# FCDQ Legislative Covered Bond Programme Monthly Investor Report

Calculation Date : 02/28/2021

*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 |
|---|---|---|---|---|---|---|---|---|---|
| CBL4 | XS1829326716 | EUR 750 000 000 | 1.50650 | $1 129 875 000 | 2023-05-30 | 2024-05-30 | 0.375% | Fixed | Soft Bullet |
| CBL5 | XS1943456829 | EUR 750 000 000 | 1.52250 | $1 141 875 000 | 2024-01-30 | 2025-01-30 | 0.350% | Fixed | Soft Bullet |
| CBL6 | USC34201FV70 | USD 1 000 000 000 | 1.32550 | $1 325 500 000 | 2022-09-26 | 2023-09-26 | 1.950% | Fixed | Soft Bullet |
| CBL7 | XS2083301106 | EUR 500 000 000 | 1.46600 | $733 000 000 | 2027-11-26 | 2028-11-26 | 0.05% | Fixed | Soft Bullet |
| CBL8 * | CA31430WDK77 | CAD 2 500 000 000 | 1.00000 | $2 500 000 000 | 2021-09-30 | 2022-09-30 | 1 month CDOR + 1.700% | Floating | Soft Bullet |
| CBL9 * | CA31430WDQ48 | CAD 1 500 000 000 | 1.00000 | $1 500 000 000 | 2023-04-14 | 2024-04-14 | 1 month CDOR + 1.400% | Floating | Soft Bullet |
| CBL10 | XS2148051621 | EUR 500 000 000 | 1.55980 | $779 900 000 | 2025-09-24 | 2026-09-24 | 0.01% | Fixed | Soft Bullet |
| CBL11 | USC34201JP66 | USD 750 000 000 | 1.33160 | $998 700 000 | 2023-10-07 | 2024-10-07 | 0.45% | Fixed | Soft Bullet |
| **Total** | | | | $10 108 850 000 | | | | | |

| | | | |
|---|---|---|---|
| AMF Covered Bond Ratio : (1) | 2.1% | AMF Covered Bond Ratio Limit : | 5.5% |
| AMF Temporary Covered Bond Ratio : (1) | 3.5% | AMF Temporary Covered Bond Ratio Limit ** : | 10.0% |

| | |
|---|---|
| Weighted Average Maturity of Outstanding Covered Bonds (months) | 28.17 |
| Weighted Average Remaining Term of Loans in Cover Pool (months) | 28.18 |

| Series Ratings | Moody's | Fitch |
|---|---|---|
| CBL4 | Aaa | AAA |
| CBL5 | Aaa | AAA |
| CBL6 | Aaa | AAA |
| CBL7 | Aaa | AAA |
| CBL8 * | Aaa | AAA |
| CBL9 * | Aaa | AAA |
| CBL10 | Aaa | AAA |
| CBL11 | Aaa | AAA |

*(1) Per AMF's letter dated September 9, 2019, the AMF Covered Bond Ratio refers to assets pledged for covered bonds relative to total balance sheet assets within the scope of regulatory consolidation. Total balance sheet assets within the scope of regulatory consolidation as of December 31, 2020.*

**For purpose of accessing central bank facilities*

***On March 31, 2020, AMF announced that the covered bond ratio limit is temporarily increased to 10% to enable access to Bank of Canada facilities, while the maximum covered bond assets encumbered relating to market instruments remains limited to 5.5% of Desjardins total balance sheet assets within the scope of regulatory consolidation. Effective October 21, 2020, the Bank of Canada no longer accepts own-name covered bonds for Term Repo operations.*

## 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, Computershare Trust Company of Canada (CAD) |

**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 | AH | A |
| Short-Term | P-1 | F1+ | R-1H | A-1 |
| Rating Outlook | Stable | Stable | Stable | Stable |

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

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

**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 (cr) | F2 |
| Servicer (FCDQ) | Baa2 | F2 |
| Interest Rate Swap Providers (FCDQ) | P-2(cr) or A3(cr) | F3 or BBB- |
| Covered Bond Swap Providers (FCDQ) | P-2(cr) or A3(cr) | 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 (cr) | 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 (cr) | 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(cr) or A2(cr) [(1)] | F1 or A |
| (b) Covered Bond Swap Provider | P-1(cr) or A2(cr) [(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 |

* Moody's ratings are in respect of unsecured, unguaranteed and unsubordinated debt obligations, unless "(cr)" is indicated, in which case, ratings are in respect of counterparty risk assessment. Fitch ratings are in respect of issuer default ratings.

## Asset Coverage Test (C$)

| | | | |
|---|---|---|---|
| **Outstanding Covered Bonds** | **$10 108 850 000** | | |
| A = lower of (i) LTV Adjusted Loan Balance | $10 807 292 639 | A(i) : | $11 141 538 803 |
| (ii) Asset Percentage Adjusted Loan Balance | | A(ii) : | $10 807 292 639 |
| B = Principal Receipts | $0 | | |
| C = Cash Capital Contributions | $0 | Asset Percentage : | 97.00% |
| 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 | $118 494 389 | Regulatory OC Minimum : | 103.00% |
| **Total: A + B + C + D + E - Y - Z** | **$10 688 798 250** | Level of Overcollateralization[1] : | 104.26% |

Asset Coverage Test **Pass**

(1) Per Section 4.3.8 of the CMHC Guide, (A) the lesser of (i) the total amount of cover pool collateral and (ii) the amount of cover pool collateral required to collateralize the covered bonds outstanding and ensure the Asset Coverage Test is met, divided by (B) the Canadian dollar equivalent of the principal amount of covered bonds outstanding under the registered covered bond program.

## Valuation Calculation Test (C$)

| | | | |
|---|---|---|---|
| **Trading Value of Covered Bonds** | **$10 279 604 761** | | |
| A = lower of (i) Present Value of the relevant Loan [1] | $11 013 282 693 | A(i) : | $11 013 282 693 |
| (ii) 80% of the Latest Valuation relating to that Loan | | A(ii) : | $22 493 058 674 |
| 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** | **$11 013 282 693** | | |

The actual weighted average rate used for discounting is 3.485%

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

## Intercompany Loan Balance

| | |
|---|---|
| Guarantee Loan | $10 539 360 567 |
| Demand Loan | $604 646 791 |
| **Total** | **$11 144 007 358** |

## Cover Pool Summary Statistics

| | | | |
|---|---|---|---|
| Previous Month Ending Balance ($) | $11 403 720 408 | | |
| Current Month Ending Balance ($) | $11 144 007 358 | | |
| Number of Mortgage Loans | 76 970 | | |
| Average Loan Balance ($) | $144 784 | | |
| Number of Properties | 76 970 | | |
| Number of Borrowers | 74 656 | | |
| | **Original** | | **Indexed** |
| Weighted Average Current LTV | 58.68% | | 48.46% |
| Weighted Average Original LTV | 67.47% | | |
| Weighted Average Authorized LTV | 67.47% | | |
| Weighted Average Rate | 2.72% | | |
| Weighted Average Original Term | 52.59 | (months) | |
| Weighted Average Remaining Term | 28.18 | (months) | |
| Weighted Average Seasoning | 24.41 | (months) | |
| Weighted Average Maturity of Outstanding Covered Bonds | 28.17 | (months) | |

## Provincial Distribution

| Province | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Québec | 76 970 | 100.00% | $11 144 007 358 | 100.00% |
| Ontario | 0 | 0.00% | $0 | 0.00% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Credit Score Distribution

| Credit Score | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Score Unavailable | 144 | 0.19% | $18 558 361 | 0.17% |
| 599 and below | 566 | 0.74% | $76 204 495 | 0.68% |
| 600 - 650 | 1 744 | 2.27% | $235 975 492 | 2.12% |
| 651 - 700 | 6 445 | 8.37% | $967 617 092 | 8.68% |
| 701 - 750 | 16 041 | 20.84% | $2 435 817 761 | 21.86% |
| 751 - 800 | 28 841 | 37.47% | $4 247 662 107 | 38.12% |
| > 800 | 23 189 | 30.13% | $3 162 172 050 | 28.38% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Rate Type Distribution

| Rate Type | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Fixed rate | 62 570 | 81.29% | $8 840 674 974 | 79.33% |
| Floating rate | 14 400 | 18.71% | $2 303 332 384 | 20.67% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Occupancy Type Distribution

| Occupancy Type | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Owner occupied | 69 430 | 90.20% | $9 951 342 444 | 89.30% |
| Not owner occupied | 7 540 | 9.80% | $1 192 664 914 | 10.70% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Mortgage Asset Type Distribution

| Asset type | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Conventional Mortgage | 41 712 | 54.19% | $5 180 362 542 | 46.49% |
| Versatile Loan | 35 258 | 45.81% | $5 963 644 816 | 53.51% |
| **Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Loan Interest Rate Distribution

| Loan Interest Rate (in %) | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| < 2.0000 | 12 794 | 16.62% | $2 150 172 017 | 19.29% |
| 2.0000 to 2.4999 | 9 277 | 12.05% | $1 311 139 273 | 11.77% |
| 2.5000 to 2.9999 | 26 917 | 34.97% | $3 943 350 093 | 35.39% |
| 3.0000 to 3.4999 | 20 588 | 26.75% | $2 814 589 967 | 25.26% |
| 3.5000 to 3.9999 | 6 822 | 8.86% | $861 713 194 | 7.73% |
| 4.0000 to 4.4999 | 369 | 0.48% | $39 341 312 | 0.35% |
| 4.5000 to 4.9999 | 137 | 0.18% | $15 911 437 | 0.14% |
| 5.0000 to 5.4999 | 46 | 0.06% | $6 082 446 | 0.05% |
| 5.5000 to 5.9999 | 8 | 0.01% | $1 116 100 | 0.01% |
| 6.0000 to 6.4999 | 4 | 0.01% | $132 936 | 0.00% |
| 6.5000 to 6.9999 | 8 | 0.01% | $458 583 | 0.00% |
| > 7.0000 | 0 | 0.00% | $0 | 0.00% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Remaining Term Distribution

| Remaining Term (in months) | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Less than 12 | 15 260 | 19.83% | $2 012 001 161 | 18.05% |
| 12 - 23 | 20 754 | 26.96% | $3 022 485 693 | 27.12% |
| 24 - 35 | 18 870 | 24.52% | $2 813 664 452 | 25.25% |
| 36 - 47 | 9 776 | 12.70% | $1 562 710 633 | 14.02% |
| 48 - 59 | 10 752 | 13.97% | $1 524 583 522 | 13.68% |
| 60 - 71 | 59 | 0.08% | $3 986 519 | 0.04% |
| 72 - 83 | 1 417 | 1.84% | $195 526 264 | 1.75% |
| 84 and above | 82 | 0.11% | $9 049 115 | 0.08% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Remaining Principal Balance Distribution

| Remaining Principal Balance (C$) | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Less than 100 000 | 29 380 | 38.17% | $1 657 330 976 | 14.87% |
| 100 000 - 149 999 | 16 271 | 21.14% | $2 048 989 847 | 18.39% |
| 150 000 - 199 999 | 13 975 | 18.16% | $2 416 530 369 | 21.68% |
| 200 000 - 249 999 | 7 801 | 10.14% | $1 737 324 164 | 15.59% |
| 250 000 - 299 999 | 4 213 | 5.47% | $1 149 029 960 | 10.31% |
| 300 000 - 349 999 | 2 232 | 2.90% | $718 600 676 | 6.45% |
| 350 000 - 399 999 | 1 297 | 1.69% | $483 458 565 | 4.34% |
| 400 000 - 449 999 | 686 | 0.89% | $290 592 005 | 2.61% |
| 450 000 - 499 999 | 448 | 0.58% | $211 806 235 | 1.90% |
| 500 000 - 549 999 | 215 | 0.28% | $112 257 617 | 1.01% |
| 550 000 - 599 999 | 156 | 0.20% | $89 357 016 | 0.80% |
| 600 000 - 649 999 | 85 | 0.11% | $53 002 383 | 0.48% |
| 650 000 - 699 999 | 59 | 0.08% | $39 523 711 | 0.35% |
| 700 000 - 749 999 | 35 | 0.05% | $25 246 580 | 0.23% |
| 750 000 - 799 999 | 27 | 0.04% | $20 924 483 | 0.19% |
| 800 000 - 849 999 | 23 | 0.03% | $19 011 939 | 0.17% |
| 850 000 - 899 999 | 13 | 0.02% | $11 258 189 | 0.10% |
| 900 000 - 949 999 | 11 | 0.01% | $10 146 456 | 0.09% |
| 950 000 - 999 999 | 6 | 0.01% | $5 871 925 | 0.05% |
| 1 000 000 and above | 37 | 0.05% | $43 744 263 | 0.39% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

## Property Type Distribution

| Property Type | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| Detached | 47 843 | 62.16% | $6 450 122 772 | 57.88% |
| Semi Detached | 3 956 | 5.14% | $576 405 421 | 5.17% |
| Rows (Townhouse) | 1 165 | 1.51% | $190 033 812 | 1.71% |
| Condominium | 10 610 | 13.78% | $1 555 199 399 | 13.96% |
| Multiplex | 9 223 | 11.98% | $1 804 915 247 | 16.20% |
| Secondary Homes [1] | 4 172 | 5.42% | $567 228 422 | 5.09% |
| Other [1] | 1 | 0.00% | $102 286 | 0.00% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **100.00%** |

*(1) can include co-ownership, single family or multiplex*

## Current Indexed LTV Distribution

| Current Indexed LTV (in %) | Number of Loans | Percentage | Principal Balance | Percentage |
|---|---|---|---|---|
| <= 20.00 | 13 509 | 17.55% | $590 493 851 | 5.30% |
| 20.01 - 25.00 | 4 207 | 5.47% | $363 633 220 | 3.26% |
| 25.01 - 30.00 | 4 381 | 5.69% | $461 064 389 | 4.14% |
| 30.01 - 35.00 | 4 873 | 6.33% | $601 566 147 | 5.40% |
| 35.01 - 40.00 | 5 361 | 6.97% | $771 469 218 | 6.92% |
| 40.01 - 45.00 | 6 534 | 8.49% | $1 089 208 470 | 9.77% |
| 45.01 - 50.00 | 7 707 | 10.01% | $1 398 370 787 | 12.55% |
| 50.01 - 55.00 | 8 867 | 11.52% | $1 723 630 273 | 15.47% |
| 55.01 - 60.00 | 8 331 | 10.82% | $1 611 320 716 | 14.46% |
| 60.01 - 65.00 | 6 577 | 8.54% | $1 242 019 779 | 11.15% |
| 65.01 - 70.00 | 4 566 | 5.93% | $895 550 502 | 8.04% |
| 70.01 - 75.00 | 1 858 | 2.41% | $357 367 480 | 3.21% |
| 75.01 - 80.00 | 198 | 0.26% | $38 268 156 | 0.34% |
| > 80.00 | 1 | 0.00% | $44 370 | 0.00% |
| **Grand Total** | **76 970** | **100.00%** | **$11 144 007 358** | **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 | $590 151 520 | $295 298 | $47 033 | $0 | $590 493 851 | 5.30% |
| 20.01 - 25.00 | $363 633 220 | $0 | $0 | $0 | $363 633 220 | 3.26% |
| 25.01 - 30.00 | $460 812 214 | $130 034 | $122 141 | $0 | $461 064 389 | 4.14% |
| 30.01 - 35.00 | $601 381 397 | $71 281 | $0 | $113 470 | $601 566 147 | 5.40% |
| 35.01 - 40.00 | $770 808 417 | $453 230 | $0 | $207 572 | $771 469 218 | 6.92% |
| 40.01 - 45.00 | $1 088 614 518 | $447 161 | $146 790 | $0 | $1 089 208 470 | 9.77% |
| 45.01 - 50.00 | $1 397 168 487 | $1 053 879 | $148 421 | $0 | $1 398 370 787 | 12.55% |
| 50.01 - 55.00 | $1 723 314 191 | $86 704 | $229 378 | $0 | $1 723 630 273 | 15.47% |
| 55.01 - 60.00 | $1 610 547 249 | $330 784 | $392 596 | $50 087 | $1 611 320 716 | 14.46% |
| 60.01 - 65.00 | $1 241 675 134 | $0 | $0 | $344 645 | $1 242 019 779 | 11.15% |
| 65.01 - 70.00 | $894 785 742 | $370 330 | $313 173 | $81 257 | $895 550 502 | 8.04% |
| 70.01 - 75.00 | $357 367 480 | $0 | $0 | $0 | $357 367 480 | 3.21% |
| 75.01 - 80.00 | $38 268 156 | $0 | $0 | $0 | $38 268 156 | 0.34% |
| > 80.00 | $44 370 | $0 | $0 | $0 | $44 370 | 0.00% |
| **Grand Total** | **$11 138 572 095** | **$3 238 700** | **$1 399 532** | **$797 031** | **$11 144 007 358** | **100.00%** |
| **Percentage** | **99.95%** | **0.03%** | **0.01%** | **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 | $2 948 629 | $10 193 633 | $34 096 895 | $109 205 976 | $218 399 257 | $213 300 171 | $2 349 290 | $590 493 851 | 5.30% |
| 20.01 - 25.00 | $2 645 251 | $6 846 665 | $23 786 319 | $69 900 136 | $131 111 102 | $126 919 187 | $2 424 561 | $363 633 220 | 3.26% |
| 25.01 - 30.00 | $2 686 219 | $10 823 708 | $33 060 195 | $87 194 954 | $168 846 407 | $156 137 206 | $2 315 700 | $461 064 389 | 4.14% |
| 30.01 - 35.00 | $3 272 041 | $12 447 878 | $51 829 011 | $120 719 775 | $214 599 218 | $195 674 384 | $3 023 841 | $601 566 147 | 5.40% |
| 35.01 - 40.00 | $6 938 246 | $18 695 978 | $59 840 076 | $160 525 135 | $280 576 776 | $241 501 839 | $3 391 168 | $771 469 218 | 6.92% |
| 40.01 - 45.00 | $8 409 530 | $27 498 429 | $93 390 894 | $228 489 486 | $417 766 985 | $310 988 604 | $2 664 542 | $1 089 208 470 | 9.77% |
| 45.01 - 50.00 | $11 790 098 | $28 885 349 | $123 489 558 | $305 258 616 | $530 124 266 | $397 731 488 | $1 091 411 | $1 398 370 787 | 12.55% |
| 50.01 - 55.00 | $15 176 675 | $33 452 490 | $150 544 894 | $372 433 753 | $655 567 070 | $496 005 770 | $449 621 | $1 723 630 273 | 15.47% |
| 55.01 - 60.00 | $10 949 231 | $36 531 868 | $151 108 900 | $361 274 635 | $627 046 201 | $423 966 413 | $443 469 | $1 611 320 716 | 14.46% |
| 60.01 - 65.00 | $5 596 917 | $26 294 020 | $117 513 167 | $293 501 740 | $496 539 167 | $302 406 050 | $168 719 | $1 242 019 779 | 11.15% |
| 65.01 - 70.00 | $3 896 729 | $16 360 112 | $88 183 086 | $217 042 805 | $360 561 082 | $209 307 476 | $199 213 | $895 550 502 | 8.04% |
| 70.01 - 75.00 | $1 607 813 | $7 479 169 | $37 577 846 | $97 413 249 | $131 952 090 | $81 337 313 | $0 | $357 367 480 | 3.21% |
| 75.01 - 80.00 | $287 115 | $466 195 | $3 151 883 | $12 857 500 | $14 572 486 | $6 896 150 | $36 826 | $38 268 156 | 0.34% |
| > 80.00 | $0 | $0 | $44 370 | $0 | $0 | $0 | $0 | $44 370 | 0.00% |
| **Grand Total** | **$76 204 495** | **$235 975 492** | **$967 617 092** | **$2 435 817 761** | **$4 247 662 107** | **$3 162 172 050** | **$18 558 361** | **$11 144 007 358** | **100.00%** |
| **Percentage** | **0.68%** | **2.12%** | **8.68%** | **21.86%** | **38.12%** | **28.38%** | **0.17%** | **100.00%** | |

## Cover Pool - Substitute Assets

| | |
|---|---|
| Type | Canadian Government Bonds |
| CMHC Guide Limit [1] | $1 114 400 736 |

*[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.

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