FCDQ Legislative Covered Bond Programme Monthly Investor Report

Calculation Date : 09/30/2017

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)	26.43
Weighted Average Remaining Term of Loans in Cover Pool (months)	28.30

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	$5 911 177 239	A(i) :	$6 495 644 818
(ii) Asset Percentage Adjusted True Balance		A(ii) :	$5 911 177 239
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	$48 411 854	Regulatory OC Minimum :	103.00%
Total: A + B + C + D + E - Y - Z	**$5 862 765 385**	Level of overcollateralization :	110.99%
Asset Coverage Test	**Pass**		

Valuation Calculation Test (C$)

Trading Value of Covered Bonds	**$4 465 447 530**		
A = lower of (i) Present Value of the relevant Loan [1]	$6 422 733 610	A(i) :	$6 422 733 610
(ii) 80% of the Latest Valuation relating to that Loan		A(ii) :	$11 571 121 855
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	**$6 422 733 610**		
The actual weighted average rate used for discounting is	3.671%		

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

Intercompany Loan Balance

Guarantee Loan	$4 833 968 689
Demand Loan	$1 667 427 870
Total	**$6 501 396 558**

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]	$8 941 262 638

[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 ($)	$6 620 258 543		
Current Month Ending Balance ($)	$6 501 396 558		
Number of Mortgage Loans	52 424		
Average Loan Balance ($)	$124 016		
Number of Properties	52 424		
Number of Borrowers	50 195		
	Original		**Indexed**
Weighted Average Current LTV	59.13%		55.78%
Weighted Average Original LTV	69.00%		
Weighted Average Authorized LTV	69.00%		
Weighted Average Rate	2.90%		
Weighted Average Original Term	49.33	(months)	
Weighted Average Remaining Term	28.30	(months)	
Weighted Average Seasoning	21.02	(months)	
Weighted Average Maturity of Outstanding Covered Bonds	26.43	(months)	

Provincial Distribution

Province	Number of Loans	Percentage	Principal Balance	Percentage
Québec	52 424	100.00%	$6 501 396 558	100.00%
Ontario	0	0.00%	$0	0.00%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Credit Score Distribution

Credit Score	Number of Loans	Percentage	Principal Balance	Percentage
Score Unavailable	261	0.50%	$40 945 599	0.63%
599 and below	907	1.73%	$114 817 860	1.77%
600 - 650	2 292	4.37%	$306 355 892	4.71%
651 - 700	5 634	10.75%	$779 035 810	11.98%
701 - 750	12 136	23.15%	$1 598 875 138	24.59%
751 - 800	18 538	35.36%	$2 286 332 598	35.17%
> 800	12 656	24.14%	$1 375 033 661	21.15%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

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Rate Type Distribution

Rate Type	Number of Loans	Percentage	Principal Balance	Percentage
Fixed rate	41 962	80.04%	$5 180 040 859	79.68%
Floating rate	10 462	19.96%	$1 321 355 699	20.32%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Occupancy Type Distribution

Occupancy Type	Number of Loans	Percentage	Principal Balance	Percentage
Owner occupied	43 693	83.35%	$5 004 102 884	76.97%
Not owner occupied	8 731	16.65%	$1 497 293 675	23.03%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Mortgage Asset Type Distribution

Asset type	Number of Loans	Percentage	Principal Balance	Percentage
Conventional Mortgage	52 424	100.00%	$6 501 396 558	100.00%
Versatile Loan	0	0.00%	$0	0.00%
Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Loan Interest Rate Distribution

Loan Interest Rate (in %)	Number of Loans	Percentage	Principal Balance	Percentage
< 2.0000	538	1.03%	$72 269 889	1.11%
2.0000 to 2.4999	3 699	7.06%	$645 664 990	9.93%
2.5000 to 2.9999	32 583	62.15%	$4 177 695 969	64.26%
3.0000 to 3.4999	11 216	21.39%	$1 166 143 523	17.94%
3.5000 to 3.9999	2 506	4.78%	$234 847 428	3.61%
4.0000 to 4.4999	1 493	2.85%	$166 530 299	2.56%
4.5000 to 4.9999	245	0.47%	$25 138 660	0.39%
5.0000 to 5.4999	90	0.17%	$8 919 476	0.14%
5.5000 to 5.9999	25	0.05%	$2 192 879	0.03%
6.0000 to 6.4999	12	0.02%	$916 515	0.01%
6.5000 to 6.9999	13	0.02%	$856 461	0.01%
> 7.0000	4	0.01%	$220 469	0.00%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Remaining Term Distribution

Remaining Term (in months)	Number of Loans	Percentage	Principal Balance	Percentage
Less than 12	11 293	21.54%	$1 302 883 247	20.04%
12 - 23	11 592	22.11%	$1 432 334 968	22.03%
24 - 35	13 232	25.24%	$1 591 715 716	24.48%
36 - 47	9 709	18.52%	$1 323 715 921	20.36%
48 - 59	6 487	12.37%	$835 856 186	12.86%
60 - 71	47	0.09%	$5 852 364	0.09%
72 - 83	13	0.02%	$1 995 271	0.03%
84 and above	51	0.10%	$7 042 884	0.11%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Remaining Principal Balance Distribution

Remaining Principal Balance (C$)	Number of Loans	Percentage	Principal Balance	Percentage
Less than 100 000	25 350	48.36%	$1 570 904 378	24.16%
100 000 - 149 999	12 264	23.39%	$1 515 128 843	23.30%
150 000 - 199 999	7 237	13.80%	$1 246 749 906	19.18%
200 000 - 249 999	3 332	6.36%	$741 285 765	11.40%
250 000 - 299 999	1 872	3.57%	$509 059 137	7.83%
300 000 - 349 999	1 065	2.03%	$343 599 595	5.29%
350 000 - 399 999	608	1.16%	$225 798 634	3.47%
400 000 - 449 999	306	0.58%	$129 327 175	1.99%
450 000 - 499 999	162	0.31%	$76 692 292	1.18%
500 000 - 549 999	101	0.19%	$52 584 132	0.81%
550 000 - 599 999	52	0.10%	$29 815 715	0.46%
600 000 - 649 999	23	0.04%	$14 329 765	0.22%
650 000 - 699 999	14	0.03%	$9 414 824	0.14%
700 000 - 749 999	8	0.02%	$5 825 851	0.09%
750 000 - 799 999	9	0.02%	$6 974 062	0.11%
800 000 - 849 999	3	0.01%	$2 438 236	0.04%
850 000 - 899 999	4	0.01%	$3 470 869	0.05%
900 000 - 949 999	1	0.00%	$945 781	0.01%
950 000 - 999 999	3	0.01%	$2 877 399	0.04%
1 000 000 and above	10	0.02%	$14 174 200	0.22%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

Property Type Distribution

Property Type	Number of Loans	Percentage	Principal Balance	Percentage
Detached	29 918	57.07%	$3 118 094 473	47.96%
Semi Detached	2 125	4.05%	$255 208 849	3.93%
Rows (Townhouse)	632	1.21%	$83 265 891	1.28%
Condominium	7 500	14.31%	$997 282 612	15.34%
Multiplex	8 685	16.57%	$1 591 372 366	24.48%
Secondary Homes	3 559	6.79%	$455 687 116	7.01%
Other	5	0.01%	$485 252	0.01%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**100.00%**

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Current Indexed LTV Distribution

Current Indexed LTV (in %)	Number of Loans	Percentage	Principal Balance	Percentage
<= 20.00	6 840	13.05%	$309 914 123	4.77%
20.01 - 25.00	3 222	6.15%	$219 171 999	3.37%
25.01 - 30.00	3 416	6.52%	$264 062 105	4.06%
30.01 - 35.00	3 392	6.47%	$296 960 905	4.57%
35.01 - 40.00	3 150	6.01%	$318 367 478	4.90%
40.01 - 45.00	3 268	6.23%	$362 816 350	5.58%
45.01 - 50.00	3 259	6.22%	$398 420 481	6.13%
50.01 - 55.00	3 276	6.25%	$434 415 999	6.68%
55.01 - 60.00	3 489	6.66%	$520 746 466	8.01%
60.01 - 65.00	4 108	7.84%	$674 274 067	10.37%
65.01 - 70.00	5 158	9.84%	$907 608 570	13.96%
70.01 - 75.00	5 936	11.32%	$1 071 464 164	16.48%
75.01 - 80.00	3 854	7.35%	$713 246 017	10.97%
> 80.00	56	0.11%	$9 927 833	0.15%
Grand Total	**52 424**	**100.00%**	**$6 501 396 558**	**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	$309 796 749	$0	$0	$117 374	$309 914 123	4.77%
20.01 - 25.00	$219 099 924	$72 075	$0	$0	$219 171 999	3.37%
25.01 - 30.00	$263 933 323	$128 782	$0	$0	$264 062 105	4.06%
30.01 - 35.00	$296 751 904	$133 265	$0	$75 736	$296 960 905	4.57%
35.01 - 40.00	$318 004 978	$154 134	$0	$208 366	$318 367 478	4.90%
40.01 - 45.00	$361 841 362	$862 795	$52 257	$59 935	$362 816 350	5.58%
45.01 - 50.00	$397 978 474	$373 797	$68 210	$0	$398 420 481	6.13%
50.01 - 55.00	$433 493 123	$707 701	$215 174	$0	$434 415 999	6.68%
55.01 - 60.00	$519 693 462	$690 745	$362 259	$0	$520 746 466	8.01%
60.01 - 65.00	$672 710 516	$1 083 688	$315 978	$163 886	$674 274 067	10.37%
65.01 - 70.00	$905 387 993	$1 362 503	$615 131	$242 943	$907 608 570	13.96%
70.01 - 75.00	$1 069 719 832	$1 050 377	$693 954	$0	$1 071 464 164	16.48%
75.01 - 80.00	$712 700 096	$545 921	$0	$0	$713 246 017	10.97%
> 80.00	$9 927 833	$0	$0	$0	$9 927 833	0.15%
Grand Total	**$6 491 039 569**	**$7 165 785**	**$2 322 964**	**$868 240**	**$6 501 396 558**	**100.00%**
Percentage	**99.84%**	**0.11%**	**0.04%**	**0.01%**	**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	$1 404 552	$6 228 807	$16 896 999	$55 302 733	$116 487 917	$112 588 488	$1 004 627	$309 914 123	4.77%
20.01 - 25.00	$1 721 580	$4 698 995	$16 164 803	$44 295 413	$80 627 613	$70 020 547	$1 643 049	$219 171 999	3.37%
25.01 - 30.00	$3 251 115	$9 384 497	$21 331 270	$52 364 412	$94 761 456	$80 842 234	$2 127 122	$264 062 105	4.06%
30.01 - 35.00	$4 929 629	$9 660 236	$29 128 276	$62 716 032	$104 889 959	$83 277 952	$2 358 820	$296 960 905	4.57%
35.01 - 40.00	$4 937 346	$13 393 144	$30 750 891	$67 403 526	$115 488 485	$82 421 966	$3 972 121	$318 367 478	4.90%
40.01 - 45.00	$6 169 110	$16 818 883	$35 884 148	$85 325 433	$130 426 470	$84 328 633	$3 863 674	$362 816 350	5.58%
45.01 - 50.00	$9 096 598	$21 868 711	$49 330 568	$100 790 843	$127 554 335	$85 469 901	$4 309 526	$398 420 481	6.13%
50.01 - 55.00	$9 710 836	$22 747 270	$49 099 275	$107 747 820	$150 040 305	$91 207 307	$3 863 186	$434 415 999	6.68%
55.01 - 60.00	$11 881 905	$25 465 357	$71 330 110	$124 420 012	$179 427 028	$100 602 939	$7 619 116	$520 746 466	8.01%
60.01 - 65.00	$12 301 056	$38 539 007	$90 844 291	$160 957 302	$237 583 881	$129 130 004	$4 918 526	$674 274 067	10.37%
65.01 - 70.00	$19 597 599	$53 558 760	$127 265 708	$234 693 920	$318 312 302	$151 987 673	$2 192 607	$907 608 570	13.96%
70.01 - 75.00	$22 336 641	$50 453 658	$146 552 327	$284 257 204	$371 718 355	$193 244 755	$2 901 225	$1 071 464 164	16.48%
75.01 - 80.00	$7 373 735	$33 417 655	$92 550 891	$215 450 688	$256 241 514	$108 039 533	$172 000	$713 246 017	10.97%
> 80.00	$106 159	$120 912	$1 906 254	$3 149 801	$2 772 978	$1 871 730	$0	$9 927 833	0.15%
Grand Total	**$114 817 860**	**$306 355 892**	**$779 035 810**	**$1 598 875 138**	**$2 286 332 598**	**$1 375 033 661**	**$40 945 599**	**$6 501 396 558**	**100.00%**
Percentage	**1.77%**	**4.71%**	**11.98%**	**24.59%**	**35.17%**	**21.15%**	**0.63%**	**100.00%**	

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Cover Pool - Substitute Assets

Type	Canadian Government Bonds
CMHC Guide Limit [1]	$650 139 656

[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.