FCDQ Legislative Covered Bond Programme Monthly Investor Report

Calculation Date : 10/31/2017

This report contains information regarding loans or other assets, as the case may be, (the Cover Pool) securing the obligations under the covered bonds issued by La Fédération des caisses Desjardins du Québec (FCDQ) under the Fédération des caisses Desjardins du Québec Legislative Covered Bond Programme (the Programme) as of the indicated Calculation Date. The composition of the Cover Pool will change as Loans are added and removed from the Cover Pool from time to time and, accordingly, the characteristics and performance of the Loans will vary over time.

THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (CMHC) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS REPORT. THE COVERED BONDS ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.

The Cover Pool is owned by CCDQ Covered Bond (Legislative) Guarantor Limited Partnership (Guarantor LP), which has no liabilities or claims outstanding against it other than those relating to the Programme. For further information, please refer to Desjardins' website maintained in respect of the Programme at : http://www.desjardins.com/ca/about-us/investor-relations/fixed-income-investors/ccd-covered-bonds-terms-access/index.jsp

Certain information set forth below has been obtained and based upon sources believed by Fédération des caisses Desjardins du Québec to be accurate. However, Fédération des caisses Desjardins du Québec makes no representation or warranty, expressed or implied, in relation to the accuracy, completeness or reliability of such information contained herein. Fédération des caisses Desjardins du Québec assumes no liability for any errors or any reliance you place on the information provided herein.

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In this report, currency amounts are stated in Canadian dollars ("$"), unless otherwise specified.

Programme Information

Series	ISIN	Initial Principal Amount	Translation Rate	C$ Equivalent	Expected Maturity	Legal Final Maturity	Coupon Rate	Rate Type	Maturity Type
CBL1	XS1041750404	EUR 1 000 000 000	1.52400	$1 524 000 000	2019-03-11	2020-03-11	1.125%	Fixed	Soft Bullet
CBL2	XS1125546454	EUR 1 000 000 000	1.44475	$1 444 750 000	2019-10-22	2020-10-22	0.375%	Fixed	Soft Bullet
CBL3	XS1324916151	EUR 1 000 000 000	1.42700	$1 427 000 000	2020-11-25	2021-11-25	0.375%	Fixed	Soft Bullet
Total				$4 395 750 000					

Weighted Average Maturity of Outstanding Covered Bonds (months)	25.41
Weighted Average Remaining Term of Loans in Cover Pool (months)	27.82

Series Ratings	Moody's	Fitch
CBL1	Aaa	AAA
CBL2	Aaa	AAA
CBL3	Aaa	AAA

Supplementary Information

Parties

Issuer	Fédération des caisses Desjardins du Québec
Guarantor	CCDQ Covered Bond (Legislative) Guarantor Limited Partnership
Servicer & Cash Manager	Fédération des caisses Desjardins du Québec
Swap Providers	Fédération des caisses Desjardins du Québec
Bond Trustee & Custodian	Computershare Trust Company of Canada
Cover Pool Monitor	PricewaterhouseCoopers
Account Bank & GIC Provider	Fédération des caisses Desjardins du Québec
Standby Account Bank & GIC Provider	Royal Bank of Canada
Paying Agent	The Bank of New York Mellon, London Branch

Fédération des caisses Desjardins du Québec Credit Rating

	Moody's	Fitch	DBRS	S&P
Senior Debt	Aa2	AA-	AA	A+
Subordinated Debt (CapDes)	A2	A+	AAL	A
Short-Term	P-1	F1+	R-1H	A-1
Rating Outlook	Negative	Stable	Negative	Stable

Applicable Ratings of Standby Account Bank & Standby GIC Provider (RBC)

	Moody's	Fitch	DBRS
Senior Debt	P-1	F1+ / AA	R-1H / AA

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Supplementary Information (continued)

Description of Ratings Triggers

For any trigger where both a short-term and a long-term ratings level are specified for a particular rating agency separated by (i) "or", the consequences are triggered when either such level is breached, and (ii) "and", the consequences are triggered when both such levels are breached.

A. Party Replacement

If the rating(s) of the Party falls below the level stipulated below, such party is required to be replaced or in the case of the Swap Providers transfer credit support and replace itself or obtain a guarantee for its obligations.

Role (Current Party)	Moody's	Fitch
Account Bank & GIC Provider (FCDQ)	P-1	F1 or A
Standby Account Bank & GIC Provider (RBC)	P-1	F1 or A
Cash Manager (FCDQ)	P-2	F2
Servicer (FCDQ)	Baa2	F2
Interest Rate Swap Providers (FCDQ)	P-2 and A3	F3 or BBB-
Covered Bond Swap Providers (FCDQ)	P-2 and A3	F3 or BBB-
Title Holder on Hypothecs (Mortgages) (FCDQ)	Baa1	BBB-

B.Specified Rating Related Action

i. The following actions are required if the rating of the Cash Manager (FCDQ) falls below the stipulated rating

	Moody's	Fitch
(a) Amounts held by the Cash Manager belonging to the Guarantor are required to be deposited directly into the Transaction Account or the GIC *Account as applicable within 5 business days*	P-1	F1 or A
(b) Amounts received by the Servicer are to be deposited directly to the GIC Account and not provided to the Cash Manager	P-1	F1 or A

ii. The following actions are required if the rating of the Servicer (FCDQ) falls below the stipulated rating

	Moody's	Fitch
a) Servicer is required to transfer amounts to belonging to the Guarantor, the Cash Manager or GIC Account, as applicable, within 2 business days	P-1	F1 or A

iii. The following actions are required if the rating of the Issuer (FCDQ) falls below the stipulated rating

	Moody's	Fitch
(a) Repayment of the Demand Loan	N/A	F2 or BBB+
(b) Establishment of the Reserve Fund	P-1	F1 or A
(c) Fund Pre-Maturity Liquidity Required Amount on Hard Bullet Covered Bonds	P-1	F1+

iv. The following actions are required if the rating of the Issuer (FCDQ) falls below the stipulated rating

	Moody's	Fitch
(a) Cashflows will be exchanged under the Covered Bond Swap Agreement (to the extent not already occurring) except as otherwise provided in the Covered Bond Swap Agreement	Baa1	BBB+

v. Each Swap Provider is required to replace itself, transfer credit support or obtain a guarantee of its obligations if the rating of such Swap Provider falls below the specified rating

	Moody's	Fitch
(a) Interest Rate Swap Provider	P-1 and A2 [(1)]	F1 or A
(b) Covered Bond Swap Provider	P-1 and A2 [(1)]	F1 or A

[(1)] If no short-term rating, long-term trigger is A1

Events of Default & Test Compliance

Issuer Event of Default	No
Guarantor Event of Default	No

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Asset Coverage Test (C$)

Outstanding Covered Bonds	**$4 395 750 000**		
A = lower of (i) LTV Adjusted True Balance	$5 813 506 540	A(i) :	$6 387 340 589
(ii) Asset Percentage Adjusted True Balance		A(ii) :	$5 813 506 540
B = Principal Receipts	$0		
C = Cash Capital Contributions	$0	Asset Percentage :	91.00%
D = Substitute Assets	$0	Minimum Asset Percentage :	80.00%
E = Reserve Fund	$0	Maximum Asset Percentage :	97.00%
Y = Contingent Collateral Amount	$0		
Z = Negative Carry Factor Calculation	$46 580 292	Regulatory OC Minimum :	3.00%
Total: A + B + C + D + E - Y - Z	**$5 766 926 248**	Level of overcollateralization :	10.95%
Asset Coverage Test	**Pass**		

Valuation Calculation Test (C$)

Trading Value of Covered Bonds	**$4 468 390 893**		
A = lower of (i) Present Value of the relevant Loan [1]	$6 306 252 252	A(i) :	$6 306 252 252
(ii) 80% of the Latest Valuation relating to that Loan		A(ii) :	$11 406 391 596
B = Principal Receipts	$0		
C = Cash Capital Contributions	$0		
D = Trading Value of any Substitute Assets	$0		
E = Reserve Fund	$0		
F = Trading Value of Swap Collateral	$0		
Total: A + B + C + D + E + F	**$6 306 252 252**		
The actual weighted average rate used for discounting is	3.810%		

[1] *Present value of expected future cash flows of Loans using current market interest rates offered to Desjardins clients.*

Intercompany Loan Balance

Guarantee Loan	$4 833 146 095
Demand Loan	$1 562 096 904
Total	**$6 395 242 999**

Covered Bonds Outstanding vs AMF Covered Bond Limit

Covered Bonds Currently Outstanding (CAD Equivalent) Issued under the Legislative Covered Bond Programme	$4 395 750 000
AMF Covered Bond Limit [1]	$9 116 691 439

[1] *The current maximum supervisory limit set by the Autorité des marchés financiers (the "AMF"), the regulatory body which supervises the issuance of covered bonds by Federation des caisses Desjardins du Québec from a prudential standpoint, is 4 % of the Total Assets of Desjardins Group.*

Cover Pool Summary Statistics

Previous Month Ending Balance ($)	$6 501 396 558		
Current Month Ending Balance ($)	$6 395 242 999		
Number of Mortgage Loans	51 799		
Average Loan Balance ($)	$123 463		
Number of Properties	51 799		
Number of Borrowers	49 605		
	Original		**Indexed**
Weighted Average Current LTV	58.93%		55.70%
Weighted Average Original LTV	68.98%		
Weighted Average Authorized LTV	68.98%		
Weighted Average Rate	2.90%		
Weighted Average Original Term	49.42	(months)	
Weighted Average Remaining Term	27.82	(months)	
Weighted Average Seasoning	21.60	(months)	
Weighted Average Maturity of Outstanding Covered Bonds	25.41	(months)	

Provincial Distribution

Province	Number of Loans	Percentage	Principal Balance	Percentage
Québec	51 799	100.00%	$6 395 242 999	100.00%
Ontario	0	0.00%	$0	0.00%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Credit Score Distribution

Credit Score	Number of Loans	Percentage	Principal Balance	Percentage
Score Unavailable	259	0.50%	$40 992 107	0.64%
599 and below	890	1.72%	$113 058 731	1.77%
600 - 650	2 218	4.28%	$296 716 988	4.64%
651 - 700	5 450	10.52%	$750 657 953	11.74%
701 - 750	12 059	23.28%	$1 586 987 223	24.82%
751 - 800	18 196	35.13%	$2 224 624 430	34.79%
> 800	12 727	24.57%	$1 382 205 568	21.61%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

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Rate Type Distribution

Rate Type	Number of Loans	Percentage	Principal Balance	Percentage
Fixed rate	41 566	80.24%	$5 104 924 157	79.82%
Floating rate	10 233	19.76%	$1 290 318 842	20.18%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Occupancy Type Distribution

Occupancy Type	Number of Loans	Percentage	Principal Balance	Percentage
Owner occupied	43 179	83.36%	$4 921 377 735	76.95%
Not owner occupied	8 620	16.64%	$1 473 865 264	23.05%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Mortgage Asset Type Distribution

Asset type	Number of Loans	Percentage	Principal Balance	Percentage
Conventional Mortgage	51 799	100.00%	$6 395 242 999	100.00%
Versatile Loan	0	0.00%	$0	0.00%
Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Loan Interest Rate Distribution

Loan Interest Rate (in %)	Number of Loans	Percentage	Principal Balance	Percentage
< 2.0000	488	0.94%	$63 854 793	1.00%
2.0000 to 2.4999	3 643	7.03%	$639 391 515	10.00%
2.5000 to 2.9999	30 875	59.61%	$3 983 256 889	62.28%
3.0000 to 3.4999	12 616	24.36%	$1 292 851 885	20.22%
3.5000 to 3.9999	2 390	4.61%	$222 753 533	3.48%
4.0000 to 4.4999	1 419	2.74%	$156 482 908	2.45%
4.5000 to 4.9999	234	0.45%	$24 388 704	0.38%
5.0000 to 5.4999	83	0.16%	$8 329 436	0.13%
5.5000 to 5.9999	25	0.05%	$2 184 142	0.03%
6.0000 to 6.4999	11	0.02%	$823 375	0.01%
6.5000 to 6.9999	12	0.02%	$757 465	0.01%
> 7.0000	3	0.01%	$168 354	0.00%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Remaining Term Distribution

Remaining Term (in months)	Number of Loans	Percentage	Principal Balance	Percentage
Less than 12	11 737	22.66%	$1 369 128 989	21.41%
12 - 23	11 349	21.91%	$1 391 638 712	21.76%
24 - 35	13 201	25.49%	$1 584 159 803	24.77%
36 - 47	9 253	17.86%	$1 264 726 587	19.78%
48 - 59	6 159	11.89%	$772 398 350	12.08%
60 - 71	38	0.07%	$4 354 919	0.07%
72 - 83	15	0.03%	$2 335 975	0.04%
84 and above	47	0.09%	$6 499 665	0.10%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Remaining Principal Balance Distribution

Remaining Principal Balance (C$)	Number of Loans	Percentage	Principal Balance	Percentage
Less than 100 000	25 201	48.65%	$1 556 717 174	24.34%
100 000 - 149 999	12 090	23.34%	$1 493 655 302	23.36%
150 000 - 199 999	7 090	13.69%	$1 221 071 240	19.09%
200 000 - 249 999	3 272	6.32%	$728 186 362	11.39%
250 000 - 299 999	1 824	3.52%	$496 010 647	7.76%
300 000 - 349 999	1 051	2.03%	$339 102 337	5.30%
350 000 - 399 999	591	1.14%	$219 583 228	3.43%
400 000 - 449 999	298	0.58%	$125 938 928	1.97%
450 000 - 499 999	162	0.31%	$76 703 853	1.20%
500 000 - 549 999	99	0.19%	$51 620 837	0.81%
550 000 - 599 999	46	0.09%	$26 392 781	0.41%
600 000 - 649 999	23	0.04%	$14 288 541	0.22%
650 000 - 699 999	14	0.03%	$9 386 527	0.15%
700 000 - 749 999	8	0.02%	$5 804 919	0.09%
750 000 - 799 999	9	0.02%	$6 948 526	0.11%
800 000 - 849 999	3	0.01%	$2 427 539	0.04%
850 000 - 899 999	4	0.01%	$3 462 469	0.05%
900 000 - 949 999	3	0.01%	$2 837 170	0.04%
950 000 - 999 999	1	0.00%	$972 476	0.02%
1 000 000 and above	10	0.02%	$14 132 142	0.22%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Property Type Distribution

Property Type	Number of Loans	Percentage	Principal Balance	Percentage
Detached	29 566	57.08%	$3 064 545 377	47.92%
Semi Detached	2 106	4.07%	$251 434 617	3.93%
Rows (Townhouse)	623	1.20%	$81 637 145	1.28%
Condominium	7 418	14.32%	$983 631 832	15.38%
Multiplex	8 567	16.54%	$1 564 795 744	24.47%
Secondary Homes	3 515	6.79%	$448 388 897	7.01%
Other [1]	4	0.01%	$809 388	0.01%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

[1] Other can include undivided co-ownership, single family or multiplex

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Current Indexed LTV Distribution

Current Indexed LTV (in %)	Number of Loans	Percentage	Principal Balance	Percentage
<= 20.00	6 847	13.22%	$307 208 262	4.80%
20.01 - 25.00	3 169	6.12%	$213 199 762	3.33%
25.01 - 30.00	3 395	6.55%	$263 337 623	4.12%
30.01 - 35.00	3 343	6.45%	$292 628 157	4.58%
35.01 - 40.00	3 117	6.02%	$314 384 206	4.92%
40.01 - 45.00	3 223	6.22%	$356 753 730	5.58%
45.01 - 50.00	3 214	6.20%	$387 623 993	6.06%
50.01 - 55.00	3 308	6.39%	$437 225 228	6.84%
55.01 - 60.00	3 446	6.65%	$512 997 876	8.02%
60.01 - 65.00	4 050	7.82%	$664 462 950	10.39%
65.01 - 70.00	5 266	10.17%	$923 098 088	14.43%
70.01 - 75.00	5 669	10.94%	$1 027 454 832	16.07%
75.01 - 80.00	3 407	6.58%	$630 136 732	9.85%
> 80.00	345	0.67%	$64 731 559	1.01%
Grand Total	**51 799**	**100.00%**	**$6 395 242 999**	**100.00%**

Current Indexed LTV / Delinquency Distribution

Province of Quebec

Current Indexed LTV (in %)	Current and less than 30 days past due	30 to 59 days past due	60 to 89 days past due	90 or more days past due	Grand Total	Percentage
<= 20.00	$307 091 174	$117 087	$0	$0	$307 208 262	4.80%
20.01 - 25.00	$213 024 902	$104 919	$69 941	$0	$213 199 762	3.33%
25.01 - 30.00	$262 938 178	$399 445	$0	$0	$263 337 623	4.12%
30.01 - 35.00	$292 490 108	$44 442	$93 607	$0	$292 628 157	4.58%
35.01 - 40.00	$313 570 891	$557 509	$255 806	$0	$314 384 206	4.92%
40.01 - 45.00	$356 135 359	$325 924	$292 447	$0	$356 753 730	5.58%
45.01 - 50.00	$387 421 295	$150 440	$52 257	$0	$387 623 993	6.06%
50.01 - 55.00	$436 750 166	$232 587	$92 181	$150 294	$437 225 228	6.84%
55.01 - 60.00	$511 826 060	$910 899	$48 156	$212 761	$512 997 876	8.02%
60.01 - 65.00	$663 093 193	$786 286	$368 936	$214 535	$664 462 950	10.39%
65.01 - 70.00	$921 687 299	$643 092	$125 538	$642 159	$923 098 088	14.43%
70.01 - 75.00	$1 024 691 771	$2 169 338	$296 716	$297 008	$1 027 454 832	16.07%
75.01 - 80.00	$629 362 993	$130 304	$643 435	$0	$630 136 732	9.85%
> 80.00	$64 594 401	$137 158	$0	$0	$64 731 559	1.01%
Grand Total	**$6 384 677 791**	**$6 709 431**	**$2 339 020**	**$1 516 757**	**$6 395 242 999**	**100.00%**
Percentage	**99.83%**	**0.10%**	**0.04%**	**0.02%**	**100.00%**	

Province of Ontario

Current Indexed LTV (in %)	Current and less than 30 days past due	30 to 59 days past due	60 to 89 days past due	90 or more days past due	Grand Total	Percentage
<= 20.00	$0	$0	$0	$0	$0	0.00%
20.01 - 25.00	$0	$0	$0	$0	$0	0.00%
25.01 - 30.00	$0	$0	$0	$0	$0	0.00%
30.01 - 35.00	$0	$0	$0	$0	$0	0.00%
35.01 - 40.00	$0	$0	$0	$0	$0	0.00%
40.01 - 45.00	$0	$0	$0	$0	$0	0.00%
45.01 - 50.00	$0	$0	$0	$0	$0	0.00%
50.01 - 55.00	$0	$0	$0	$0	$0	0.00%
55.01 - 60.00	$0	$0	$0	$0	$0	0.00%
60.01 - 65.00	$0	$0	$0	$0	$0	0.00%
65.01 - 70.00	$0	$0	$0	$0	$0	0.00%
70.01 - 75.00	$0	$0	$0	$0	$0	0.00%
75.01 - 80.00	$0	$0	$0	$0	$0	0.00%
> 80.00	$0	$0	$0	$0	$0	0.00%
Grand Total	**$0**	**$0**	**$0**	**$0**	**$0**	**0.00%**
Percentage	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	

Current Indexed LTV / Credit Score Distribution

Current Indexed LTV (in %)	599 and below	600 - 650	651 - 700	701 - 750	751 - 800	> 800	Score Unavailable	Grand Total	Percentage
<= 20.00	$1 485 803	$5 655 922	$16 776 955	$54 944 876	$114 435 356	$112 773 415	$1 135 935	$307 208 262	4.80%
20.01 - 25.00	$1 103 859	$4 932 324	$13 961 000	$44 120 002	$76 733 854	$70 931 117	$1 417 607	$213 199 762	3.33%
25.01 - 30.00	$3 091 848	$7 707 617	$21 552 071	$55 144 986	$96 648 349	$77 093 771	$2 098 980	$263 337 623	4.12%
30.01 - 35.00	$3 420 858	$11 368 796	$31 871 033	$62 737 203	$99 426 298	$81 206 133	$2 597 836	$292 628 157	4.58%
35.01 - 40.00	$6 079 317	$11 502 450	$30 818 199	$68 384 564	$106 427 592	$87 070 256	$4 101 827	$314 384 206	4.92%
40.01 - 45.00	$6 427 201	$15 917 432	$35 602 462	$79 217 025	$129 861 245	$86 371 887	$3 356 478	$356 753 730	5.58%
45.01 - 50.00	$9 573 439	$21 650 980	$41 993 464	$95 419 392	$125 613 250	$88 450 398	$4 923 069	$387 623 993	6.06%
50.01 - 55.00	$8 481 540	$21 077 018	$55 337 956	$106 487 110	$143 194 100	$98 206 810	$4 440 694	$437 225 228	6.84%
55.01 - 60.00	$11 426 785	$30 033 184	$61 951 833	$127 346 052	$172 586 364	$102 354 856	$7 298 803	$512 997 876	8.02%
60.01 - 65.00	$13 894 116	$39 235 963	$81 279 615	$169 285 258	$230 099 728	$126 641 285	$4 026 986	$664 462 950	10.39%
65.01 - 70.00	$17 791 187	$53 591 349	$124 916 274	$251 430 428	$317 567 767	$155 232 312	$2 568 772	$923 098 088	14.43%
70.01 - 75.00	$20 791 437	$44 493 332	$141 965 973	$268 873 220	$358 233 667	$190 455 442	$2 641 762	$1 027 454 832	16.07%
75.01 - 80.00	$7 835 647	$26 199 464	$81 913 940	$182 990 864	$233 398 196	$97 533 286	$265 336	$630 136 732	9.85%
> 80.00	$1 655 692	$3 351 156	$10 717 178	$20 606 244	$20 398 665	$7 884 600	$118 024	$64 731 559	1.01%
Grand Total	**$113 058 731**	**$296 716 988**	**$750 657 953**	**$1 586 987 223**	**$2 224 624 430**	**$1 382 205 568**	**$40 992 107**	**$6 395 242 999**	**100.00%**
Percentage	**1.77%**	**4.64%**	**11.74%**	**24.82%**	**34.79%**	**21.61%**	**0.64%**	**100.00%**	

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Cover Pool - Substitute Assets

Type	Canadian Government Bonds
CMHC Guide Limit [1]	$639 524 300

[1] The CMHC Guide limit Substitute Assets to 10% of the total Cover Pool Collateral.

Indexation Methodology

As of the date of this Investor Report, the Guarantor uses the methodology described below (which methodology is, as of the date hereof, the "Indexation Methodology"), to establish the current market loan to value ratios ("LTV ratio") of residential properties securing loans included in the Covered Bond Portfolio on a quarterly basis for purposes of the Asset Coverage Test, the Amortization Test, the Valuation Calculation and for other purposes as may be required by the CMHC Guide from time to time. Changes to the Indexation Methodology may only be made

(i) upon notice to CMHC and satisfaction of any other conditions specified by CMHC in relation thereto, (ii) if such change constitutes a material change, subject to Rating Agency Confirmation, and (iii) if such change is materially prejudicial to the Covered Bondholders, subject to the consent of the Bond Trustee. The Indexation Methodology must at all times comply with the requirements of the CMHC Guide.

The index used by the Guarantor to determine the updated market value of a Property is the Teranet-National Bank Regional and Property Type Sub-IndicesTM ("TNB RPTSIs"). The TNB RPTSIs product is available by subscription at www.housepriceindex.ca. This website and its contents do not form part of this Investor Report.

The TNB RPTSIs product is an independent representation of the rate of change of Canadian single-family home prices. The measurements are based on the property records of public land registries, grouped into individual Forward Sortation Areas (or clusters of FSAs). At this time all Properties in the Covered Bond Portfolio are located in FSAs covered by the TNB RPTSIs. Sub-indices are further segmented by property type (all types vs. single-detached homes vs. condominiums) in areas where this data is available. For areas where the TNB RPTSIs are not subdivided by property type, the Guarantor will use the all types sub-index.

All properties that have been sold at least twice are considered in the calculation of the TNB RPTSIs; this is known as the repeat sales methodology. Properties that are affected by endogenous factors are not considered in the estimation. These factors may include: a) nonarms-length sale, b) change of type of property, for example after renovations, c) data error, and d) high turnover frequency (biannual or higher). In the repeat sales methodology, the averaging of price appreciation from different pairs of sales is done using an estimation process in which each pair is a separate observation.

For purposes of the Covered Bond Portfolio, each Property is assigned an original index value based on its appraisal date or re-evaluation date, if more recent information is available. On at least a quarterly basis, the latest index value for a Property is compared to the original index value. The relative change is used to calculate an updated market value. This market value is used as the denominator in the current market LTV ratio.

Material risks associated with using the Indexation Methodology include, but are not limited to, the following: the accuracy, adequacy and timeliness of the TNB RPTSIs being relied upon; the consistency in underlying methodology of such TNB RPTSIs; the continued availability of the home sale price data provided to Teranet; and in the case of Properties located within the areas where the TNB RPTSIs are not subdivided by property type, the risk that the all-types sub-index may not account for differences in property value changes based on property type.

Teranet Inc. ("Teranet") has, jointly with National Bank of Canada ("NBC", and collectively with Teranet and their third party licensors, the "Licensors"), developed a methodology and algorithm to create a residential house price index. The Fédération des caisses Desjardins du Québec Legislative Covered Bond Programme (the "Programme") is not endorsed, sold or promoted by the Licensors. None of the Licensors make any representation or warranty, express or implied, to the parties to the Programme or any member of the public regarding the advisability or recommendation of investing in the Programme particularly or concerning the results to be obtained from the TNB RPTSIs and the ability of such product to track the performance of the residential real estate and housing markets or concerning the extent to which the capital value or income return of the Programme matches or will match the performance of the TNB RPTSIs or the levels at which the TNB RPTSIs may stand at a particular date. The Licensors' only relationship to Fédération des caisses Desjardins du Québec ("FCDQ") is the licensing of certain trademarks and trade names of the Licensors without regard to the FCDQ or the Programme. The Licensors have no obligation to take the needs of the FCDQ or the parties to the Programme into consideration in determining, composing or calculating the TNB RPTSIs. None of the Licensors is responsible for and none has participated in determining the pricing, quantities or timing of the execution of the Programme by the parties thereto or the assessment or method of settlement calculation therefor. The Licensors have no obligation or liability in connection with the administration, marketing or trading of the Programme.

None of the Licensors or any of their affiliates guarantees the adequacy, accuracy, timeliness or completeness of the TNB RPTSIs or any data included therein, or any communications related thereto. None of the Licensors or any of their affiliates shall be subject to any damages or liabilities for any errors, omissions or delays of the dissemination of the TNB RPTSIs. None of the Licensors or any of their affiliates makes express or implied warranties, and each of them expressly disclaims all warranties or merchantability or fitness for a particular purpose or use with respect to the TNB RPTSIs or any data included therein. Without limiting any of the foregoing, in no event whatsoever shall the Licensors or any of their affiliates be liable for any direct, special, incidental, punitive or consequential damages, including but not limited to loss of profits, trading losses, lost time or goodwill, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability or otherwise. The Teranet-National Bank Regional and Property Type Sub-IndicesTM is the trademark of Teranet and NBC, and has been licensed for use by the FCDQ.