APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the laws of the province or territory in which you reside and the applicable laws of Canada. You agree to submit and be bound by the laws and courts of that province or territory in the event of a dispute relating to this Agreement or our mortgage or encumbrance.

17. LANGUAGE

You confirm it is your wish that this agreement and all related documents be drawn up in English. *Vous confirmez votre volonté que ce contrat et tous les documents s'y rattachant soient rédigés en anglais.*

18. OTHER CLAUSES REQUIRED BY LAW (QUÉBEC ONLY)

"Clause required under the Consumer Protection Act.

(Contract for the loan of money)

(**1**) The consumer may cancel this contract without charge within **2 days** following that on which each party takes possession of a duplicate of the contract.

To cancel the contract, the consumer must:

a) return the money to the merchant or the merchant's representative, if the consumer received the money at the time each party took possession of a duplicate of the contract;

b) send a notice in writing to that effect, or return the money to the merchant or the merchant's representative if the money was not returned to the merchant or the merchant's representative at the time each party took possession of a duplicate of the contract.

The contract is cancelled, without further formality, as soon as the consumer returns the money or sends the notice.

(**2**) If the consumer uses all or part of the net capital to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the contract for the loan of money was entered into on the making of and in relation to the sale, lease or service contract, and if the merchant and the lender collaborated with a view to granting loans, plead against the lender any ground of defence urgeable against the merchant who is the vendor, lessor, contractor or service provider.

The consumer may also, in the circumstances described above, exercise against the lender, or against the lender's assignee, any right exercisable against the merchant who is the vendor, lessor, contractor or service provider if that merchant is no longer active or has no assets in Québec, is insolvent or is declared bankrupt.

The lender or the lender's assignee is then responsible for the performance of the obligations of the merchant who is the vendor, lessor, contractor or service provider up to the amount of, as the case may be, the debt owed to the lender at the time the contract is entered into, the debt owed to the assignee at the time it was assigned to him or the payment the lender received if he assigned the debt.

(**3**) The consumer may pay, in whole or in part, the amount of the obligation before maturity.

The balance due is equal at all times to the sum of the balance of net capital and credit charges calculated in accordance with the Act and the Regulation respecting the application of the Consumer Protection Act.

(**4**) The consumer may, once a month and without charge, request a statement of account from the merchant; the latter must furnish the consumer with the statement of account or forward it to the consumer as soon as possible but at the latest within **10 days** of the receipt of the request.

In addition to the statement of account prescribed above, the consumer who wishes to pay the balance of his obligation before maturity may, at all times and without charge, request a statement of account from the merchant; the latter must furnish the consumer with the statement of account or forward it to the consumer as soon as possible but at the latest within **10 days** of the receipt of the request.

It is in the consumer's interest to refer to sections **73, 74, 76, 91, 93 and 103.1** of the Consumer Protection Act **(chapter P-40.1)** and, if further information is necessary, to contact the Office de la protection du consommateur.".

SIGNATURES

You acknowledge that you have read and understood this agreement and have received a copy of the agreement. (Quebec only) The French version of this agreement is available here https://www.bnc.ca/outils-applications/documentation/documentation-financement.html under the Remise de la version française de contrats / Prêts section. You confirm having received this French version. *(Québec seulement) La version française de ce contrat de prêt d'argent à taux variable est disponible ici https://www.bnc.ca/outils-applications/documentation/documentation-financement.html, sous la section* Remise de la version française de contrats / Prêts*. Vous confirmez avoir reçu cette version française.* You agree to comply with the terms and conditions of this agreement and to repay the loan to the Bank with interest and in accordance with the terms and conditions set out herein.

If this agreement is signed by more than one person, the word "borrower" means each of the undersigned.

Date (YYYY-MM-DD)

Signature of borrower (1) *(ID: 32192V101)*

First and last name of borrower (1):

Date (YYYY-MM-DD)

Signature of borrower (2) *(ID: 32192V101)*

First and last name of borrower (2):

Date (YYYY-MM-DD)

Signature of borrower (3) *(ID: 32192V101)*

First and last name of borrower (3):

Date (YYYY-MM-DD)

Signature of borrower (4) *(ID: 32192V101)*

First and last name of borrower (4):

Date (YYYY-MM-DD)

Signature of borrower (5) *(ID: 32192V101)*

First and last name of borrower (5):

SIGNATURES

You acknowledge that you have read and understood this agreement and have received a copy of the agreement. (Quebec only) The French version of this agreement is available here https://www.bnc.ca/outils-applications/documentation/documentation-financement.html under the Remise de la version française de contrats / Prêts section. You confirm having received this French version. *(Québec seulement) La version française de ce contrat de prêt d'argent à taux fixe est disponible ici https://www.bnc.ca/outils-applications/documentation/documentation-financement.html sous la section Remise de la version française de contrats / Prêts. Vous confirmez avoir reçu cette version française.* You agree to comply with the terms and conditions of this agreement and to repay the loan to the Bank with interest and in accordance with the terms and conditions set out herein.

If this agreement is signed by more than one person, the word "borrower" means each of the undersigned.

Date (YYYY-MM-DD)

Signature of borrower (1) *(ID: 32192F91)*

First and last name of borrower (1):

Date (YYYY-MM-DD)

Signature of borrower (2) *(ID: 32192F91)*

First and last name of borrower (2):

Date (YYYY-MM-DD)

Signature of borrower (3) *(ID: 32192F91)*

First and last name of borrower (3):

Date (YYYY-MM-DD)

Signature of borrower (4) *(ID: 32192F91)*

First and last name of borrower (4):

Date (YYYY-MM-DD)

Signature of borrower (5) *(ID: 32192F91)*

First and last name of borrower (5):