

NBC Auto Callable Contingent Income Note Securities

A final base shelf prospectus containing important information relating to the note securities described in this document, has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document in connection with the purchase of any note securities. This document does not provide full disclosure of all material facts relating to the note

securities offered. Prospective investors should read the final base shelf prospectus, and any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the note securities offered, before making an investment decision. This document is for information purposes only and does not constitute an offer to sell or a solicitation to buy the note securities referred to herein.

For more information: [Shelf Prospectus](#) | [Prospectus Supplement](#)

NBC Auto Callable Contingent Income Note Securities (“callable contingent income notes” or “notes”) are principal at risk note securities that offer the possibility of receiving periodic contingent distributions throughout their term.



- Linked to a reference portfolio, which may include stock(s), exchange-traded fund(s) or publicly available index(es)
- Pay contingent coupons
- Have an automatic call feature
- Usually offer a conditional principal protection at maturity

Hypothetical Example

The following illustrate potential payouts for a hypothetical issue of a callable contingent income note. Each separate issue may provide for different coupon payments, coupon payment threshold, call threshold, call frequency, maturity barrier and term. The return scenarios on the next page are hypothetical examples included for illustration purposes only. The amounts and all other variables used are hypothetical and are not forecasts or projections. No assurance can be given that the results shown in these examples will be achieved.

Principal Amount per Note	\$100
Term	7 years
Reference Portfolio	iShares® S&P/TSX 60 Index ETF
Currency	Canadian dollars
Potential Coupon Payments	6% p.a. paid semi-annually
Coupon Payment Threshold	-30%
Coupon Payment Frequency	Semi-annually
Call Threshold	10%
Call Frequency	Semi-annually
Maturity Barrier	-30%

CONTINGENT COUPONS

Coupon payments are made at predetermined dates if the reference portfolio return is equal to or above the coupon payment threshold of -30% on the applicable valuation dates.

AUTOCALL FEATURE

Automatically called at predetermined dates if the reference portfolio return is equal to or above the call threshold of +10% on the applicable valuation dates.

CONDITIONAL PRINCIPAL PROTECTION

If the notes reach maturity date, the principal amount is returned to the investor provided that the reference portfolio return is equal to or above the maturity barrier of -30% on the final valuation date. Full downside exposure below that level.



EDUCATIONAL SUMMARY

Hypothetical Return Scenarios



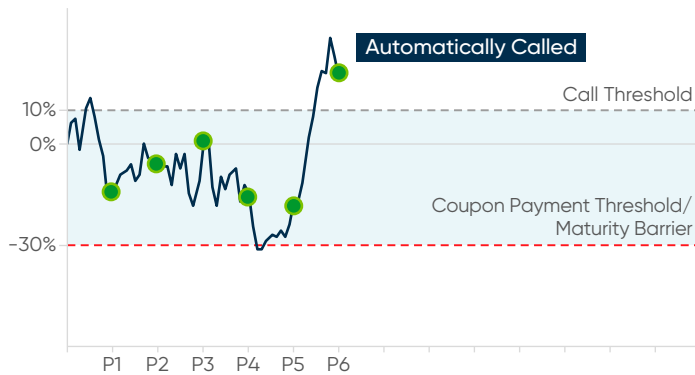
TERM
7 years



CALL FREQUENCY
Semi-annually



COUPON PAYMENT FREQUENCY
Semi-annually



SCENARIO 1

Note called on the third anniversary date with no missed coupon payments

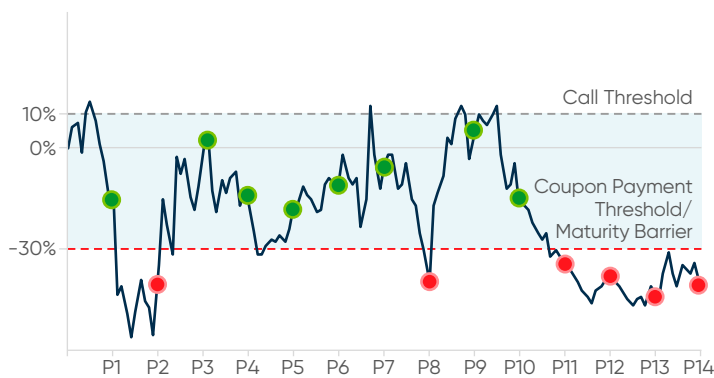
- › Called at year 3
- › 6 out of 6 coupons paid
- › Principal amount is returned on the call date = \$100 (per note)



SCENARIO 2

Note reached the maturity date and maturity barrier was not breached (principal protection)

- › Not called prior to maturity
- › 12 out of 14 coupons paid
- › Reference portfolio return is negative but above the maturity barrier on the final valuation date → Principal protection
- › Maturity redemption payment (per note) = \$100



SCENARIO 3

Note reached maturity date and maturity barrier was breached

- › Not called prior to maturity
- › 8 out of 14 coupons paid
- › Reference portfolio return is negative and below the maturity barrier on the final valuation date → Principal loss
- › Maturity redemption payment (per note) = \$100 x [1 + reference portfolio return] = \$100 x [1 - 40%] = \$60

— Reference Portfolio Return (price return)

● Paid Coupon

● Missed Coupon



Relevant Links

- Shelf Prospectus
- Prospectus Supplement
- nbcstructuredsolutions.ca