NBI Fund

The fund listed below, where indicated, offer units of the *Advisor, F, O, FH and H Series*.

Simplified Prospectus dated June 8, 2023

GLOBAL EQUITY FUND
NBI International Equity Fund[1-2-3-4-5]

(1) Units of the *Advisor Series*
(2) Units of the *F Series*
(3) Units of the *O Series*
(4) Units of the *FH Series*
(5) Units of the *H Series*

No securities regulatory authority has expressed an opinion about these units and it is an offence to claim otherwise.

The fund and the units offered under this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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Introduction

At National Bank Investments Inc., we want you to understand the fund you are investing in and to be comfortable with your investments. This Simplified Prospectus is written in easy to understand language and any complicated terms are explained.

The words "*you*" and "*your*" in this Simplified Prospectus refer to the investor. In addition, the words "*us*", "*we*" and "*our*" refer to National Bank Investments Inc. We refer to the mutual fund that we are offering pursuant to this Simplified Prospectus as the "NBI Fund". The NBI Fund, which is managed by National Bank Investments Inc., can also be referred to as the "fund" or "Fund".

If you invest in the fund, you purchase units of a trust and are a "unitholder" or, collectively, "unitholders".

This Simplified Prospectus contains important information about mutual funds in general and deals specifically with the NBI Fund. This information will help you understand your rights as an investor and make informed investment decisions.

We have divided the document into two parts. The first part, from page 1 to page 27, contains information about the NBI Fund that applies to mutual funds in general. The second part, from page 28 to page 43, is called *Specific information about the NBI Fund described in this document* and contains detailed information about the fund described in this document.

The most recently filed Fund Facts for the NBI Fund provides additional information on the fund. These documents are incorporated herein by reference and are legally considered to be a part of this document just as if they were printed in it.

You can get a copy of the aforementioned documents, at your request and at no cost, from your dealer, by emailing us at investments@nbc.ca or visiting the fund's website http://www.nbinvestments.ca. You can also get copies of the aforementioned documents by calling National Bank Investments Advisory Service at 514 871-2082 or, toll-free, at 1 888 270-3941. National Bank Investments Advisory Service is a unit of National Bank Investments Inc. that enables investors to communicate directly with National Bank Investments Inc. in order to, among other things, obtain information concerning the products and services offered, obtain copies of information documents related to the fund, or open an account and purchase fund units.

You may also view the various documents mentioned above and obtain other information about the fund on the website of the *System for Electronic Document Analysis and Retrieval (SEDAR)* at www.sedar.com or on our website at http://www.nbinvestments.ca.

Responsibility for Mutual Fund Administration

Management of the fund

National Bank Investments Inc., an investment fund manager and mutual fund dealer in each of the Canadian provinces and territories, acts as manager of the fund. We are responsible for the management of the business and affairs of the fund. While we are also responsible for the investment decisions for the fund, we have retained the services of a portfolio manager to assist us in discharging this duty. We are also responsible for office space and facilities, clerical help, statistical, bookkeeping and internal accounting, and internal auditing services.

The fund is responsible for paying us management fees, which vary by fund and series and are a percentage of the daily average net asset value of each series. For more information on this subject and on the various operating expenses, please refer to the section "*Fees and charges payable directly by the fund".*

The head office of National Bank Investments Inc. is located at 1155 Metcalfe St., 5th Floor, Montréal, Quebec, H3B 4S9. You can reach the National Bank Investments Advisory Service at the following telephone numbers: 514 871-2082 or toll-free at 1 888 270-3941. Our website is www.nbinvestments.ca and our e-mail address is investments@nbc.ca.

National Bank Investments Inc. has entered into various management agreements with Natcan Trust Company and/or National Bank Trust Inc. for the management of the NBI Fund. The management agreement for the NBI Fund may be terminated by either party at any time with at least 60 days' notice.

Generally, we cannot change the manager of the fund without the approval of the Canadian Securities Administrators and a majority of the unitholders at a meeting of unitholders of the fund. However, we do not need such approvals to change the manager to an affiliate of National Bank Investments Inc.

Directors and Executive Officers of National Bank Investments Inc.

The following table lists the directors and executive officers of the Manager. We have included their names, the municipalities in which they live and their positions with the Manager.

Name and Municipality of Residence	***Position with the Manager***
Marie Brault Montréal, Quebec	Vice-President, Legal Services
The Giang Diep Candiac, Quebec	Director
Bianca Dupuis Varennes, Quebec	Officer responsible for approval of publication and Director
Éric-Olivier Savoie[1] Montréal, Quebec	President, Chief Executive Officer, Director and Ultimate Designated Person (for the activities of National Bank Investments Inc. as an investment fund manager)
Joe Nakhle[1, 2] Montréal, Quebec	Vice-President, Investment Solutions and Business Strategy and Director
Nancy Paquet[1] La Prairie, Québec	Executive Vice-President, Chief Distribution Officer, Officer responsible for financial planning, Ultimate Designated Person (for the activities of National Bank Investments Inc. as a mutual fund dealer) and Director
Sébastien René Saint-Bruno-de-Montarville, Québec	Chief Financial Officer
Nathalie Fournier[2] Laval, Québec	Chief Compliance Officer (for National Bank Investments Inc. as an investment fund manager)
Tina Tremblay-Girard[3] Saint-Anne-des-Lacs, Québec	Director
Olivier Goyette, Mont Saint-Hilaire, Québec	Chief Compliance Officer (for the activities of National Bank Investments Inc. as a mutual fund dealer)
Martin Felton Candiac, Québec	Vice-President, National Sales

[1] Also a director or officer of National Bank of Canada, which is affiliated with the manager and provides services to the fund or the manager with respect to the fund.

[2] Also a director or officer of National Bank Trust Inc. and/or Natcan Trust Company, which are affiliated with the manager and provide services to the fund or the Manager with respect to the fund.

[3] Also a director or officer of National Bank Financial Inc., which is affiliated with the manager and provides services to the fund or the manager with respect to the fund.

Manager of NBI Fund

Established in 1987, National Bank Investments Inc. is the manager of the NBI Fund. Our overall objective is to maximize the return on your investments. From an operational perspective, our role is to ensure the day-to-day valuation of the fund, and manage the money deposited into and withdrawn from the fund and transfers between funds. We establish the investment objectives and strategies for the fund and monitor portfolio management. You can get further information about the NBI Fund from the National Bank Investments Advisory Service or your dealer.

Fund on fund investments

The NBI Fund is allowed to invest in other mutual funds, subject to certain conditions. Where we are the manager of both the top fund and the underlying fund, we will not vote the securities of the underlying fund. Instead, where applicable, we may arrange for such units to be voted by the beneficial unitholders of the top fund.

Portfolio Manager

1. ***National Bank Trust Inc.***

We have retained National Bank Trust Inc. as portfolio manager of the NBI Fund.

The portfolio management agreement with National Bank Trust Inc. may be terminated at any time by National Bank Investments Inc. upon 30 days' prior written notice and by National Bank Trust Inc. upon 90 days' prior written notice. The agreements may also be terminated without prior notice and at any time by either of the parties in certain specific circumstances.

The head office of National Bank Trust Inc. is located at 600 De La Gauchetière Street West, 28th floor, Montréal, Quebec, H3B 4L2. We will pay National Bank Trust Inc. a fee based on a percentage of the net asset value of the fund it manages. The fund does not pay any fees to National Bank Trust Inc.

The following table lists the persons acting on behalf of National Bank Trust Inc. who are responsible for the day-to-day management of the fund. Included are their respective names, titles and length of service.

Name	***Title***	***Length of Service***
Sandrine Théroux	Associate Director, Global Equity Derivatives, R&D	11 years
Gilles Côté	Senior Analyst	12 years
Terry Dimock	Chief Portfolio Manager	8 years
Christian Nols	Manager	7 years
Martin Lefebvre	Chief Investment Officer and VP Strategist	11 years
Louis Lajoie	Senior Portfolio Manager	4 years

Decisions relating to portfolio securities are subject to the oversight, approval or ratification of a committee.

National Bank Trust Inc. retains the services of PineStone Asset Management Inc. to provide investment advice regarding the NBI Fund.

1.1 PineStone Asset Management Inc.

National Bank Trust Inc. has retained PineStone Asset Management Inc. ("PineStone") to act as portfolio sub-advisor for the NBI Fund. PineStone's head office is located at 1981 McGill College, Suite 1600, Montreal, Quebec H3A 2Y1.

The Sub-Advisory Agreement entered into with PineStone may be terminated at any time by either party, upon giving a 90-day prior written notice. The agreement may also be terminated without prior notice and at any time by either of the party in certain specific circumstances.

The following table provides the list of individuals employed by PineStone who are responsible for day-to-day management of the NBI Fund. Included are their names, titles and length of service.

Name	***Title***	***Length of Service***
Nadim Rizk	Chief Executive Officer, Chief Investment Officer and Lead Portfolio Manager, PineStone Asset Management Inc.	2 years
Andrew Chan	Head of Research, PineStone Asset Management Inc.	2 years
Thomas Horvath	Lead Analyst, PineStone Asset Management Inc.	2 years

The decisions made by these individuals are not subject to the oversight, approval or ratification by a committee.

Decisions Regarding Brokerage Arrangements

1. Decisions Regarding Brokerage Arrangements for the NBI Fund

The portfolio manager of the fund makes all decisions related to the purchase and sale of portfolio securities and the execution of those transactions, including the selection of the market and dealer and the negotiation of commissions, where applicable. Decisions as to the selection of dealers are based on price, volume, type of execution, speed of execution, certainty of execution, total transaction costs. In certain cases, the nature of the markets, the degree of anonymity and dealer administrative resources may be taken into account. Our objective is to minimize transaction costs, including commissions.

The portfolio manager of the fund may negotiate most portfolio transactions directly with the issuer of the securities, Canadian banks or other securities dealers. Brokerage fees are usually paid at the most favourable rate available to the fund, as permitted by the rules of the appropriate stock exchange, where applicable. The portfolio manager may hire various types of brokers to carry out securities transactions on behalf of the fund, such as National Bank Financial Inc. (including its division, National Bank Direct Brokerage) These transactions must be carried out in accordance with all regulatory requirements. The portfolio manager is not under a contractual obligation to any party to allocate brokerage business. The portfolio manager takes all reasonable measures to ensure best execution and obtain the best outcome possible for order execution.

The portfolio manager and portfolio sub-advisor of the fund may direct certain brokerage transactions involving client brokerage commissions to dealers in return for the provision of goods and services by the dealer or a third party (commonly referred to as “soft dollars”). These commissions may only be used to pay the costs of order execution goods and services or research goods and services provided by dealers, including affiliated dealers.

The portfolio manager makes a good faith determination that the fund that it manages receives or receive reasonable benefit considering the use of the goods or services received and the amount of commissions paid, and, in certain cases, considering the scope of services and the quality of research obtained.

Principal Distributor

National Bank Investments Inc. for the NBI Fund

National Bank Investments Inc. is the principal distributor of the NBI Fund. We are responsible for decisions regarding the distribution and sale of the fund. The distribution agreement may be terminated at any time at the request of either party on 60 days’ prior notice.

National Bank of Canada receives fees from the manager for services rendered in connection with the role it plays in distributing the units of the fund. These fees are calculated on the net asset value of the units of the fund held by the Bank’s clients.

The fund may be purchased directly from the principal distributor or from registered dealers or brokers. We have entered into distribution agreements with National Bank Financial Inc. and other authorized dealers for the distribution of the NBI Fund.

Trustee, Custodian, Registrar and Transfer Agent

Natcan Trust Company is the trustee and custodian of the fund and, as such, holds the securities and other assets of the fund. Natcan Trust Company acts in accordance with the terms of the custodian agreement entered into between National Bank Investments Inc. and Natcan Trust Company. The assets, other than foreign assets, are held by Natcan Trust Company at its head office indicated hereinafter. The fees owed to Natcan Trust Company for the services it renders pursuant to the aforementioned agreement are calculated based on a fee schedule. These agreements may be terminated by either party upon 90 days’ prior written notice, or immediately in the event of either party’s insolvency. Sub-custodians appointed by Natcan Trust Company may hold certain assets, as provided by the sub-custodian agreements.

National Bank Financial Inc. is the principal sub-custodian of the fund’s assets pursuant to a services agreement between National Bank Trust Inc. and Natcan Trust Company.

Natcan Trust Company is also registrar and transfer agent of the NBI Fund, in accordance with the terms of the Registrar and Transfer Agent Agreements entered into with National Bank Investments Inc. These agreements may be terminated by either party upon 30 days’ prior notice. The head office of Natcan Trust Company is located at 600 De La Gauchetière Street West, 28th Floor, Montréal, Quebec, H3B 4L2.

The names and municipalities of residence of the principal executive officers of Natcan Trust Company in charge of the trust administration of the fund, as well as their positions with Natcan Trust Company, are as follows:

Name and Municipality of Residence	***Position and Office Held with Natcan Trust Company***
Nicolas Milette Outremont, Quebec	President and Chief Executive Officer
Nathalie Fournier Laval, Québec	Chief Compliance Officer

Auditors

Raymond Chabot Grant Thornton LLP is the auditor of the NBI Fund.

The head office of Raymond Chabot Grant Thornton LLP is located at 600 De La Gauchetière Street West, Suite 2000, Montréal, Quebec, H3B 4L8.

Securities Lending Agent

The manager has retained the services of Natcan Trust Company, as agent for securities lending transactions. Natcan Trust Company is an affiliate of the manager and its head office is in Montréal, Quebec.

Under the agreements, Natcan Trust Company, acting as agent of the manager, may lend available securities of the NBI Fund to borrowers previously identified by the manager.

The agreements provide that the amount of the collateral required to be delivered in connection with securities lending transactions must be equivalent to 102% of the market value of the loaned securities. Natcan Trust Company may not be held liable for losses sustained by the fund subject to the agreement provided such losses do not result from its gross negligence, bad faith or wilful misconduct. Either party may terminate the agreement by giving at least 60 days' written notice to the other party.

Administrative and Operational Services

In accordance with a service agreement between the manager and National Bank Trust Inc., National Bank Trust Inc. provides administrative and operational services (including NAV calculation) to the fund, performs valuation of the units of the fund and performs the fund's accounting. This agreement may be terminated by either party upon 60 days' prior notice. The head office of National Bank Trust Inc. is located at 600 De La Gauchetière Street West, 28th Floor, Montréal, Quebec, H3B 4L2.

Independent Review Committee

As required by Regulation 81-107, the fund has an independent review committee (the "IRC"). The IRC reviews conflict of interest matters submitted by the manager with which the manager is confronted in operating the mutual funds it manages and reviews and comments on the manager's written policies and procedures regarding conflict-of-interest matters. The IRC is fully compliant with Regulation 81-107.

The members of the IRC all have expertise in the financial services industry:

- Norman A. Turnbull, Chair of the IRC, is a corporate director and business advisor. Mr. Turnbull is a chartered professional accountant (CPA) by training and has acted as vice-president, finances, administration and corporate development for over 20 years in large businesses and various industries. He also graduated from the Institute of Corporate Directors.

- Marie Desroches has over 30 years of experience in finance and operations management, and has held several executive positions in the mutual fund industry. Ms. Desroches, a chartered financial analyst, holds an MBA from Concordia University and was designated as a CCD (certified corporate director) by Université Laval's Collège des administrateurs de sociétés.

- Paul Béland has acquired more than 30 years of experience in finance, mainly in the securities brokerage industry. He became an investment advisor after first having worked in corporate financing as well as in mergers and acquisitions. Mr. Béland holds an MBA from the University of Chicago.

- Stéphanie Raymond-Bougie has more than 15 years of experience in finance, securities and business law sector. Over the years, she has sat on the boards of directors of several entities, including the Société des alcools du Québec and the non profit organization Les Amis du Devoir and Entreprendre Ici. Ms. Raymond-Bougie has been a member of the Quebec Bar Association since 2004 and holds a Master's degree in business law from McGill University.

The IRC has a written mandate describing its powers, duties and standard of care.

Pursuant to Regulation 81-107, the IRC assesses, at least annually, the adequacy and effectiveness of the following:

- The manager's policies and procedures regarding conflict of interest matters;

- Any standing instruction the IRC has provided to the manager for the conflict of interest matters related to the fund;

- The compliance of the manager and the fund with any conditions imposed by the IRC in a recommendation or approval;

- Any sub-committee to which the IRC has delegated any of its functions.

In addition, the IRC reviews and assesses, at least annually, the independence and compensation of its members, its effectiveness as a committee, and the contribution and effectiveness of each member.

The IRC prepares an annual report of its activities within the time period prescribed under Regulation 81-107. You may obtain this report free of charge for the NBI Fund by calling us at 514 871-2082 or, toll-free, at 1 888 270-3941. You may also obtain a copy of this report by visiting our website at www.nbinvestments.ca, by sending an e-mail to investments@nbc.ca, or by visiting the website www.sedar.com.

Affiliated Companies

National Bank Financial Inc. (including its National Bank Direct Brokerage division) is a dealer through which units will be acquired and a member of the National Bank of Canada (the "Bank") group of companies. It may receive commissions from or charge fees to unitholders who buy fund units from it, in the same way as any dealer that is not affiliated with us. See *Dealer compensation* for more information about our arrangements with them.

Natcan Trust Company is the trustee of the NBI Fund, and the registrar, transfer agent and custodian of the NBI Fund. National Bank Financial Inc. (through its division National Bank Independent Network) is the principal sub-custodian of the assets of the NBI Fund. With the exception of the Bank, no other person or company that provides services to the fund, or to us in our capacity as manager of the fund, is affiliated with us.

National Bank Investments Inc. is a wholly-owned subsidiary of the Bank via its subsidiary National Bank Acquisition Holding Inc.; National Bank Trust Inc., a wholly-owned subsidiary; National Bank Financial Inc., a wholly-owned subsidiary; and Natcan Trust Company, a wholly-owned subsidiary.

Please see the audited financial statements of the fund for the amount of fees paid by the fund to National Bank Investments Inc. and other group members.

Dealer Manager Disclosure

We manage the fund in accordance with applicable securities laws. Except as described hereinafter, the fund has adopted the standard investment restrictions and practices imposed by applicable law, including Regulation 81-102 – Investment Funds ("Regulation 81-102"). These restrictions and practices are designed in part to ensure that the investments of the fund are diversified and relatively liquid, and to ensure that the fund is properly managed. The fund is subject, namely, to section 4.1 of Regulation 81-102, which prohibits certain investments when certain related parties may have an interest in such investments.

The fund is a dealer-managed investment fund. As such, and subject to certain exceptions or prior authorizations to the contrary, the fund may not knowingly make an investment in securities of an issuer if a partner, director, officer or employee of the portfolio manager, or an affiliate's partner, director, officer or employee is also a partner, director or officer of the issuer, unless that partner, officer or employee:

- did not participate in the investment decisions;
- did not have prior access to information concerning the investment decisions; and

- did not influence the investment decision other than through research, statistical and other reports generally available to clients.

This rule does not apply if the affected securities are issued or guaranteed fully and unconditionally by the Government of Canada or by the Government of a Canadian jurisdiction;

Moreover, subject to certain exceptions or prior authorizations to the contrary, a dealer-managed fund may not knowingly make an investment in securities of an issuer if the portfolio manager, a partner or an affiliate of the portfolio manager acted as an underwriter in the distribution of such securities within 60 days prior to the investment, unless:

- the securities are fully and unconditionally issued or guaranteed by the government of Canada or the government of a Canadian jurisdiction; or
- the portfolio manager's affiliate is a member of a selling group distributing five percent or less of the securities.

Policies and Practices

1. Policies for Derivative Transactions

The fund may use derivative instruments that are consistent with their investment objectives and not contrary to their investment restrictions, to the extent, and for the purposes, permitted by Canadian Securities Administrations.

The manager is responsible for setting policies that set out the objectives and goals for the use of derivatives by the fund as well as the risk management procedures applicable to the use of derivatives. The portfolio manager or an affiliate of the manager engaged to manage the use of derivatives by the fund (either, the "derivatives specialist") will be required to comply with the policies set by the manager with respect to the use of derivatives and adopt procedures related to the measuring, monitoring and reporting of fund leverage and cash cover requirements. All derivative trade entries are made at the time of the initial entry by a qualified staff member of the derivatives specialist. All derivative instruments will be checked specifically by the derivatives specialist for compliance with derivatives rules and to ensure that they are suitable for a portfolio within the context of that portfolio's investment objective and strategies. The derivatives specialist will be required to comply with any trading limits and other controls established by the manager for the use of derivatives by the fund.

Valuation of derivative securities will be carried out on each valuation date. On a daily basis, the derivatives specialist will review any variations in the value of an instrument held by the fund. Variations beyond a prudent threshold level will result in a review of the pricing of the individual instrument to verify the accuracy of the price.

The manager will review, every three years, the policies and procedures regarding the use of derivatives by the fund to ensure the risks associated with these transactions are being properly managed.

2. Risk Management

We use a variety of methods to manage risk, including:

- mark-to-market security valuation;
- fair-value accounting;
- effective market and currency exposure reporting;
- daily reconciliation of cash balances; and
- monthly reconciliation of security and cash positions.

3. Securities Lending, Repurchase and Reverse Repurchase Transactions

National Bank Investments Inc. entered into agency agreements in connection with securities lending transactions (the "agreements") on behalf of the NBI Fund with the custodian of the fund, Natcan Trust Company, as agent (the "agent"). Natcan Trust Company will manage securities lending transactions for the NBI Fund. The agreements comply with the relevant provisions of Regulation 81-102.

National Bank Investments Inc. manages the risks associated with securities lending transactions as set out under the heading *Risks relating to securities lending transactions* under Part B of this document. The agreements also provide that the agent must:

- ensure that the applicable provisions of Regulation 81-102 are complied with, and in particular that the aggregate value of the securities loaned in lending transactions does not exceed 50% of its net asset value;

- engage in securities lending transactions with dealers and institutions in Canada and abroad that have solid credentials and have first undergone a stringent credit evaluation (the “counterparties”);

- maintain controls, risk management policies and procedures, internal books (including a list of approved counterparties based on generally accepted solvency standards), limits pertaining to operations and credit for each counterparty and diversification standards for property given as security; and

- determine daily the market value of the securities lent by the fund concerned in connection with a securities lending transaction and the liquid assets or other securities held by the fund concerned. In the event the value of the security is less than 102% of the market value of the loaned or sold securities, the agent will ask the counterparty to provide other liquid assets or securities given as security to the fund concerned to cover the shortage.

At least once a year, National Bank Investments Inc. and the agent will review the agents’ policies and procedures so that the risks associated with securities lending operations are duly managed. At the present time, National Bank Investments Inc. does not resort to risk assessment procedures or conduct simulations to test portfolio solidity in difficult conditions. National Bank Investments Inc. instead imposes certain limits and controls, such as those described above in regard to securities lending operations.

Before initiating any securities repurchase and reverse repurchase operations for the fund, the manager will enter into a written agreement. The agreement will comply with the applicable provisions of Regulation 81-102 and will also provide for the control measures described above, with the necessary adaptations.

Proxy Voting Policies

PineStone Asset Management Inc.

PineStone Asset Management Inc. (“PineStone”), as portfolio sub-advisor for the NBI Fund, is responsible for managing the proxy voting on behalf of this fund in accordance with its Proxy Voting Guidelines (the “Guidelines”) and Proxy Voting Procedures. PineStone reviews the Guidelines and its Proxy Voting Procedures annually. The following is a summary of the general principles followed by PineStone with respect to voting securities held by the fund it manages, which aim to vote proxies in the best interests of the fund and its investors.

If PineStone identifies a material conflict of interest in connection with a proxy voting that is not disclosed in the Guidelines, the Compliance Department shall be notified and PineStone will vote proxies according to the recommendations of Institutional Shareholder Services, Inc. The Guidelines define PineStone’s voting intentions on some standard issues and are used as reference to determine when to support or oppose a proposal by a corporation or a shareholder. The Guidelines relate namely to issues concerning various takeover protection measures, compensation programs, capitalization, securities classes, capital reorganization, corporate governance as well as social and environmental responsibility (SER).

PineStone’s mandate is to generate the best returns possible within the risk constraints of each individual investment policy. Within this framework, financial criteria should take precedence over any other factors at all stages of the investment process, including security selection, portfolio construction, and proxy voting. ESG issues are taken into consideration in its fundamental research to the extent that they are material to the financial performance of the company. These Guidelines are not absolute, and each company’s individual circumstances must be weighed at the time of the vote, in particular for companies with unique characteristics (i.e., size, stage of development, access to required resources). Considerations should include the impact of any proposal on the company’s value and operating capacity, without unduly restricting the flexibility of the board of directors or burdening the board with obligations that are outside the scope of the company’s mission. Considerations will also be given to the reasonableness of the costs and the benefits of proposals.

While PineStone will generally vote proxies in accordance with its Guidelines, there may be circumstances where PineStone believes it is in the best interests of the shareholders to vote differently than the manner contemplated by the Guidelines, or to withhold a vote or abstain from voting. In such cases, PineStone shall document the rationale when voting differently than the Guidelines would indicate.

A copy of PineStone’s policies and principles is available upon request, free of charge, by calling the toll-free number 1 888 270 3941 or by emailing the following address: investments@nbc.ca. Any unitholder may also obtain, free of charge, the proxy voting records of the fund for the most recent period ended June 30, upon request at any time after August 31 of the same year. The policy and proxy voting record are also available on the National Bank Investments website at www.nbinvestments.ca.

Material Contracts

The material contracts entered into by the fund is as follows:

- Amended and Restated Master Declaration of Trust (NBI-E) dated June 8, 2023, for the NBI Fund;
- Amended and Restated Master Management and Distribution Agreement between National Bank Trust Inc., Natcan Trust Company and National Bank Investments Inc., for the NBI Fund dated June 8, 2023;
- Amended and Restated Portfolio Management Agreement between National Bank Investments Inc. and National Bank Trust Inc., for the NBI Fund, dated June 8, 2023;
- Second Amended and Restated Sub-Advisory Management Agreement between National Bank Investments Inc., National Bank Trust Inc. and PineStone Asset Management Inc. for the NBI Fund dated May 8, 2023;
- Depositary and Custodial Services Agreement between National Bank Investments Inc. and Natcan Trust Company for the fund, dated June 8, 2023;
- Amended and Restated Service Agreement between National Bank Investments Inc. and National Bank Trust Inc., dated June 8, 2023.

You can examine any of these agreements during regular business hours at the following address:

National Bank Investments Inc.
National Bank Investments Advisory Service
500 Place d'Armes, 12th Floor
Montréal, Quebec
H2Y 2W3

Legal and Administrative Proceedings

From time to time, the Manager, the NBI Fund and/ or the principal distributor (the "Entities") are a party to legal proceedings and regulatory matters in the ordinary course of business. While there is inherent difficulty in predicting the outcome of these proceedings, management does not expect the outcome of any of these proceedings, individually or in the aggregate, to have a material adverse effect on the consolidated financial position or the results of operations of the Entities except:

- On October 5, 2013, an out-of-court settlement was reached in a lawsuit pitting Mr. Robert Beauregard and 42792363 Canada Inc. (collectively, the "Plaintiffs") against Natcan Investment Management Inc., National Bank of Canada, 9130-1564 Québec Inc., National Bank Securities Inc. (now National Bank Investments Inc.) and Pascal Duquette (collectively, the "Defendants"). The Plaintiffs were suing the Defendants for wrongful dismissal and illegitimate removal as a shareholder and claiming an amount of approximately $36,292,585. The fund is not involved in this lawsuit.

Designated Website

A mutual fund is required to post certain regulatory disclosure documents on as designated website. We provide a website to our clients at www.nbinvestments.ca. This site is equipped with security features to ensure the confidentiality of transactions. We have also taken steps to comply with the rules of the Canadian Securities Administrators, including rules relating to trading on the Internet and electronic delivery of documents.

Valuation of Portfolio Securities

We use the following principles in calculating the net asset value of the fund:

- for cash or cash equivalents, bills, demand notes and accounts receivable, prepaid expenses, cash distributions received and interest accrued and not yet received, we use their face value. If we determine that an asset is not worth its face amount, we determine a reasonable value;
- for assets or liabilities in a foreign currency, we convert those assets or liabilities into Canadian or U.S. dollars, as the case may be, in accordance with the exchange rates prevailing on the valuation day, which rates are provided by a recognized independent source (Bloomberg Data License);

- for bonds, debentures, mortgages other than those purchased from the National Bank of Canada and other debt instruments held by the fund, we use the closing price on the valuation day when available. These prices are obtained from a recognized valuation service. Amortized cost is the difference between the price paid for the security and its face amount, amortized over the life of the security. Periodically, a comparison is made between the fair value and amortized cost to ensure that the difference is not significant. If it is significant, we may decide to adjust the value of the securities to their fair value. For notes and other money market instruments we use the total of the cost and accrued interest, which approximates the fair value;

- for mortgages purchased from the National Bank of Canada, we use the market value, determined according to a method that will produce a principal amount based on prevailing market rates at the time the valuation is made;

- for securities listed on a stock exchange, including exchange-traded fund securities, we use the closing price on the valuation day when available. If none is available, we generally use, for each security, the average of the latest bid or ask price or any other similar quote that we determine best reflects the value of the asset;

- for securities traded on stock exchanges located outside North America, we attribute values to those securities that appear to reflect their fair value as faithfully as possible at the time the net asset value is calculated. The information used to establish that fair value comes from a recognized source (*Virtu Financial Inc.*);

- for securities that are not listed on a stock exchange, we use a price that we determine best reflects the value of the asset concerned. The method used depends on the asset to be measured;

- for underlying mutual fund securities, other than exchange-traded fund securities, we use the net asset value per security of the underlying mutual fund provided by the underlying mutual fund's manager for the relevant day or, where that day is not a valuation day for the underlying mutual fund, the net asset value per security as of the most recent valuation day of the underlying mutual fund. If the net asset value per security of an underlying mutual fund is not provided in a timely manner by the fund's manager, the value of the securities of the underlying mutual fund will be estimated using benchmark indexes;

- for exchange-traded option positions and debt-like securities, we use the average of the bid and ask prices on the valuation day;

- for options on futures, we use the settlement price;

- for over-the-counter options, we use the price that in our opinion best reflects the value of the asset concerned;

- for listed warrants, we use the closing price on the valuation day when available;

- we show the premium received when a covered clearing corporation option, option on futures or over-the-counter option is written as a deferred credit. The value of the deferred credit is equal to the current market value of an option that would have the effect of closing the position. We treat any difference resulting from the revaluation as an unrealized gain or loss. We deduct the deferred credit when we calculate the net asset value of each fund;

- for a forward contract or a futures contract listed on a North American securities exchange, the value is determined based on the gain or loss, if any, that would arise as a result of closing the position, as of the valuation day. For stock index futures traded on securities exchanges located outside North America, we attribute values to those securities that reflect their fair value as faithfully as possible at the time the net asset value is calculated. The information used to determine the fair value is provided by a recognized source (*Virtu Financial Inc.*);

- for interest rate swaps, we use the applicable discount rate based on the Canadian Overnight Repo Rate Average (CORRA) to determine the present value of the cash flows of each leg of the swap. The net sum of these discounted cash flows is the price of the swap. The discount rate comes from a recognized source.

Where we cannot apply these principles, for instance because there is an interruption of normal trading of a security at a securities exchange, we will determine the net asset value in a manner that we think is fair. In the last three years, the Manager has not exercised its discretion to deviate from the valuation practices described in this section.

How We Calculate Net Asset Value of Units

Whether you're buying, switching, converting or redeeming units of the fund, we base the transaction on the asset value of the fund security. The net asset value of the fund and the net asset value per security are calculated in accordance with Regulation 81-106. Thus, each net asset value is established (in Canadian dollars and/or U.S. dollars, where applicable) at 4:00 p.m. Eastern Standard Time on each day where the Toronto Stock Exchange is open for trading (each, a "valuation day"). The net asset value of the fund and the net asset value per security may be obtained free of charge by contacting National Bank Investments Advisory Service at 1-888-270-3941.

For purposes of this section, *H Series* and *FH Series* units are referred to as the "hedged series" and the units of series other than hedged series are referred to as the "unhedged series".

If the fund is divided into classes of series ("unhedged series" class and "hedged series" class, each comprised of different series), the net asset value per unit for each series of the fund is calculated, on a valuation day, as follows:

For each unit in an unhedged class:

- We take the unhedged class' proportionate share of the net asset value of the fund less the foreign currency hedging value attributable to the hedged class (the "hedging value") of the fund;
- We then allocate to each series in the class the net asset value of the unhedged class that is referable to that series less the aggregate amount of any distributions paid to investors of that series;
- We then divide the net asset value per series of the unhedged class by the total number of units held by investors in that series.

For each unit in a hedged class:

- We take the hedged class' proportionate share of the net asset value of the fund (including the hedging value);
- We then allocate to each series in the class the net asset value of the hedged class that is referable to that series less the aggregate amount of any distributions paid to investors of that series;
- We then divide the net asset value per series of the hedged class by the total number of units held by investors in that series.

If the fund is not divided into two classes (and therefore only offers unhedged series), the net asset value per unit for each series of the fund is calculated, on a valuation day, as follows:

- We allocate to each series in the fund the fund property that is referable to that series less an amount equal to the total liabilities of the fund that is referable to that series and less the aggregate amount of any distributions paid to investors of that series;
- We divide the net asset value per series by the total number of units held by investors in that series.

The purchase or redemption price per unit is the next net asset value per unit of the class or series determined after the receipt of the purchase or redemption order at our head office.

We calculate a separate price for each series of units of the fund because the management fee rate and operating expenses attributable to each series are different. The net asset value per security of the fund purchased using the U.S. dollar settlement option is established by converting the net asset value per security established in Canadian dollars into U.S. dollars. The exchange rate used is generally the exchange rate from the source Bloomberg Data License on the valuation date. Another rate provided by a recognized independent source may be used in certain circumstances, particularly when the rate from Bloomberg Data License is not available.

The price of each series of units of the fund will generally increase or decrease on each valuation day as a result of changes in the value of the portfolio securities owned by the fund. When distributions are declared by the fund, the net asset value per unit is reduced by the distribution amount per unit on the payment date.

The net asset value of funds that invest in other mutual funds is based, in whole or in part, on the net asset value of the underlying funds.

Except as set out hereinafter, the accounting methods used to determine the fair value of the securities in the fund in accordance with International Financial Reporting Standards (IFRS) are similar to the methods used to determine the net asset value for purposes of fund transactions.

The fair value of fund investments (including derivatives) in the fund under IFRS corresponds to the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction between market participants at the date of the financial statements ("financial reporting date"). In calculating the net asset value, the fair value of fund financial assets and liabilities that are traded on active markets (such as derivatives and listed negotiable securities) is based on market prices at the close of trading on the financial reporting date (the "closing price"). For purposes of IFRS, the fund uses the closing price for assets and liabilities, provided the closing price falls within the bid-ask spread for the day. If the closing price does not fall within the bid-ask spread, investments are valued at the bid price. Furthermore, management exercises its judgment in selecting the appropriate valuation technique for financial instruments that are not listed on an active market. The valuation techniques used are those that are currently applied by market participants. Following such an adjustment, the fair value of fund financial assets and liabilities determined according to IFRS could differ from the values used to calculate the net asset value of the fund.

Purchases, switches, conversions and redemptions of units

Units of the NBI Fund may be bought, switched, converted and redeemed through one or more of the following dealers (depending on the fund or series selected):

- National Bank Investments Inc. (including its division, National Bank Insurance Firm), a mutual fund dealer
- National Bank Financial Inc. (including its division National Bank Direct Brokerage), an investment dealer
- other authorized dealers.

To open an account with National Bank Investments Inc. or to buy or redeem fund units in person, go to your National Bank of Canada branch. A mutual fund representative operating on behalf of National Bank Investments Inc. will help you to fill out the appropriate forms. You can open an account, buy, switch, convert or redeem fund units by telephone through the National Bank Investments Advisory Service. It is open from 8:00 a.m. to 8:00 p.m., Eastern Time, Monday to Friday. Contact the service at 1 888 270-3941 or 514 871-2082. You can also open an account, buy, switch, convert or redeem fund units by using the Internet, but only for the NBI Fund that you hold. Our fully secure site is at www.nbc.ca. Just choose the option that corresponds to your situation.

If you trade your units through another dealer, the dealer must send a written request to us to buy, redeem, convert or switch them on your behalf. Your dealer may also provide this information to us electronically in accordance with our requirements. In case of a redemption, your dealer will credit your account with the proceeds of the redemption.

Processing an order to buy or redeem the fund

When you purchase units of the NBI Fund through National Bank Investments Inc., we must receive payment no later than the day after a purchase order is received.

When you purchase units through another dealer, we must receive payment no later than the second day (or such shorter period as may be determined by us in response to changes to applicable law or general changes to settlement procedures in applicable markets) after a purchase order is received.

You may pay by cheque, bank draft or money order. If the purchase order is received from the dealer at our head office before 4:00 p.m., Eastern Time, on a valuation day, the request will go through the same day. If the purchase order arrives at our head office after 4:00 p.m., Eastern Time, the request will go through the following valuation day. For purchases of units in U.S. dollars, payment must be made in U.S. dollars.

Under some circumstances, we may refuse part or all of an order to buy mutual fund units. We will exercise our right to refuse instructions to purchase mutual funds within one business day and we will return your money to you. The unitholders likely to be refused are those who frequently transact in Fund securities in a short period of time. The Fund has policies and procedures designed to prevent and detect short-term trading. These policies and procedures include surveillance measures allowing detection and follow-up on short-term trading, as well as providing the possibility to impose short-term trading fees in certain circumstances. For more details, please see section *Short-term Trading*. Any decision to reject an order or to impose short-term trading fees will be made within one day of receipt of the order. If we reject an order, all money received will be returned immediately without interest.

Under some circumstances, we may redeem on your behalf the units you bought. This will happen if we do not receive your payment within the deadlines set out above. If we redeem the units for more than you paid for them, we will pay the excess to the fund. If we redeem the units for less than you paid for them, we will collect the difference plus costs, charges and expenses directly from you or from the dealer who placed the buy order. The dealer may have the right to collect this amount from you under the terms of your account agreement with the dealer.

We do not issue certificates when you purchase units of the fund.

The minimum initial investment required minimum balance and minimum amounts for purchases and redemptions are indicated in the section *Minimum Purchase and Redemption Amounts*. You can purchase units in amounts less than the minimum if you purchase them through our Systematic Investment Plan.

If you bought your units through another registered dealer, you may instruct the dealer to send us a request to redeem units. This request may be sent to us electronically in accordance with our requirements. Your dealer will send the request to us on the day he receives your request. We will mail the money from the redemption to the dealer or deposit it into the dealer's account without charge.

You may redeem all your units. If you hold less than the minimum amount for the fund, you will be required to redeem your investment in the fund or invest an additional amount in the fund to meet the minimum amount.

When we receive your request to redeem units of the fund, we will redeem the units at their net asset value. If we receive the request to redeem from your dealer at our head office after 4:00 p.m., Eastern Time, we will redeem the units at their net asset value calculated on the following valuation day. We mail you the proceeds of the redemption, or deposit them into your bank account or in the account with your dealer, as the case may be, within two business days after we calculate the redemption price of your units. In the case of clients who purchased units in U.S. dollars, the redemption proceeds will be paid in U.S. dollars. If you want to use the money to purchase units of another fund managed by NBI purchased in Canadian dollars, the money will be converted into Canadian funds. We will use the exchange rate in effect on the day the redemption price is determined.

Under some circumstances, we may purchase back on your behalf the units you redeemed before we pay you for the units. This will happen if we do not receive the instructions necessary to complete the transaction within ten business days of the redemption. If we buy the units back for less than you redeemed them for, we will pay the excess to the fund. If we purchase the units back for more than you redeemed them for, we will collect the difference plus costs, charges and expenses from the dealer who placed the order. The dealer may have the right to collect this amount from you under the terms of your account agreement.

We may also redeem units of the fund on your behalf or refuse part or all of an order to buy units of the fund if your participation, in the reasonable opinion of National Bank Investments Inc., has the potential to cause regulatory or tax liability to it, including if you do not provide a valid taxpayer identification number or self-certification for purposes of the fund's compliance with the *Foreign Account Tax Compliance Act* as implemented in Canada by the *Canada-United States Enhanced Tax Information Exchange Agreement* and *Part XVIII of the Income Tax Act (Canada)* (the "Tax Act"), or the *Organization for Economic Co-operation and Development's Common Reporting Standard* as implemented in Canada by *Part XIX of the Tax Act* (referred to as "CRS"). These measures are necessary to preserve the intended tax treatment of the fund. Redeeming units of the fund may be considered a disposition for income tax purposes and may trigger a capital gain or capital loss. See section *Additional considerations regarding information reporting* and *Income tax considerations* for more information.

Generally, we do not charge any fees when you redeem units of the fund, except for short-term trading fees (which may apply in certain cases should you attempt to effect operations on units of the fund too often).

For more details on some exceptional circumstances, please see section *Right to refuse the redemption of fund units*.

Establishing the price of a unit

Whether you're buying, switching, converting or redeeming fund units, we base the transaction on the value of a unit of the relevant series. The price of a unit is called the "net asset value per unit" or the "NAVPU". The NAVPU of each series of the fund is established (in Canadian dollars and/or U.S. dollars, where applicable) at 4:00 p.m. Eastern Standard Time on each day that the Toronto Stock Exchange is open for trading (a "valuation day").

The NAVPU of each series remains in effect until the following valuation day.

Please refer to the section under *How We Calculate Net Asset Value of Units* for more specific details and information.

Minimum purchase and redemption amounts

Advisor, F, FH and *H Series*

For the fund, the minimum initial investment for units of the *Advisor, F, FH* and *H Series* is $500. After the initial investment, you can make additional purchases in the fund for a minimum of $50. You may also set up an NBI Fund Systematic Investment Plan for as little as $25 per purchase. For additional information regarding this option, please see *Optional services – Systematic Investment Plan*.

In general, if you are redeeming units of the fund, the lowest amount you can redeem is $50. If your investment falls below the minimum balance set out below, we may ask you to either increase your investment or redeem the balance of your investment in the fund. In such a case, you will be notified by mail or by telephone that the value of your investment in the fund is less than the required amount. You will then have 30 days to add to your investment or redeem all your units. At the end of the 30-day period, we may redeem your units and/or close your account without further notice.

Some series require a higher initial investment. The minimum purchase and redemption amount and the minimum balance of the fund is listed below:

Fund	Minimum initial investment and minimum balance*	Minimum purchase and redemption*
NBI International Equity Fund (except *O Series)*	$500	$50

** When the fund is purchased in U.S. dollars, the amount indicated is in U.S. dollars.*

O Series

The minimum purchase and redemption amounts for O Series units are determined by contract.

Short-term trading

Most mutual funds are considered long-term investments, so we discourage investors from redeeming or switching units frequently.

Some investors may seek to trade fund units frequently in an effort to benefit from differences between the value of the fund's units and the value of the securities in the fund's portfolio (market timing). These activities, if undertaken by unitholders, can negatively impact the value of the fund to the detriment of other unitholders. Excessive short-term trading can also reduce the fund's return because the fund may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell portfolio holdings at an inopportune time to fund the redemption and incur additional trading costs.

Depending on the fund and the particular circumstances, we will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in the fund, including:

- imposition of short-term trading fees
- monitoring of trading activity and refusal of trades
- valuation of the units held by the fund at fair value.

See *Fees and charges payable directly by you* for the short-term trading fee that can be charged.

Right to refuse the redemption of fund units

As authorized by the Canadian Securities Administrators, we can suspend your right to redeem your units:

- if there is an interruption of normal trading on a securities exchange within or outside Canada where the fund has units or certain derivatives representing more than 50% of its total assets, and if these units or derivatives are not traded on any other exchange that is a reasonably practical alternative for the fund;
- if the approval of the Canadian Securities Administrators is obtained.

In such a case, you may withdraw your request to redeem or wait until the suspension is over to redeem your units. If your right to redeem your units is suspended and you do not withdraw your request to redeem, we will redeem your units at their net asset value determined as soon as the suspension is over.

Switching

You may ask for your units in the fund to be redeemed in order to purchase units in the same series (and under the same purchase option, if applicable) of another fund managed by NBI provided you meet the minimum initial investment requirements and the minimum account balance for the new fund. This transaction is called switching units.

When we receive your switch order, we will redeem your units in the fund and use the proceeds to buy units in the new fund. You may also switch units of the fund for units of another fund managed by NBI through your dealer, who may charge you switch fees. In that case, your dealer must send a written request to us to switch units on your behalf. Your dealer may also provide this information to us electronically in accordance with our requirements. See *Fees and Impact of sales charges* for more information about switch fees.

You may switch units only between fund units offered in the same currency. It may not be possible to switch the units of series if the funds concerned do not offer the series in the same currency.

Switching units of the fund to another fund within an unregistered plan is a disposition for tax purposes and will result in a capital gain or loss for tax purposes. See *Income tax considerations* for more information.

Converting

You may convert units of one series of the fund into units of another series of the fund, provided you meet the requirements applicable to the new series. This transaction is called "converting" units. You may convert your units through your dealer or advisor.

If you convert units of the fund into *Advisor Series* units, you will have the initial sales charge options for your new units.

You cannot convert between units of series or purchase options that are not in the same currency (i.e. go from one currency to the other).

The value of your investment in the fund will be the same after the conversion. You will, however, likely own a different number of units because each series could have a different unit price.

Converting securities of one series of the fund into units of another series of the fund (other than converting units from a hedged series to an unhedged series (or vice versa) does not constitute a disposition for income tax purposes and does not result in a capital gain (or capital loss). Converting units from a hedged series to an unhedged series (or vice versa) constitutes a disposition for income tax purposes and results in a capital gain (or capital loss).

See *Fees and Impact of sales charges* and *Income tax considerations* for more information.

Optional services

Systematic Investment Plan

The NBI Fund's Systematic Investment Plan allows you to invest a fixed amount into the fund at regular intervals. We will withdraw the requested amount directly from your bank account to invest it in the fund. All systematic purchases must be made from a bank account denominated in the same currency as the series being purchased. You may contribute weekly, bi-weekly, monthly or quarterly. The plan is available by filling out the appropriate application form.

You can change the amount or the frequency of the withdrawals or you can cancel your enrolment in the plan at any time.

The minimum amount you may invest in the fund through the Systematic Investment Plan is shown below:

Terms for NBI Fund's Systematic Investment Plan

Fund	Minimum initial investment	Minimum subsequent purchase
NBI International Equity Fund (except the *O Series*)	–	$25

O Series

The minimum initial investment and the minimum subsequent purchases applicable to *O Series* units are determined by contract.

Systematic Withdrawal Plan

You may opt to make systematic withdrawals from the fund if you want a regular fixed payment to meet your financial needs. A withdrawal can be done weekly, bi-weekly, monthly or quarterly. The plan is available by filling out the appropriate application form. For most funds, you must have invested at least $10,000 to benefit from this service. All systematic withdrawals must be made to a bank account denominated in the same currency as the series being redeemed. The terms of the plan are set out in the following table:

Terms for Systematic Withdrawal Plan

Fund	Minimum initial investment	Minimum that must be kept in fund	Minimum periodic withdrawal
NBI International Equity Fund (except the *O Series*)	$10,000	$500	$50

O Series

The minimum initial investment, the minimum that must be kept in the fund and the minimum periodic withdrawal applicable to *O Series* units are determined by contract.

Savings and other products

We offer our clients NBI Altamira CashPerformer®, as well as NBI Altamira U.S. CashPerformer® account, which provide daily interest on cash held in an account. You may obtain more information about these and other non-fund products from the National Bank Investments Advisory Service.

Registered plans

To the extent that the fund qualifies as a "mutual fund trust" or a "registered investment", the securities in the fund will be qualified investments under the Tax Act for trusts governed by registered plans. It is intended that units of the fund will be qualified investments for registered plans.

Under the Tax Act, registered plans benefit from special tax treatment. Their main advantage is generally that they allow you to avoid paying tax on the gains and income produced by the plans until you make a withdrawal. Moreover, in the case of RRSPs, your contributions are deductible from your taxable income, up to the maximum allowable contribution. You should consult with your tax advisor regarding whether an investment in any fund could be a prohibited investment for your registered plan.

We offer the following registered plans:

- registered retirement savings plan (RRSP)

- registered retirement income fund (RRIF)
- locked-in retirement account (LIRA)
- life income fund (LIF)
- locked-in retirement income fund (LRIF)
- registered education savings plan (RESP)
- tax-free savings account (TFSA)
- tax-free first home savings account (FHSA)
- prescribed retirement income fund (PRIF)
- restricted retirement income fund (RLSP)
- restricted locked-in registered retirement savings plan (LRIF)

There are no annual administration fees for our registered plans.

The fees associated with terminating these plans are shown under *Fees*.

Fees and expenses

The following refers to the fees and expenses that you may have to pay if you invest in the NBI Fund. You may have to pay some of these fees directly. The fund pays some of these fees and charges, before the price per unit is calculated, which will therefore reduce the value of your investment in the fund. Management fees are charged as a percentage of the net asset value of the fund.

We will have to obtain the approval of *Advisor* and *H Series* unitholders for the following changes: (i) a change in the way of calculating the fees and expenses charged to the fund or directly to its unitholders by the fund or by us which has the effect of increasing the charges for the series or the unitholders of the series; or (ii) the addition of fees or expenses to be charged to the fund or directly to its unitholders which has the effect of increasing the charges for the series or the unitholders of the series, unless the fees or expenses are charged by an entity at arm's length from the fund. If the fees or expenses are charged by such an entity, we will not seek the approval of the unitholders of the *Advisor* and *H Series*, but will send them a notice of the change in writing at least 60 days before the effective date of the change.

For all other series, we may change the basis of calculation of the fees or expenses or introduce new fees or expenses in a way that may result in an increase in the charges for these series by giving a notice of the change in writing at least 60 days before the effective date of the change.

Fees and charges payable directly by the fund

Management fees	The fund pays annual management fees to National Bank Investments Inc. in consideration of its management services. These fees cover, in particular, investment restriction and/or policy drafting services, investment fund management, office facilities and equipment, administrative personnel costs, the payment of trailing commissions to your dealer in connection with the distribution of units, when applicable, and marketing and promotional activities relating to the sale of the fund. Part of the management fees paid to National Bank Investments Inc. may be paid to National Bank of Canada in relation to the sale of NBI Fund; this payment is similar to a trailing commission. Other costs are covered by service fees, which are paid directly by investors. Management fees vary by fund and series and are a percentage of the daily average net asset value of each series. The management fees are paid monthly, and are subject to applicable taxes, including QST or HST. Please see *Fund details* for the maximum management fee for each the fund. For the *O Series* units, no management fees are charged directly to the fund; instead, management fees are negotiated with and paid directly by investors.
Operating expenses	**Fixed-fee fund** The NBI Fund, National Bank Investments Inc. pays, with the exception of the expenses specific to the fixed-fee fund ("fixed-fee fund expenses") defined below, the operating expenses of the fixed-fee fund, including but not limited to, legal fees, audit fees, custodial costs, transfer agency and recordkeeping costs, accounting and valuation fees, the costs of preparing and distributing financial reports, prospectuses, fund facts, continuous disclosure materials and other investor communications and the costs of trustee services relating to registered tax plans, National Bank Investments Inc. will pay these operating expenses, provided such expenses are incurred in the normal course of business of the fixed-fee fund. In exchange for paying the operating expenses, National Bank Investments Inc. receives a fixed rate administration fee ("administration fee") in respect of each series of the fixed-fee fund. The amount of the operating expenses paid by National Bank Investments Inc. in exchange

	for payment of the administration fee may be more or less than the administration fee in a given period. The fixed-fee fund expenses borne by the fixed-fee fund are comprised of: • taxes (including, but not limited to, HST and income tax); • fees, costs and expenses associated with compliance with any changes to existing governmental or regulatory requirements introduced after the relevant date (as defined below); • fees, costs and expenses associated with compliance with any new governmental or regulatory requirements, including any new fees introduced after the relevant date (as defined below); • interest and borrowing costs; • fees, costs and expenses associated with external services that were not commonly charged in the Canadian mutual fund industry at the relevant date (as defined below); • fees and expenses of the IRC, including compensation paid to IRC members, travel expenses, insurance premiums and costs associated with their continuing education (see *Independent Review Committee compensation and reimbursement of the NBI Fund* hereinafter for more information on IRC fees and expenses); and • fees, costs and expenses relating to operating expenses that will be paid by National Bank Investments Inc. beyond the normal course of business of the fixed-fee fund. For purposes of this section, the expression "relevant date" means the date at which the fund was formed. Fixed-fee fund expenses are allocated to the fixed-fee fund and among each series of a fixed-fee fund in a fair and equitable manner. National Bank Investments Inc. may decide to bear a portion of the administration fee and/or fixed-fee fund expenses. This decision will be made each year, based on the manager's assessment, without notifying the unitholders. The administration fee paid to National Bank Investments Inc. in exchange for payment of the operating expenses is equal to a percentage of the net asset value of a series of the fixed-fee fund and is calculated and paid in the same manner as the management fee for each series. The administration fee is subject to applicable taxes, including HST. The administration fee for each series is set out in the following table.

	Administration fee rate for each series[1]	
Fund	**All series [2] (except the series in the columns to the right)**	**O Series**
NBI International Equity Fund	0.24%	0.02%

[1] This fee is subject to GST or QST and applicable provincial sales taxes.
[2] The series in this category are the *Advisor*, *F, FH* and *H Series*.

	Portfolio transaction costs The fund pays its portfolio transaction costs, which include brokerage commissions and other unit transaction fees, including the costs of derivatives (including, but not limited to, forward contracts) and foreign exchange transactions, as applicable. Portfolio transaction costs are not considered to be operating expenses and are not included in the MER of a series of the fund. **Independent Review Committee compensation and reimbursement of the NBI Fund** Each member of the IRC currently receives an annual retainer of $38,000 and the chair of the committee receives an annual retainer of $55,000. However, if more than seven meetings are held in a particular year, each member of the IRC will receive an additional $1,750 and the chair will receive an additional $2,000 for each meeting held after the seventh meeting they attend. Members are reimbursed for the expenses they incur to attend meetings. Currently, the manager reimburses the fund for IRC fees and expenses. This decision to reimburse the fund may be cancelled without prior notice or approval. If the decision is cancelled, a fund will bear its proportionate share of the fees and expenses of the IRC, as previously described.
Fees relating to the underlying funds	In addition to the fees and expenses directly payable by the fund, certain fees and expenses are payable by the underlying funds held by the fund. The fund indirectly bears its share of such fees and expenses. However, the fund does not pay management fees or incentive fees that, to a reasonable person, would duplicate a fee payable by an underlying fund of the fund for the same service. In addition, the fund does not pay any sales charges or redemption fees in relation to its purchases or

	redemptions of securities of an underlying fund that is managed by us or an affiliate or an associate if such fees, to a reasonable person, would duplicate a fee payable by an investor in the fund.

Fees and charges payable directly by you

Sales charges, redemption fees, switch fees and conversion fees	***O Series*** For *O Series* units you do not pay any fees when you buy, switch, convert or redeem your units.
	F and FH Series For units of this series, you pay your dealer an annual fee based on the asset value of your account instead of paying commissions or fees on each purchase, switch, conversion or redemption.
	Advisor and H Series For units of this series of an NBI Fund purchased under the initial sales charge option through a dealer other than National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.), you negotiate the fees with your dealer. These fees may not be greater than 5% of the purchase price of the units. If you switch or convert your units of this series, you may have to pay your dealer fees of up to 2% of the value of the units switched or converted. You negotiate these fees with your dealer. We deduct the fees from the amount of your transaction and pay it to your dealer. Service or transaction fees, including redemption fees, may be charged by your dealer. You negotiate these fees with your dealer. There are never any sales charges, redemption fees, switch fees and conversion fees when you purchase units through National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.). If you switch or convert your units through a dealer other than National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.), you may have to pay your dealer fees of up to 2% of the value of the switched or converted units. You negotiate these fees with your dealer. You will not be charged any switch or conversion fees if you switch or convert your units through National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.). For more information on purchases, redemptions, switches and conversions, see *Purchases, switches, conversions and redemptions of units*.

Short-term trading fees		If you redeem or switch units of an NBI Fund within 90 days of purchase, you *may* be charged a short-term trading fee of 2% of the value of the units. In this case, we may impose or waive the fee in other appropriate circumstances at our discretion. In determining whether a short-term trade is inappropriate, we will consider relevant factors, including: • bona fide changes in investor circumstances or intentions • unanticipated financial emergencies • the nature of the fund • past trading patterns. For the purposes of determining whether the fee applies, we will consider the units that were held the longest to be the units which are redeemed first. Short-term trading fees are paid to the fund and are in addition to any initial sales charge or switch fee. The fee is deducted from the amount you redeem or switch, or is charged to your account, and is retained by the fund. The fee will not apply in the following circumstances: • redemption of units pursuant to a Systematic Withdrawal Plan or purchase of units pursuant to a Systematic Investment Plan, • redemptions of units purchased by the reinvestment of distributions, or • conversion of units from one series to another series of the same fund. This fee is designed to protect unitholders from investors moving quickly in and out of the fund. See *Short-term trading* for more information.
Negotiated management fees		***O Series*** A negotiated management fee is paid by holders of *O Series* units. For holders of *O Series* units of the NBI Fund, the percentage does not exceed the management fee for the *Advisor Series*. The percentage varies according to the value of the investor's initial investment. These negotiated management fees are in addition, if applicable, to the fixed-rate administration fees.
Other fees and charges		
Registered Account termination fee*	$100	

These fees are subject to the GST or HST and to provincial sales tax, if applicable.
** Only if the registered investment account is with National Bank Investments Inc.*

Impact of sales charges

The following table indicates the maximum fees you would have to pay according to the initial sales charge option if you invested $1,000 in a fund over 1, 3, 5 or 10 years and if redemption occurred before the end of that period.

	At the time of purchase	Redemption fee after: 1 year	3 years	5 years	10 years
All Series (except the series below)	–	–	–	–	–
Advisor Series					
Initial sales charge option[1]	$50	–	–	–	–

[1] *In the case where sales charges are 5%.*

Dealer compensation

The National Bank of Canada is paid fees by the manager for services rendered in connection with its participation in the distribution of units of NBI Fund. Such fees are based upon the net asset value of the units of the fund held by the Bank's clients.

For more information concerning the particularities of each Series you may hold, please see section *Description of Series*.

Commissions

F, FH and O Series

No commission is paid to your dealer for the distribution of these units. Your dealer does not receive any compensation for *F* and *FH Series* units other than the annual fee that you pay based on the value of the assets in your account.

Advisor and H Series

Your dealer normally receives a commission each time you buy units in the *Advisor* and *H Series* of an NBI Fund. This commission is based on the initial sales charge option. In the case of NBI Fund, you and your dealer agree on the percentage you will pay as a fee at the time you buy units of these series. This percentage varies between 0 and 5%. There are no fees when you purchase units through National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.) See *Fees* for more information.

Switch and conversion fees

You may have to pay fees to your dealer when you switch or convert your units. Refer to the sections *Switching units*, *Converting units* and *Fees and charges payable directly by you* for more information.

Trailing commissions

At the end of each month, we may pay an ongoing trailing commission to your dealer. We assume that the dealers will pay part of that commission to their advisors to compensate them for the services they provide to their clients. These commissions represent a percentage of the average daily value of the units of each fund held by a dealer's clients.

The terms of payments on such units may also be changed from time to time as long as they comply with Canadian securities rules and regulations. We may change or cancel the terms of the trailling commissions at any time without notice and we also reserve the right to change the frequency of these payments at our discretion.

The maximum trailing commission rates are as follows:

Fund	Advisor and/or H Series Initial sales charge option[1]
Global Equity Fund	
NBI International Equity Fund	1.00%

1 Rate applicable for all investments, including systematic investment programs, reinvested distributions and switches.

F, FH and O Series

Your dealer does not receive any trailing commission whatsoever with respect to *F, FH and O Series* units.

Dealer support plan

Joint marketing — We may pay up to 50% of your dealer's direct costs associated with:

- the publication and distribution of advertising
- holding a seminar for investor education or the promotion of mutual funds or NBI Fund.

Conferences and seminars — In addition to joint marketing, we may:

- organize and hold educational conferences for dealer representatives
- pay registration fees for dealer representatives attending educational conferences organized and held by others

- pay industry organizations up to 10% of expenses directly related to the organization and holding of educational conferences
- pay dealers up to 10% of expenses related to conducting educational conferences.

Income tax considerations

The following is a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) ("Tax Act") for the NBI Fund and for prospective investors in the fund who, for the purposes of the Tax Act, are individuals (other than trusts) resident in Canada, hold securities of the fund as capital property, are not affiliated with the fund and deal with the fund at arm's length. This summary is based upon the current provisions of the Tax Act and regulations thereunder, all specific proposals to amend the Tax Act and such regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof, and the current published administrative and assessing policies and practices of the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in law whether by legislative, administrative or judicial action and it does not take into account provincial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Prospective investors should therefore consult their own tax advisors about their individual circumstances.

The Manager expects that the NBI Fund will qualify as a "mutual fund trust" under the Tax Act at all material times, and this summary is based on the assumption that the fund will so qualify at all material times. If the NBI Fund did not qualify as a mutual fund trust, income tax considerations described below would materially and, in some cases, adversely different.

Taxation of the Fund

The fund is subject to tax on its net income and net realized capital gains in each taxation year, except to the extent such amounts are distributed to investors. The fund will distribute sufficient of its net income and net realized capital gains to investors in each year so that the fund will not be liable in any taxation year for ordinary income tax under Part I of the Tax Act on such net income and net realized capital gains (after taking into account any applicable losses of the fund and the capital gains tax refunds to which the fund is entitled.) The fund cannot allocate losses to investors; however, generally, it may deduct losses from capital gains and income realized and earned in future years, subject to the rules in the Tax Act. In certain circumstances, the recognition of losses realized by the fund may be suspended or restricted, and therefore the losses would be unavailable to shelter capital gains or income.

The fund is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize income or capital gains by virtue of changes in the value of the U.S. dollar or other relevant currency relative to the Canadian dollar. Generally, the fund will include gains and deduct losses on income account in connection with its derivative activities entered into as a substitute for direct investment, including forward contracts, futures contracts and options. Generally, when a sufficient link can be established between derivatives used for hedging purposes on capital assets, the gains and losses resulting therefrom will take on the same tax characteristics as the hedged element. Consequently, gains and losses can be current in nature if the underlying interest is in the revenue account, or capital in nature if the underlying interest is in the capital account. Gains and losses resulting from securities lending, repurchase agreements and short sales by the fund will be included in the income, rather than as capital gains and losses.

All of the fund's deductible expenses, including expenses common to all series and management and other fees, charges and expenses specific to a particular series of the fund, will be taken into account in determining the income or loss of the fund as a whole.

Taxation of Investors

Distributions

An investor will generally be required to include in the investor's income for tax purposes for any year the amount (computed in Canadian dollars) of income and the taxable portion of net capital gains, if any, paid or payable by the fund to the investor or on the investor's behalf in the year (including any Management Fee Distributions paid out of the fund's income or net capital gains), whether or not such amounts are reinvested in additional units of the fund. Where the amount of distributions paid by the fund in a year exceeds the fund's income and capital gains, such excess amount will not be included in the income of investors (unless the fund elects to treat the excess amount as income) but will be treated as a return of capital and will reduce the adjusted cost base of their units of the fund. To the extent that the adjusted cost base of a unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized and the adjusted cost base of the unit to the investor will then be nil.

The fund will make designations to the extent permitted by the Tax Act so that amounts distributed to investors as may reasonably be considered to consist of taxable dividends (including eligible dividends) received by the fund on shares of taxable Canadian corporations and net taxable capital gains of the fund will retain their character and will be deemed for tax purposes to be received or realized by investors in the year as taxable dividends (and if applicable, an eligible dividends) and taxable capital gains, respectively. The dividend gross-up and tax credit treatment applicable to taxable dividends paid by a taxable Canadian corporation will apply to amounts so designated as taxable dividends, including in certain instances the enhanced dividend tax credit treatment that applies to eligible dividends received by an individual from a taxable Canadian corporation. Capital gains so designated by the fund will be subject to the general rules relating to the taxation of capital gains described hereinafter. In addition, the fund will make designations in respect of its income from foreign sources, if any, so that, for the purpose of computing any foreign tax credit available to an investor, and subject to the rules in the Tax Act, the investor will be deemed to have paid as tax to the government of a foreign country that portion of the taxes paid by the fund to that country that is equal to the investor's share of the fund's income from sources in that country.

Negotiated management fees paid on *O Series* units will not be deductible for tax purposes.

Capital gains

Upon the actual or deemed disposition of a unit, including on the redemption of a unit by the fund and the switching of an investor's investment from one fund to another fund, a capital gain (or a capital loss) will generally be realized by the investor to the extent that the proceeds of disposition of the unit exceed (or are exceeded by) the aggregate of the adjusted cost base to the investor of the security and any reasonable costs of disposition, all of which will be calculated in Canadian dollars. A conversion of units from one series to units of another series of the fund that is not effected as a redemption or cancellation of units pursuant to the declaration of trust for the fund (other than the conversion of units from a hedged series to an unhedged series or vice versa) is not considered to be a disposition of the reclassified units, and consequently, such a conversion does not give rise to a capital gain (or capital loss). While an investor's adjusted cost base per unit will change as a result of such a conversion, the total adjusted cost base of the investor's units will not. A conversion of units from a hedged series to an unhedged series (or vice versa) will be considered a disposition for tax purposes, and will give rise to a capital gain or loss.

Adjusted cost base

The adjusted cost base ("ACB") of an investor's units is an important concept for income tax considerations. This term is used throughout this summary and can be calculated, for a particular series of the fund, according to the following formula in most situations:

Calculation of ACB

- The amount of your initial investment, including any sales charges paid to your dealer, *plus*
- additional investments, including sales charges paid to your dealer, *plus*
- reinvested distributions, *less*
- the portion of any distribution that is a return of capital, *less*
- the ACB of any previous redemptions

equals

the aggregate ACB of your units of the fund.

The adjusted cost base to an investor of their units of the fund is determined separately for each series. When the investor acquires a unit of a particular series of the fund, whether on the reinvestment of distributions or otherwise, the cost of the newly acquired unit is averaged with the adjusted cost base to the investor of all other units of the same series of the fund held by the investor immediately before that time.

An investor will be considered to realize a capital gain as a result of distributions designated as such by a fund.

Generally, one-half of a capital gain (a "taxable capital gain") realized or considered to be realized by an investor will be included in the investor's income and one-half of a capital loss (an "allowable capital loss") realized by an investor may be deducted from the investor's taxable capital gains subject to the detailed rules of the Tax Act. Allowable capital losses in excess of taxable capital gains may be carried back three years or forward indefinitely and applied against taxable capital gains realized in those earlier or later years, subject ot the rules in the Tax Act.

Minimum Tax

Individuals are subject to an alternative minimum tax and may be liable for this alternative minimum tax in respect of any Canadian dividends and realized capital gains.

Funds with a high portfolio turnover rate

The higher the fund's portfolio turnover rate, the greater the likelihood the fund will incur capital gains or losses. In the event that the fund realizes capital gains on which it would otherwise be subject to tax, the gains will, in most cases, be distributed to investors and must be included in computing their income for tax purposes for that year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the fund.

Tax Statements

Taxable investors will be informed each year of the composition of the amounts distributed to them (in terms of net income, taxable dividends, including eligible dividends, net taxable capital gains, foreign source income and non-taxable amounts such as returns of capital, where applicable) and of the amount of any foreign taxes considered to be paid by the fund in respect of which the investor may claim a credit for tax purposes to the extent permitted by the Tax Act, where those items are applicable.

Registered Plans

Provided the NBI Fund qualifies as a "mutual fund trust" under the Tax Act at all material times, units of the fund will be qualified investments permitted to be held in trusts governed by RRSPS, RRIFS, DPSPs, TFSAs, RESPs, FHSAs or registered disability savings plans. It is expected that the NBI Fund will qualify as a "mutual fund trust" at all material times and that units of the fund will at all times be qualified investments for trusts governed by RRSPs, RRIFs, DPSPs, TFSAs, RESPs, FHSAs or registered disability savings plans.

Distributions from the fund to an investor that is a registered pension plan, RRSP, RRIF, DPSP, registered disability savings plan, RESP, TFSA or FHSA will not be taxable, except in certain limited circumstances; however, amounts withdrawn from such entities will generally be taxable, except for withdrawals from TFSAs and certain withdrawals from RESPs and registered disability savings plans and FHSAs. Investors should obtain independent advice as to whether units of the fund would be a "prohibited investment" under the Tax Act if held in their RRSP, RRIF, TFSA, RESP, FHSA or registered disability savings plan in their particular circumstances.

Additional considerations regarding information reporting

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the U.S. on February 5, 2014 (the "IGA"), and related Canadian legislation, the fund and/or the registered dealers are required to report certain information with respect to unitholders and shareholders who are U.S. residents and U.S.citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans such as RRSPs), to the CRA. It is expected that the CRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS"), the fund and/or the registered dealers are required under Canadian legislation to identify and report to the CRA details and certain financial information relating to unitholders in the fund (excluding registered plans such as RRSPs) who are residents in a country outside of Canada and the U.S. which has adopted the CRS. The CRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

What are your legal rights?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual fund securities within two business days of receiving the Simplified Prospectus or the Fund Facts or to cancel your purchase within 48 hours of receiving confirmation of your purchase order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back or to make a claim for damages, if the Simplified Prospectus, Fund Facts or financial statements misrepresent any facts about the mutual fund. You must usually take these actions within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

Additional information

Conflicts of Interest

The NBI Fund may be subject to various conflicts of interest given that the portfolio manager and/or sub-advisor are involved in many management and advisory activities. The portfolio advisor makes investment decisions or give advice relating to assets of the fund independently of other clients or their own investments, if any.

However, the portfolio manager and/or sub-advisor may make the same investment or give the same advice for the fund and one or more other clients. They may sell a security for one client and buy it for another at the same time. The portfolio manager and/or sub-advisor or their employees may have an interest in securities bought or sold for a client.

Where there is a limited supply of a security, the portfolio manager and/or sub-advisor uses their best efforts to divide investment opportunities fairly but cannot guarantee absolute equality. In some cases, these and other conflicts of interest could adversely affect the fund.

Responsible Investing

Responsible investing refers to the integration of environmental, social and governance ("ESG") criteria in the selection and management of investments. This is an important pillar in our portfolio manager's assessments. We believe that the consideration of ESG Criteria, in conjunction with traditional financial analysis, allow for a better assessment of risks and long-term growth opportunities.

The portfolio manager that we have selected has its own approach to responsible investing. As such, the portfolio manager prioritizes different objectives, ranging from avoiding exposure to companies or economic sectors deemed harmful to aligning portfolios with themes related to sustainable development. Sustainable development, as defined by the United Nations, refers to developments that meet the needs of the present without compromising the ability of future generations to meet their own needs. In the context of investing, this means seeking to obtain a return on investment while making a positive contribution to sustainable development. This plurality in responsible investment approaches allow us to consider the particularities of each asset class and bring richness to our platform of NBI Fund.

Responsible investing Approach

NBI's approach to responsible investment relies on the following components:

1. Portfolio manager selection and monitoring processes
2. Stewardship activities
3. Funds related to sustainable development
4. Funds with no fundamental investment objectives related to ESG
5. Exclusions.

1. Portfolio manager selection and monitoring processes

As part of our process of selecting and monitoring portfolio managers and portfolio sub-advisors, we assess the quality of ESG integration into investment processes using a proprietary scoring system with a scale of 1 to 5, where the higher the score the better. The propriety scoring system is based on various criteria such as the identification and evaluation processes put in place by the portfolio managers and the portfolio sub-advisors with regard to material ESG issues and risks that can affect the businesses of the issuers, and the evidence that ESG factors truly influence their portfolio selection decisions. Among other elements considered in the overall evaluation of the portfolio managers and their responsible investment practices are the use of stewardship activities such as proxy voting and dialogues. These are used as levers of improvement in corporate social responsibility. We monitor and review the portfolio managers and portfolio sub-advisors' ESG integration (see section *Glossary* for more details about ESG integration) process as part of due diligence reviews. For more information, please consult NBI's Responsible Investment Policy available on our website nbinvestments.ca.

2. Stewardship activities

- Proxy voting

The portfolio manager and portfolio sub-advisor are mandated to exercise their voting rights in the best interests of their investors and in accordance with the fund's strategy and their internal proxy voting policies. National Bank Trust Inc. exercises its proxy votes in accordance with the Institutional Shareholder Services (ISS) Sustainability Proxy Voting Guidelines (see section *Proxy Voting Policies* for more details about the proxy voting policies).

- Engagement and dialogues

Along with NBI's internal engagement activities, we also encourage our external portfolio managers and portfolio sub-advisors to participate in dialogues with companies to improve their ESG practices, on an individual level or via collaborative initiatives and to report on these activities annually.

3. Funds related to sustainable development

Funds related to sustainable development are managed by portfolio sub-advisors that are aiming to align their portfolios with the UN Sustainable Development Goals. ("UNSDGs", see section *Glossary* for more details about the UNSDGs). By adopting the UNSDGs as a framework, the alignment of the portfolio can be made to one or multiple of the 17 UNSDGs. Portfolios aligned with the UNSDGs seek to contribute to a sustainable future and respond to global challenges, including poverty, inequality, climate, environmental degradation, prosperity, peace and justice.

4. Funds with no fundamental investment objectives related to ESG

For actively managed NBI Funds with no fundamental investment objectives related to ESG, the applicable NBI Fund's portfolio manager and portfolio sub-advisor have full discretion in determining whether and how relevant and material these ESG Criteria are to issuer evaluation, consistent with their investment objectives, investment strategies and investable universe.

A fund with no fundamental investment objectives related to ESG may use a responsible investment approach, this approach being one of many components of the investment strategies used to help achieve the fund's investment objective. The responsible investment approach and ESG factors are not part of the fund's investment objective and, therefore, are not the principal strategy of the fund.

5. Exclusions

We recognize that certain assets are likely to harm people and the planet. The portfolio managers and portfolio sub-advisors with whom we do business may sometimes impose restrictions on their investment decisions. For example, they may exclude investing in certain sectors or certain companies that are deemed harmful based on their proprietary criteria. These investment restrictions may apply to the fund's strategy level or at the firm level. We support the exclusions applied by the portfolio managers and the portfolio sub-advisors including, but not limited to, those based on national and international legislation, bans or treaties or norms.

The criteria mentioned above are not exhaustive. We can add or make changes to the responsible investment approach described above at our discretion in order to reflect NBI's changing positions on ESG and other related issues.

For more information, visit our website at nbinvestments.ca or consult the NBI Responsible Investment Policy also available on our website.

Fundamental changes

In accordance with Regulation 81-102 and to the extent permitted under the fund's declarations of trust, securityholders' approval may not be sought by the manager with respect to fundamental changes in the following circumstances:

(i) A fund undertakes a reorganization with, or transfers its assets to, another mutual fund to which Regulation 81-107 applies, which is managed by the manager of the NBI Fund or an affiliate of such manager, and the fund ceases to continue after the reorganization or transfer of assets and the transaction results in the securityholders of the mutual fund becoming securityholders in the other mutual fund;

(ii) a fund changes its auditor.

However, in each such circumstance, unitholders of that fund will receive written notice at least sixty (60) days before the effective date of any such change. The IRC of the fund must also approve the change, and all other applicable conditions under Regulation 81-102 must have been met.

Certificate of the Fund, the Manager and the Promoter

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

NBI International Equity Fund

(the "**Fund**")

June 8, 2023

National Bank Investments Inc., as manager, promoter of the Fund and on behalf of the trustee of the Fund

"Éric-Olivier Savoie"

Éric-Olivier Savoie
President and Chief Executive Officer

"Sébastien René"

Sébastien René
Chief Financial Officer

On behalf of the board of directors of **National Bank Investments Inc.**, as manager, promoter of the Fund and on behalf of the trustee of the Fund

"Joe Nakhle"

Joe Nakhle
Director

"The Giang Diep"

The Giang Diep
Director

Certificate of the Principal Distributor of the NBI Fund with NBI as Principal Distributor

To the best of our knowledge, information and belief, this simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all provinces and territories of Canada and do not contain any misrepresentations.

NBI International Equity Fund

(the “NBI Fund with NBI as Principal Distributor”)

June 8, 2023

National Bank Investments Inc., as principal distributor of the NBI Fund with NBI as Principal Distributor

“Éric-Olivier Savoie”

Éric-Olivier Savoie
President and Chief Executive Officer

Specific information about the NBI Fund described in this document

What is a mutual fund and what are the risks of investing in a mutual fund?

A mutual fund is a pool of money contributed to by many investors having similar investment objectives. The management of the investment is provided by experts acting as portfolio managers. The portfolio manager invests the assets according to the investment objective of the mutual fund. The portfolio that is built up may be invested in several different securities at the same time, enabling investors to diversify their investments in a manner they might not be able to achieve on their own.

What is a mutual fund and what are funds of funds?

A mutual fund is a pool of money contributed by people with similar investment objectives. People who contribute money become unitholders of the mutual fund.

Funds of funds are mutual funds that are designed to offer dynamic asset allocation and diversification by investing their assets in other mutual funds. These other mutual funds are referred to as underlying funds. Underlying funds may be trusts, corporations or classes of corporations.

A professional portfolio manager of a mutual fund uses the money contributed by investors to buy securities, which in the case of the funds of funds are securities of underlying funds and in the case of the underlying funds are generally stocks, bonds, cash or a combination of these, depending on the underlying fund's investment objective. The portfolio manager makes all the decisions about which securities to buy and when to buy and sell them. Mutual fund securityholders share the fund's income, expenses, and any gains and losses the fund makes on its investments in proportion to the securities they own. The value of an investment in a mutual fund is realized by securityholders when they redeem the securities held.

A mutual fund can be set up as a trust or as a corporation. Both allow you to pool your money with other investors, but there are some differences. When you buy a mutual fund, you purchase units if the mutual fund is a trust or shares if the mutual fund is a corporation. The price of a unit or a share is its net asset value ("NAV"). In mutual funds that have multiple series of units or shares such as the fund, the NAV per unit or per share is calculated by adding up all of the assets of the series, subtracting the liabilities allocated to that series, and dividing the balance by total number of units or shares outstanding for that series.

Mutual funds may issue different series of securities. Each series is intended for different kinds of investors and has different fees and expenses.

Risk-return trade-off

Risk and return are closely related. This means that to obtain a higher return, you may have to accept a higher level of risk. A higher-risk mutual fund is generally less stable and fluctuates more. The more a mutual fund's return fluctuates, the more risk is associated with the mutual fund. It is therefore important to understand what we mean by "fluctuation": within a given period of time, a security may fluctuate, that is, it may suffer losses and realize gains.

High-risk investments generally offer higher long-term returns than safer ones. Since they fluctuate more, high-risk investments may post more negative short-term returns, compared to lower-risk investments.

What are the advantages of investing in a mutual fund?

Professional management. Mutual funds allow you to take advantage of the knowledge and expertise of seasoned portfolio managers. They have access to the research and information required to make sound investment decisions.

Diversification. Most investors do not have enough money to properly diversify their portfolio. Diversification means that you invest in many different securities. With mutual funds, you can invest simultaneously in various securities. If the performance of one security is poor, it may be offset by the better performance of another.

Variety. You can choose from several types of mutual funds, ranging from income and equity funds to balanced and specialized funds. A wide variety of mutual funds are available to meet your investment objectives.

Liquidity. You may purchase or redeem securities quickly and easily.

Monitoring. When you invest in mutual funds, you'll receive regular statements, financial reports and tax slips. These records allow you to easily keep track of your investments.

What are the risks of investing in a mutual fund?

Your investment in any mutual fund is not guaranteed. Therefore, the greatest risk to you as an investor is that you could lose all or part of your investment. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. Furthermore, your investment in an NBI Fund is not guaranteed by National Bank of Canada, Natcan Trust Company, National Bank Trust Inc. or any other affiliated entity.

Mutual funds own different kinds of investments depending on their investment objectives. The value of investments in a mutual fund will fluctuate on a daily basis, reflecting changes in interest rates, economic conditions and markets as well as company news. Therefore, the value of a mutual fund's securities may go up and down. This means that the value of your investment in a mutual fund when you redeem it may be more or less than when you bought it. Also, under certain exceptional circumstances, you may not be able to redeem securities of a mutual fund. Please see *Right to refuse the redemption of fund securities*.

Some of the most usual risks that can affect the value of the securities of a mutual fund are described below.

See *What are the risks of investing in this fund?* in the part that applies to the fund in this Simplified Prospectus a list of the risks to which the fund is exposed.

Risks relating to concentration

If a mutual fund invests a large proportion of its assets in securities issued by one or a few issuers, it will have risk relating to concentration. Because its portfolio is not diversified, it could experience greater volatility and will be strongly affected by changes in the market value of these securities.

Canadian Securities Administrators have established guidelines and restrictions for investments by mutual funds. Among the restrictions is an investment limit of 10% of net assets in a single issuer.

Regulation 81-102 respecting Investment Funds ("Regulation 81-102") allows index mutual funds to invest more than 10% of their net asset value in the securities of a given issuer. However, mutual funds may be authorized to invest more than 10% of their net assets in the securities of a particular issuer if certain conditions are met.

Risks relating to currency

Whenever a mutual fund must buy its assets in a currency other than the currency in which it is offered, there are risks relating to exchange rates. As different currencies change in value in relation to each other, the value of the mutual fund securities purchased in those other currencies will fluctuate.

Some mutual funds determine the value of their securities in U.S. and/or Canadian dollars. These mutual funds may buy and sell assets in different currencies. The value of their securities determined in Canadian dollars and/or in U.S. dollars will fluctuate according to the value of the Canadian dollar and/or U.S. dollar, whichever applies, in relation to the various currencies.

Portfolio managers may use derivatives to reduce the risk of currency fluctuations. See *Risks relating to derivatives* for more information.

The Canada Revenue Agency requires that capital gains and losses be converted into Canadian dollars. As a result, when you redeem securities in U.S. dollars, you need to calculate gains or losses based on the Canadian dollar value of your securities when they were purchased and when they were sold.

In addition, although certain funds distribute their income in U.S. dollars, it must be converted into Canadian dollars for purposes of the *Income Tax Act* (Canada) ("Tax Act"). Consequently, all investment income will be converted into Canadian dollars for income tax purposes. For more information, you may want to consult your own tax advisor.

Risks relating to cybersecurity

With the increased use of technologies such as the internet to conduct business, the manager, the service providers and the mutual fund are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital computer systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cybersecurity breaches may also stem from cyber attacks carried out in a manner that does not require gaining unauthorized access to systems, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the mutual fund, the manager or the mutual fund's service providers (including, but not limited to, the portfolio manager or the portfolio sub-advisor, as the case may be, the registrar and transfer agent, the custodian and any sub-custodian) may cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the mutual fund's ability to calculate its net asset value, impediments to trading, the inability of Unitholders to transact business with the mutual fund and the inability of the mutual fund to process transactions including redeeming securities, violations of applicable privacy and other laws, regulatory fines or penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences resulting from cyber incidents could also affect the issuers of units in which the mutual fund invests and counterparties with which the mutual fund engages in transactions. In addition, substantial costs may be incurred to prevent any cyber incidents in the future.

While the manager and the NBI Fund have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, inherent limitations exist in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the manager and the NBI Fund cannot control the cyber security plans and systems of the NBI Fund's service providers, the issuers of units in which the NBI Fund invests or any other third parties whose operations may affect the NBI Fund or its unitholders. As a result, the NBI Fund and its unitholders could be negatively affected.

Risks relating to depositary receipts

Banks or other financial institutions, known as depositaries, issue depositary receipts that represent the value of securities issued by foreign companies. These receipts are better known as ADRs (American Depositary Receipts), GDRs (Global Depositary Receipts), or EDRs (European Depositary Receipts), according to the location of the depositary. Mutual funds invest in depositary receipts to obtain indirect ownership of foreign securities without trading on foreign markets. There is a risk that the value of the depositary receipts may be less than the value of the foreign securities. This difference can result from several factors: fees and expenses related to the depositary receipts; fluctuations in the exchange rate between the currency of the depositary receipts and the currency of the foreign securities; differences in taxes between the depositary receipts' and the foreign securities' jurisdictions; and the impact of the tax treaty, if any, between the depositary receipts' and the foreign securities' jurisdictions. Also, a mutual fund faces the risk that depositary receipts may be less liquid, that the holders of depositary receipts may have fewer legal rights than if they held the foreign securities directly, and that the depositary may change the terms of a depositary receipt, including terminating the depositary receipt, in such a way that a mutual fund would be forced to sell at an inopportune time.

Risks relating to derivatives

What are derivatives?

Derivatives are investment instruments generally seen in the form of a security or an asset. Usually, derivatives grant the right or require the holder to buy or sell a specific asset during a certain period of time for an agreed-upon price. There are several types of derivatives, each based on an underlying asset sold in a market or on a market index. A stock option is a derivative in which the underlying asset is the security of a major corporation. There are also derivatives based on currencies, commodities and market indexes.

How does the fund use derivatives?

The NBI Fund may acquire and use derivatives that comply with its investment objectives and the guidelines set out by the Canadian Securities Administrators on the use of derivatives by mutual funds. Portfolio managers may use derivatives to offset or reduce a risk associated with investments in the mutual fund. Portfolio managers seek to improve the portfolio's rate of return by using derivatives and accepting a lower, more predictable rate of return through hedging transactions, rather than a higher but less predictable potential rate of return. This is called hedging.

Derivatives may not be used for speculation or for the creation of portfolios with excess leverage.

Portfolio managers use derivatives to reduce the risk of currency fluctuations, stock market volatility and interest rate fluctuations. However, there is no guarantee that using derivatives will prevent losses if the value of the underlying investments falls. In some cases, portfolio managers may use derivatives instead of direct investments. This reduces transaction costs and can improve liquidity, increase the flexibility of a portfolio, all the while increasing the speed with which a mutual fund can change such portfolio.

Portfolio managers may also use derivatives for non-hedging purposes, or what is also called "effective exposure". This strategy makes it possible to gain exposure to a security, region or sector, to decrease transaction costs or to provide increased liquidity. In accordance with this concept, derivatives, such as futures contracts, forward contracts, options and swaps, are used instead of the underlying asset. Definitions for such derivative types follow:

Forward contracts: A customized contract between two parties to buy or sell an asset at a specified price on a future date. Unlike futures contracts, a forward contract can be customized to any commodity, amount and delivery date. A forward contract settlement can occur on a cash or delivery basis. Forward contracts do not trade on a centralized exchange and are therefore regarded as over-the-counter (OTC) instruments.

Futures contracts: A contract, generally traded on a centralized exchange, to buy or sell a particular financial instrument at a pre-determined price in the future. Futures contracts detail the quality and quantity of the underlying asset; they are standardized to facilitate trading on a futures exchange. Futures contracts settlement can occur on a cash or delivery basis.

Options: Options are exchange-traded or private contracts involving the right – but not the obligation – of a holder to sell (put) or buy (call) certain assets (such as a security or currency) from another party at a set price and at a set time. A premium, which is a cash payment, is normally paid between parties in order to exchange the option.

Swaps: A swap is a private contract between two or more parties used to exchange periodic payments in the future based on a formula that the parties have agreed upon. Swaps are generally equivalent to a series of forward contracts packaged together. They are not traded on organized exchanges and are not subject to standardized terms and conditions.

Derivatives can help mutual funds increase the speed and flexibility with which they trade, but there is no guarantee that using derivatives will result in positive returns. Mutual funds that use derivatives also face a credit risk. The NBI Fund faces this risk when they use derivatives.

What are the risks relating to derivatives?

The following are examples of risks relating to the use of derivatives:

- The use of derivatives to reduce risk associated with foreign markets, currencies or specific stocks, called hedging, is not always effective. There may be an imperfect correlation between changes in the market value of the investment being hedged and the hedging derivative. Furthermore, any past correlation may not be maintained during the hedging period.
- There is no assurance that portfolio managers will be able to sell the derivatives to protect a portfolio. It may not always be possible to close out a derivative position quickly or easily. An over-the-counter market may not exist or may not be liquid. Derivatives traded on foreign markets may be less liquid and take longer to close out and therefore have more risk than derivatives traded on North American markets.
- Speculation in the derivative by investors can affect the price upwards or downwards.

- The change in price of the derivative may be more significant than the change in price of the underlying asset.
- A halt or interruption affecting the trading of a large number of stocks or bonds in an index may affect the derivatives (more specifically the standardized futures contracts and options) that are based on the underlying asset.
- There may be a credit risk associated with those who trade in derivatives. The mutual fund may not be able to complete settlement because the other party cannot honour the terms of the contract.
- There may be credit risk related to the other party to the contract, such as dealers who trade in derivatives. Indeed, if such party went bankrupt, it would lead the mutual fund to lose any deposits made as part of the contract.
- A securities exchange could impose daily limits on trading of derivatives, making it difficult to complete an option, forward or futures contract. Such trading limits can also be imposed by government authorities.
- If the mutual fund is unable to close out its position on options and futures contracts, this can affect its ability to hedge against losses or implement its investment strategy.
- When a price change is expected by the market, it may not be possible to buy or sell the derivative at the desired price.
- If trading in stock index options or futures contracts is restricted by a stock exchange, the mutual fund could experience substantial losses.
- Should a mutual fund be required to give a security interest in order to enter into a derivative transaction, such security interest may be enforced by the other party against the mutual fund's assets.
- Currency hedging does not result in the impact of the currency fluctuations being eliminated altogether.
- Hedging may be expensive.
- Regulation with respect to derivatives is subject to modification which may make it more difficult, or even impossible, for a mutual fund to use certain derivatives.

Risks relating to emerging market investments

Mutual funds that invest in emerging or developing markets are subject to the same risks as noted under *Risks relating to foreign investments*. However, these risks may be greater in emerging markets than in foreign markets due, among other things, to greater market volatility, smaller trading volumes, higher risk of political and economic instability, greater risk of market closure and more government-imposed restrictions on foreign investment compared to the restrictions imposed in developed markets. The fluctuation of prices can therefore be more pronounced than in developed countries, and it may be more difficult to sell securities.

Risks relating to equity securities

The net asset value of mutual fund securities will increase or decrease with the market value of the securities in the mutual fund portfolio. If a mutual fund holds stocks, the value of its securities will fluctuate with the market value of the stocks it holds. The market value of a stock will fluctuate according to the performance of the company that issued the stock, economic conditions, interest rates, stock market tendencies and other factors.

Certain funds may invest in shares issued by way of an initial public offering ("IPO shares"). The market value of IPO shares may be subject to greater fluctuations due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer. The purchase of IPO shares may involve high transaction costs. IPO shares are subject to liquidity risk.

Common shares are the most frequent type of equity securities. However, equity securities also include preferred shares, securities convertible into common shares and warrants.

A company may distribute part of its income to shareholders in the form of dividends, but is not obliged to do so. In the event that an issuer experiences financial difficulties, its equity securities may decline in value, especially due to the reduced likelihood that its board of directors will declare a dividend.

Historically, equity securities are more volatile than fixed-income securities. Securities of small-market-capitalization companies can be more volatile than securities of large-market-capitalization companies.

Risk relating to ESG integration strategy

Each portfolio manager or sub-advisor uses its own ESG integration process with its own methods to integrate material ESG factors into their investment analysis and decision making, with different sources and types of ESG information. Furthermore, ESG data is known to vary widely and risks being incomplete, outdated, estimated, or modeled, and/or subjectively interpreted, which may impact the portfolio manager or portfolio sub-advisor's ESG assessment. Therefore, the fund or underlying funds may invest in issuers that do not align with convictions and assessments of any given investor. In addition, integrating ESG factors in an investment strategy does not eliminate exposure to issuers that may be perceived as having negative ESG characteristics.

Risks relating to exchange-traded funds

Some mutual funds may invest some or all of their assets in other funds that are traded on a North American stock exchange ("exchange-traded funds"). Generally, mutual funds may only invest in exchange-traded funds that issue index participation units, which means that the only purpose of the exchange-traded fund is to hold the securities that are included in a specified widely quoted market index in substantially the same proportions as the index or to invest in a manner so as to replicate the performance of the index. As such, exchange-traded funds seek to provide returns similar to the performance of a particular market index or industry sector. Exchange-traded funds may not achieve the same return as their benchmark index due to differences in the actual weighting of securities held in the exchange-traded fund versus the weighting in the relevant index and due to operating and management expenses of the exchange-traded funds.

The fund obtained exemptive relief from the Canadian Securities Administrators to allow it to invest in certain exchange-traded funds, the securities of which are not index participation units. These exchange-traded funds seek to provide returns similar to a benchmark market index or industry sector. However, unlike typical exchange-traded funds, some of these exchange-traded funds utilize leverage in an attempt to magnify returns by either a multiple or an inverse multiple of the particular benchmark. Although investment in these exchange-traded funds creates the possibility for greater gains, the investment techniques utilized may also result in magnified losses during adverse market conditions, as well as the potential for increased volatility.

Risks relating to foreign investments

Mutual funds that invest in foreign countries may face increased risk because the standards of accounting, auditing and financial reporting in these countries are not as stringent as in Canada and the U.S. These countries may be less regulated and portfolio managers may get less complete information on the securities they buy.

A change of government or a change in the economy can affect foreign markets. Foreign governments may enter into economic, swap or currency agreements. The fund may be adversely affected by a country's withdrawal from or addition to such an agreement. Governments may impose exchange controls or devalue currencies. This would restrict the ability of a portfolio manager to withdraw investments. Some foreign stock markets are less liquid and more volatile than the North American markets. If a market has lower trading volumes, it can restrict the portfolio manager's ability to buy or sell securities. This increases the risk for mutual funds that invest mainly or exclusively in securities listed on foreign markets.

Risks relating to fund on fund investments

When a mutual fund (a "top fund") invests some or all of its assets in securities of another mutual fund (an "underlying fund"), the underlying fund may have to dispose of its investments at unfavourable prices to meet the redemption requests by the top fund. This could have a harmful effect on the performance of the underlying fund that meets a large redemption. Furthermore, the performance of the top fund is directly linked to the performance of the underlying fund and is therefore subject to the risks of the underlying fund in proportion to the amount of its investment in the underlying fund.

Risks relating to large investments

If the fund experiences a "loss restriction event", (i) the fund will be deemed to have a year-end for tax purposes (which could result in the fund being subject to tax unless it distributes its income and capital gains prior to such year-end), and (ii) the fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, the fund will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of a fund will be a beneficiary whose interest, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the fund. Generally, a person is deemed not to become a majority-interest beneficiary, and a group of persons is deemed not to become a majority-interest group of beneficiaries, of a fund if the fund meets certain investment requirements and qualifies as an "investment fund" under the rules.

Risks relating to large redemptions

A mutual fund may have one or more investors who hold a significant amount of securities of the mutual fund. For example, financial institutions or another mutual fund may make significant principal investments in a mutual fund or buy or sell significant numbers of securities of a mutual fund to hedge their obligations relating to guaranteed investment products whose performance is linked to the performance of one or several mutual funds. In addition, several services offered may give rise to large flows into or out of a mutual fund as units are bought and sold. Lastly, retail investors may also own a significant number of securities of a mutual fund.

If an investor or group of investors in a mutual fund make a large transaction, the mutual fund's cash flow may be affected. For example, if an investor or group of investors request the redemption of a large number of units of a mutual fund, the mutual fund may be forced to sell securities at unfavourable prices to pay for the redemption. Such an unexpected sale may have a negative impact on the value of the mutual fund.

Please see under *Additional information — Conflicts of Interest* for a description of considerations relating to certain large holders in particular.

Risks relating to legal, tax and regulatory matters

Changes to laws, regulations or administrative practices could adversely affect the mutual funds and the issuers of securities in which the fund invests.

Risks relating to liquidity

Liquidity refers to the speed and ease with which an asset may be sold and converted into cash. Most of the securities held by a mutual fund may be sold easily at a fair price and thus represent investments which are relatively liquid. However, a mutual fund may invest in securities which are not liquid, i.e., which may not be sold quickly or easily. Some securities may not be liquid because of legal restrictions, the nature of the investment or certain characteristics of the security. The lack of purchasers interested in a given security or market could also explain why a security may be less liquid. The difficulty of selling illiquid securities may result in a loss or a reduced return for a mutual fund.

A mutual fund may invest a limited amount of its portfolio in illiquid assets in accordance with its investment objectives and regulatory requirements. Illiquid assets may be purchased in the public marketplace or may be purchased privately. The valuation of illiquid assets that have not had recent trading activity or for which market quotations are not publicly available has inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. The fair value process has an inherent degree of subjectivity and, to the extent that these valuations are inaccurate, investors in a mutual fund that invest in illiquid assets may gain a benefit or suffer a loss when they purchase or redeem securities of the mutual fund.

Risks relating to market disruptions

The market value of a mutual fund's investments may fluctuate depending on corporate-specific events, general market conditions (including the economic conditions of the countries in which the investments are made) or other factors. Political, regulatory, economic and other events or disruptions that affect global markets, including war and any resulting occupation, foreign invasion, armed conflict, terrorism and related geopolitical risks, market manipulations, natural and environmental catastrophes, climate change and public health emergencies (such as outbreaks of infectious diseases, epidemics and pandemics) may cause markets to be more volatile in the short term, lead to unusual concern as to liquidity, and have long-term adverse effects on global economies and markets in general, including in Canada, the United States and other countries. The repercussions of these or other similar events on the economies and markets of various countries cannot be anticipated. These events could also have a significant impact on individual issuers or related groups of issuers. These risks may also adversely affect securities markets, fixed-income markets, inflation and other factors relating to mutual fund securities.

Risks relating to reliance on the manager, portfolio manager and portfolio sub-advisor

Unitholders will be dependent on the ability of the manager to effectively manage the mutual fund in a manner consistent with the investment objective, strategies and restrictions of the mutual fund. There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the mutual fund will continue to be employed by the manager, the portfolio manager or the portfolio sub-advisor.

Some mutual funds are actively managed, which means they are dependent on the portfolio manager or the portfolio sub-advisor to select individual securities or other investments and, therefore, are subject to the risk that poor security selection or market allocation will cause the mutual funds to underperform relative to their benchmark index or to other mutual funds with similar investment objectives.

Risks relating to repurchase agreements and reverse repurchase agreements

Repurchase agreements enable the portfolio manager to sell securities in the mutual fund portfolio to a purchaser for cash at one price, with an agreement to buy an identical quantity of the same securities back at a later date for a higher price. These securities are sold to obtain liquidity for the mutual fund. Such a transaction does not normally exceed 30 days. To protect the interests of a mutual fund in a repurchase transaction, the mutual fund will receive, as collateral for the securities sold, a cash consideration equal to 102% of the market value of the securities sold. It should be mentioned that if the value of the securities sold increases, the purchaser would be required to pay an additional amount of money to maintain the collateral at 102% of the market value of the securities sold at all times.

The risk for the mutual fund associated with a repurchase agreement is mainly the purchaser's inability to pay the necessary consideration to maintain the collateral at 102%. If the purchaser is unable to deliver the securities sold by the end of the agreed upon period for the repurchase transaction and the market value of the securities sold increases during this same period, the collateral will no longer be adequate to buy back these same securities on the market. The portfolio manager will then have to use the money in the mutual fund to repurchase the securities and will sustain a loss. The market value of the securities forming part of a repurchase transaction by a mutual fund may not exceed 50% of its net asset value, excluding the value of the collateral.

Reverse repurchase agreements enable the portfolio manager to buy securities for a mutual fund from a seller at one price with an agreement to sell an identical quantity of the same securities back at a higher price at a later date. Such a transaction does not normally exceed 30 days. To protect the interests of a mutual fund in a reverse repurchase agreement, the bought securities must have a market value equal to at least 102% of the amount paid by the mutual fund to purchase them.

The risk for the mutual fund associated with a reverse repurchase agreement is mainly the inability of the seller to maintain the collateral at 102% of the cash consideration paid for the securities. The mutual fund could sustain a loss if the seller is unable to buy back the securities sold at the end of the agreed upon period for the reverse repurchase transaction and the market value of the securities sold decreases during this same period. The amount obtained by selling securities forming part of a reverse repurchase transaction will be less than the cash consideration given by the mutual fund in exchange for the securities, resulting in a loss for the mutual fund.

The risks described above can be minimized by selecting parties with solid credentials, which have undergone a stringent credit evaluation.

Risks relating to securities lending transactions

The portfolio manager may, for a fixed period of time, lend securities of its portfolio in exchange for collateral. This collateral may be in cash, qualified securities or securities that may be immediately converted into the same securities that have been loaned. To limit the risks, the value of the assets given as collateral and held by the fund must at all times be equal to at least 102% of the market value of the loaned securities.

The risk associated with a securities lending transaction is mainly the borrower's inability to pay the necessary consideration to maintain the collateral at 102%. The fund could sustain a loss if the borrower is unable to return the loaned securities by the end of the agreed upon period and the market value of the securities loaned increases before the fund buys back the securities. In this case, the collateral will no longer be sufficient to purchase the same securities on the market. Consequently, the portfolio manager will have to use the money in the fund to buy back the securities and will sustain a loss. The market value of the securities forming part of a securities lending transaction by the fund may not exceed 50% of its net asset value, excluding the value of the collateral.

This risk can be minimized by selecting borrowing parties with solid credentials, which have undergone a stringent credit evaluation.

The securities lent out may not always be recalled in advance of a shareholder vote. In such case, the portfolio manager and/or the portfolio sub-advisor of the fund may be limited in its capacity to advance its priorities disclosed in its proxy voting policy, including its ESG priorities, as it may not be able to cast its proxy voting rights during a shareholder vote. Notwithstanding the foregoing, the fund has the option to recall any securities lent out on demand. For more information, see the sections entitled *Securities Lending*, *Repurchase and Reverse Repurchase Transactions* and *Proxy Voting Policies.*

Risks relating to series

The NBI Fund is offered in more than one series, some of which may be offered by way of private placement. Each series has its own fees, which are monitored separately. However, if a series is not able to meet its financial obligations, the other series in that fund will be required to make up any deficiency since the fund as a whole is liable for the financial obligations of all the series.

See *Purchases, switches, conversions and redemptions of securities* and *Fees* for more information on each series and the fees associated with each one. See the *Fund details* section of the fund to find out which series are offered by the fund.

Investment Restrictions

Exceptions Regarding Investment Restrictions and Regular Practices

Standing Instructions by the Independent Review Committee

- Under *Regulation 81-107 – Independent Review Committee for Investment Funds* ("Regulation 81-107"), we established an independent review committee (the "IRC"). The IRC complies with applicable securities legislation, including Regulation 81-107. For more information about the IRC, please see the section entitled "Independent Review Committee".

- Subject to obtaining the approval of the IRC and compliance with the conditions set out in Regulation 81-102 and Regulation 81-107, Canadian securities legislation allows the standard practices and investment restrictions to be modified. In accordance with the requirements of Regulation 81-102 and Regulation 81-107, the IRC has provided its approval of the following actions in respect of the fund:

a) Purchasing or holding securities of a related issuer, including those of National Bank of Canada;

b) Investing in the securities of an issuer where a related entity acts as an underwriter during the offering of the securities or at any time during the 60-day period following the completion of the offering of such securities;

c) Purchasing securities from or selling securities to another investment fund or a managed account that is managed by the manager or an affiliate of the manager;

d) Purchasing debt securities from, or selling debt securities to, related dealers that are principal dealers in the Canadian debt securities market (in accordance with the exemption regarding debt securities described herein).

The manager has implemented policies and procedures to ensure that the conditions applicable to each of the transactions noted above are met. The IRC has granted its approval in respect of such transactions in the form of standing instructions. The IRC reviews these related party transactions at least annually.

Description of Units Offered by the Fund

The Fund

The fund may issue an unlimited number of units. The fund can issue units in more than one series. The units of a series belonging to the same fund carry equal rights and privileges. All units of a particular series have the right to participate equally in the distributions the fund makes (except in regard to management fee distributions). When the fund is liquidated, all units of a particular series have the right to participate equally in the assets remaining in the fund after payment of any liabilities.

Unitholders of each series are entitled to one vote per whole unit at a meeting of unitholders of the particular series. Fractions of units may be issued and they carry the same rights and privileges and are subject to the same restrictions and conditions applicable to whole units, but do not carry any voting rights.

These rights may only be changed as permitted by applicable law and the fund's declaration of trust.

Voting

An NBI Fund holding securities of an underlying mutual fund can exercise the voting rights associated with those securities. However, we may, if necessary, cause the voting rights attached to the securities of the underlying mutual fund to be flowed through to the unitholders of the relevant NBI Fund in proportion to the unitholders' holdings in this fund. The fund will not exercise the voting rights attached to the securities of underlying mutual funds that are managed by the manager, an affiliate or a related party.

Investor Meetings

The fund does not hold regular meetings. In accordance with securities regulations, we are required to convene a meeting of unitholders to ask them to consider and approve, by not less than a majority of the votes cast at the meeting (either in person or by proxy), any of the following material changes, if they are ever proposed for the fund:

- a change in the basis of the calculation of the fees or expenses charged to the fund or directly to unitholders by the fund or its manager in connection with the holding of securities of the fund in a way that may result in an increase in these charges to the fund or its unitholders, unless certain conditions under Regulation 81-102 are met;

- the introduction of new fees or expenses charged to the fund or which must be charged directly to unitholders by the fund or its manager in connection with the holding of securities of the fund and which may result in an increase in charges to the fund or securityholders, unless certain conditions under Regulation 81-102 are met;

- a change in the fund's manager, unless the new manager is affiliated with the current manager;

- a change in the fundamental investment objectives of the fund;

- a reorganization with another fund or transfer of assets to another mutual fund, if, as a result:

  - the fund no longer exists; and
  - the unitholders become unitholders of the other fund;

  (unless the IRC of the fund has approved the change and all other conditions set forth under Regulation 81-102 have been met, in which case unitholder approval will not be required, but a written notice will be sent to you at least 60 days before the effective date of the merger or transfer of assets);

- a reorganization with another fund or acquisition of assets of this other mutual fund, if, as a result:

  - the fund continues to exist;
  - the unitholders of the other fund become unitholders of the fund; and
  - the change would be considered material by a reasonable investor in determining whether to purchase or continue to hold units of the fund;

- a reduction in the frequency that we calculate the net asset value of the fund's units;

- the fund restructures into a non-redeemable investment fund or an issuer that is not an investment fund;
- any other matter which is required to be submitted to a vote of the unitholders by the Fund's constating documents, or any other document, or by applicable law.

If permitted by the fund's constating documents and the laws applicable to the fund, unitholder approval will not be sought in the following circumstances: (i) prior to certain reorganizations that result in a transfer of the property of the fund to another mutual fund, or from another mutual fund to the fund; or (ii) prior to a change of auditors. However, in each such circumstance, unitholders of that fund will receive written notice at least sixty (60) days before the effective date of any such change. The IRC of the fund must also approve the change, and all other applicable conditions under Regulation 81-102 must have been met.

We will have to obtain the approval of *Advisor* and *H Series* unitholders for the following changes: (i) a change in the way of calculating the fees and expenses charged to the fund which has the effect of increasing the charges for the series or the unitholders of the series; or (ii) the introduction of fees or expenses to be charged to the fund or directly to its unitholders which has the effect of increasing the charges for the series or the unitholders of the series, unless the fees or expenses are charged by an entity at arm's length from the fund. If the fees or expenses are charged by such an entity, we will not seek the approval of the unitholders of the *Advisor* and *H Series*, but will send them a notice of the change in writing at least sixty (60) days before the effective date of the change.

For all other series, we may change the basis of calculation of the fees or expenses or introduce new fees or expenses in a way that may result in an increase in the charges for these series by giving a notice of the change in writing at least 60 days before the effective date of the change.

Description of Series

The NBI Fund is offered in one or more series. Please see the section called "Fund details" relating to the fund or the cover page of the Simplified Prospectus to determine which series are offered for the fund. Please see the section called "Distribution policy" relating to the fund for more information about the distribution rights.

The series are described hereinafter:

Advisor and H Series	This series is offered under the initial sales charge option. You pay an initial sales charge which you negotiate with your dealer when you purchase the fund's units. There are no fees when you purchase units through National Bank Investments Inc. or National Bank Direct Brokerage (a division of National Bank Financial Inc.). *H Series* units have the same attributes as *Advisor Series* units, except that they strive to reflect the fund's return after substantially all the exposure to currency fluctuations has been hedged. *H Series* units are intended for investors looking to obtain exposure to foreign markets while minimizing the impact of foreign currency fluctuations against the Canadian dollar. *H* and *FH Series* units are referred to as "hedged series" and units of the other series are referred to as "unhedged series". If the Manager notes that an investor no longer meets the criteria established for holding the *Advisor* and *H* Series units, the Manager may redeem the investor's *Advisor* Series units or redesignate the investor's *Advisor* Series units into units of another series. The Manager will give the investor 30-days notice before proceeding, unless that change is required in order to comply with regulatory requirements. The Manager will not proceed with the resignation or redemption if the investor informs the Manager, within the notice period, that the investor once again meets the criteria for holding *Advisor* Series units or, in the case to comply with regulatory requirements, the redesignation or redemption will be immediate without prior notice.
F and FH Series	This series is offered to investors with a fee-based account with dealers who have entered into an agreement with us. These investors pay their dealer annual compensation based on asset value instead of commissions on each trade. This series is also offered to certain other groups of investors for whom we do not incur significant distribution expenses and to independent investors who have accounts with discount brokers that have an arrangement with us or any other broker or investors NBI may determine, at its discretion. This series was created for

	investors taking part in programs where they were already being charged a fee for services and which did not require us to incur distribution expenses. We can reduce our management fee since our distribution expenses are lower and investors who buy the units of this series have, among other things, already entered into an agreement to pay fees directly to their dealer. Your dealer is responsible for deciding whether you are eligible to subscribe for and continue to hold *F and FH Series* units. If you or your dealer is no longer eligible to hold the units of this series, we can convert them to *Advisor and H Series* units of the same Fund (depending on the initial sales charge option) upon 30 days' notice or redeem them. *FH Series* units have the same attributes as *F Series* units, except that they strive to reflect the fund's return after substantially all the exposure to currency fluctuations has been hedged. *FH Series* units are intended for investors looking to obtain exposure to foreign markets while minimizing the impact of foreign currency fluctuations against the Canadian dollar. *FH Series* units are referred to as "hedged series" and units of the other series are referred to as "unhedged series".
O Series	This series is only available to selected investors that have been approved by us and have entered into an *O Series* units account agreement with National Bank Investments Inc. The criteria for approval may include the size of the investment, the expected level of account activity and the investor's total investments with us. No management fees are charged to the Fund with respect to the *O Series* units. Management fees are negotiated with and paid directly by investors and are in addition to the fixed-rate administration fee. We don't pay any commissions or service fees to dealers who sell *O Series* units. There are no sales charges payable by investors who purchase *O Series* units.

Your choice of series will have an impact on the fees you pay and the compensation your dealer receives. Please see *Fees* and *Dealer compensation* sections for more information. Expenses of each series are tracked separately and a separate net asset value per unit is calculated for each series of the fund. Although the money you and other investors pay to purchase units of any series is tracked on a series by series basis in the fund's records, the assets of all series of the fund are combined into a single pool to create one portfolio for investment purposes.

When the Fund was formed and other major events

The fund was created under a declaration of trust pursuant to the laws of the Province of Ontario. The following table shows the date the fund was established and any material changes relating to the fund in the last ten years. The head office of National Bank Investments Inc. is located at 1155 Metcalfe St., 5th Floor, Montréal, Quebec, H3B 4S9.

Name of Fund	***Date Established***	***Former Name(s) (where applicable)***	***Changes (where applicable)***
NBI International Equity Fund	June 8, 2023		

How to read the fund descriptions

Here is a guide to help you read the detailed description of the NBI Fund.

Fund details

This section gives you an overview of the fund, and includes the following information:

- type of fund
- type of units the fund offers you
- whether securities are qualified investments under the Tax Act for registered plans
- annual management fees
- portfolio manager and portfolio sub-advisor (if applicable).

Additional information may be included depending on the fund.

What does this fund invest in?

Investment objective

This section outlines the investment objective of the fund. This will allow you to choose the fund that best matches your personal financial objectives.

Investment strategies

This section outlines the strategies we use to achieve the fund's investment objective. For example, we may invest in foreign companies or derivatives to achieve the fund's objective. If we do, we inform you in this section.

What are the risks of investing in this fund?

There are certain risks associated with investing in mutual funds. The degree of risk varies depending on the type of fund. This section lists the risks specific to the fund.

Investment risk classification methodology

To help you determine if the fund is suitable for you, the fund manager classifies the risk of investing in the fund in one or the other of the following categories: low, low to medium, medium, medium to high or high. The risk level of investing in the fund is reviewed at least once a year and each time a material change is made to the fund's investment objective and/or strategies.

The methodology used to determine the risk ratings of the fund for purposes of disclosure in this prospectus is the one provided in the regulations adopted by the Canadian Securities Administrators.

The purpose of the adoption of a standardized mutual fund risk classification method applicable to all mutual funds is to improve the transparency and consistency of risk levels so that investors can more easily compare the investment risk levels of the various mutual funds. This new standardized method is useful to investors, as it provides a consistent and comparable basis for measuring the risk levels of the different mutual funds.

The methodology consists in grading the risk associated with a fund on the five-category scale mentioned above based on the historical volatility of that mutual fund's performance, as measured by the standard deviation of the mutual fund's performance over a 10-year period. A mutual fund's standard deviation is calculated by determining the differential between a mutual fund's yield and its average yield over a given timeframe. A mutual fund with a high standard deviation is usually classified as being risky.

If the historical performance falls short of the 10-year period required by regulation to calculate the standard deviation of the fund, the Manager will substitute the data of a recognized reference index to make up for the fund's missing historical performance. The reference index retained by the Manager must be a recognized index, and have a composition similar to that of the fund's investment portfolio with performances that positively correlate with or bear a resemblance to those of the fund.

You may obtain a copy of the methodology used by the fund manager by calling the toll-free number 1 888 270-3941 or by emailing us at investments@bnc.ca.

Distribution policy

This section outlines how frequently the fund distributes its net income and net realized capital gains. The fund may also make distributions at other times during the year at the discretion of the manager.

Distributions from certain series may include a return of capital component. A return of capital reduces the value of your original investment and is not the same as the return on your investment. Returns of capital that are not reinvested may reduce the net asset value of the fund and the fund's subsequent ability to generate income.

All distributions payable to investors will be invested in additional units of the same fund, unless you ask to be paid in cash, in which case a minimum amount of $25 may be required. However, no distribution may be paid in cash if you hold your units in a registered tax plan. Any special year-end distribution must be re-invested in additional units of the fund.

NBI International Equity Fund

Fund details

Type of fund	International equity
Type of securities this fund offers you	*Advisor, F* (also offered in U.S. dollars), *FH, H and O Series* mutual fund trust units.
Eligibility for registered plans	The units are qualified investments for registered plans, except for units in U.S. dollars, which are not offered in connection with registered education savings plans.
Management fees	*Advisor Series:* 1.75%
	F Series: 0.75%
	FH Series: 0.75%
	H Series: 1,75%
Portfolio manager	National Bank Trust Inc.
Portfolio sub-advisor	PineStone Asset Management Inc.

What does this fund invest in?

Investment objective

The NBI International Equity Fund's investment objective is to provide long-term capital growth. The fund invests, directly or indirectly through investments in securities of other mutual funds, in a portfolio comprised primarily of common shares of companies located outside of North America selected using a high conviction investment approach.

Any change to this objective must be approved by a majority of votes cast at a meeting of the unitholders of the fund specifically held for that purpose.

Investment strategies

In order to achieve its investment objective, the NBI International Equity Fund invests in a geographically diversified portfolio consisting primarily of common shares of medium and large capitalization companies located outside of North America.

The fund may also invest in:

- common and preferred shares of U.S. companies
- preferred shares of companies located outside North America
- American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs).

In choosing securities for the portfolio of this fund, the portfolio sub-advisor conducts a macroeconomic analysis to determine which geographic regions and sectors of the economy will produce good returns. The portfolio sub-advisor seeks undervalued shares in every sector, and also considers the quality and liquidity of the securities. The portfolio sub-advisor relies on its convictions in selecting portfolio securities. In applying this high conviction investment approach, the sector and geographic allocation and weighting of each security present in the portfolio are based on the convictions of the portfolio sub-advisor, without regard to the content of the reference indices for the type of fund.

The portfolio sub-advisor may choose to invest up to 100% of the net assets of the fund in securities of underlying funds managed by the manager or by third parties, including exchange-traded funds. The criteria used for selecting underlying fund securities are the same as the criteria used for selecting other types of securities.The portfolio sub-advisor has the discretion to select underlying funds, allocate assets among them, change the percentage of holdings held in an underlying fund, remove an underlying fund or add others.When selecting an underlying fund in which to invest, the portfolio sub-advisor will consider the degree of exposure to the asset class that the underlying fund will provide to the fund, the performance of the underlying fund, and the expenses (if any) payable by the fund which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the fund and any underlying fund.

The portfolio sub-advisor dedicates a material portion of its fundamental research to evaluating corporate governance. The portfolio sub-advisor carefully evaluates the quality of management teams and company's board of directors. They seek to identify highly engaged and knowledgeable individuals whose incentives align with long-term public shareholders. The portfolio sub-advisor's process integrates the concept of corporate red flags, covering most governance issues in the fundamental research phase. The corporate red flags include but are not limited to excessive indulgence by management and board, non-independent chairmanship, tax matters, multi-voting stock structure, board independence, and potential conflicts of interest between management or controlling shareholders and public shareholders.

In addition to governance, the portfolio sub-advisor assesses a company's sustainability in accordance with industry specific factors. To achieve this, the portfolio sub-advisor employs an internal materiality framework to systematically identify, measure, and document how companies perform from a sustainability standpoint. The framework employs qualitative and quantitative components to render a holistic view of a company's management of the risks associated with each stakeholder group.The fund may use a responsible investment approach, as described above, this approach being one of many components of the investment strategies used to help achieve the fund's investment objective. The responsible investment approach and ESG factors are not part of the fund's investment objective and, therefore, are not the principal strategy of the fund.

The fund may use derivatives consistent with its investment objective and in compliance with applicable legislation. Such derivatives may include options, futures, forward contracts, swaps and other similar instruments for hedging and non-hedging purposes. The fund may use such instruments to gain exposure to securities, indices or currencies without otherwise making a direct investment. Derivatives may also be used to manage the risks to which the investment portfolio is exposed.

The fund uses derivatives to hedge as much as possible the exposure of its investments denominated in foreign currencies that are attributed to H and FH Series units. While this strategy may not provide a perfect hedge for the foreign currency exposure of H and FH Series units, these units will generally have a rate of return based on the fund's portfolio investment return that excludes the return attributable to currency fluctuations against the Canadian dollar. Any change to the use of hedging strategies is subject to prior approval by the holders of H and FH Series units of the fund.

As a result of this strategy, we expect this fund to have a high turnover rate. The resulting trading costs are attributed to the H and FH Series units, which could lower their return.

See *Risks relating to derivatives* for a description of the risks associated with their use.

The fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the fund's other investment strategies in the most appropriate manner to allow the fund to meet its investment objective and improve its performance. See *Risks relating to repurchase agreements and reverse repurchase agreements* and *Risks relating to securities lending transactions* for a description of these transactions and the strategies to be used by the fund to reduce the risks related to these transactions.

In anticipation of or in response to adverse market conditions, for cash management purposes, for defensive purposes or for purposes of a merger or other transaction, the fund may temporarily hold all or a portion of its assets in cash, money market instruments or securities of affiliated money market funds. As a result, the fund may not be fully invested in accordance with its investment objective.

This fund may have a relatively high portfolio turnover rate, which means that the portfolio sub-advisor may buy and sell investments in the fund frequently. As buying and selling increases, the trading costs of the fund increase. You are also more likely to receive taxable income and/or capital gains during the year. A high portfolio turnover rate may affect the performance of the fund.

The fund has flexibility to invest across different sectors, asset classes and geographic regions. To ensure adequate diversification, the fund will be invested in a minimum number of sectors in most major regions of its benchmarks, the MSCI EAFE Index and the MSCI EAFE 100% Hedged to CAD Index. The fund may invest up to 25% of its assets in emerging market securities.

What are the risks of investing in this fund?

The risks of investing in this fund are:

- concentration
- currency
- cybersecurity
- depositary receipts
- derivatives
- equity securities
- emerging markets investment
- ESG integration strategy
- exchange-traded funds
- foreign investments
- fund on fund investments
- large investments
- large redemptions
- legal, tax and regulatory matters
- liquidity
- market disruption
- reliance on the manager, portfolio manager and portfolio sub-advisor
- repurchase and reverse repurchase agreements
- securities lending transactions
- series.

For more details on these risks, as well as the risks of investing in mutual funds, please see page 28.

Derivatives are used for H and FH Series units to hedge against currency risk; consequently, H and FH Series units will be exposed to greater derivatives risk than securities of the other series of the fund. H and FH Series units will be exposed to less currency risk than securities of the other series of the fund because they are hedged against such risk. However, the currency hedging strategy may not provide a perfect hedge for the foreign currency exposure of H, and FH Series units. During periods of high market tension or volatility, the fund may not be able to prevent losses on H and FH Series units resulting from exposure to the foreign currencies in which the fund's investments are denominated.

The fund's level of risk is medium. Because the fund has less than 10 years of performance history, to calculate the level of risk, the manager uses a reference index similar to the fund's strategy. The manager uses the MSCI EAFE Index and, for hedged series, the MSCI EAFE 100% Hedged to CAD Index, the performance of which is hedged to Canadian dollars, thereby minimizing currency risk between the U.S. dollar and the Canadian dollar. The MSCI EAFE Index and the MSCI EAFE 100% Hedged to CAD Index are indexes that may fluctuate according to the market capitalization of industrialized countries, excluding the United States and Canada. They are composed of indexes of 21 industrialized countries. For more information, see Investment risk classification methodology in the section Specific information about the NBI Fund described in this document.

Distribution policy

The fund distributes its net income and net realized capital gains for the year between December 14 and December 31 of each year. All distributions payable to investors will be reinvested in additional units of the same fund, unless you ask to be paid in cash, in which case a minimum amount of $25 may be required.

If you ask for your distributions to be paid in cash, the payment will be made through direct deposit to your bank account. Please refer to the *Description of Units Offered by the Fund* for more information on the units offered by the Fund.

Glossary

American Depositary Receipts (ADRs)
See Depositary Receipts.

Bonds
Debt securities issued by companies, governments and government agencies. The issuer of a bond promises to pay interest throughout the term of the bond on specific dates and to repay the principal at maturity.

Canadian Securities Administrators
Forum composed of the 13 securities regulators of Canada's provinces and territories.

Capital
The money or property used to carry out business transactions. For an investor, capital is the total amount invested in securities and other assets, plus cash.

Capital gain or capital loss
Profit or loss resulting from the sale of assets classified under the *Income Tax Act* (Canada) as capital assets. Capital assets include shares.

Commercial paper
Short-term debt security issued by a company. Commercial paper is usually not secured by a company's assets.

Common shares
Securities that represent ownership of a company. Owners of common shares usually have the right to vote in company affairs. When you own common shares, you expect to share in the profits of a company through dividend payments. You may also expect to profit by selling the common shares at a higher price. The words "share" and "stock" are often used interchangeably.

Debenture
A type of bond issued by companies and municipalities. A debenture is a promise to pay interest and repay the principal, but is not secured by any assets of the issuer.

Debt security
A security where the investor lends money to the issuer who promises to repay the principal plus interest. Debt securities include bonds, debentures, Treasury bills and commercial paper.

Depositary Receipts
A negotiable security issued by a depositary bank representing a specified number of shares of a foreign company that is listed on an exchange.

Depositary receipts issued by U.S. depositary banks are known as American Depositary Receipts (ADRs), are denominated in U.S. dollars and may be traded like regular shares. ADRs were specifically designed to facilitate the purchase, holding and sale of non-U.S. securities by U.S. investors.

Global depositary receipts (GDRs) are issued by international depositary banks. GDRs are commonly used by investors in developed markets to invest in companies from developing or emerging markets.

Derivative
An investment instrument whose value is based on an underlying asset, index or other investment.

Distribution
Payments made by a mutual fund to investors from interest or dividend income or from selling securities at a profit.

Dividend
The amount a company distributes from its profits to shareholders in proportion to the number of shares they hold. A preferred dividend is usually a fixed amount. A common dividend will fluctuate with the company's profits. A company has no legal obligation to pay dividends.

ESG
ESG refers to environmental, social, and governance factors related to an investment. They represent three major non-financial factors used to identify material risks and/or growth opportunities in various investments. The Environmental criterion evaluates any environmental risks/opportunities a company might face and how the company is managing them. It can concern various topics such as energy use, waste, pollution, contaminated land or treatment of animals. The Social criterion covers the business' relationships with clients, suppliers, employees, the community and any other relevant stakeholders. Employees' working conditions, donations programs or local presence in smaller community are examples of Social aspects evaluated by this criterion. Finally, the Governance section evaluates a company's corporate structure. Transparency, Board composition, executive compensation, ethical standards, conflict of interest management or political contributions can be various examples of this measure.

ESG Criteria
The ESG Criteria may include elements such as energy efficiency, greenhouse gas emissions, water management, waste management,

human capital, diversity and inclusion, health and safety, board composition, compensation and financial governance, among other issues.

ESG integration

The inclusion of ESG considerations within financial analysis and investment decisions. This may be done in various ways, tailored to the investment style and approach of the portfolio manager or the portfolio sub-advisor.

Forward contract

The purchase or sale of investment instruments with delivery and payment at a specified date in the future.

Futures

A futures contract is an agreement to buy or sell an investment instrument or commodity at a specified price at a specified date in the future. Futures contracts are traded on commodity exchanges, including the Montreal Exchange.

Global Depositary Receipts (GDRs)

See Depositary Receipts.

Hedging

An investment strategy used to offset or reduce risk due to future changes in price, interest rates and exchange rates.

Index

An index tracks the performance of a number of stocks or other securities and is used to measure the performance of the economy or different types of investments.

Market value

The amount that an asset would probably sell for in an open market.

Maturity

The date that a bond, debenture or loan is due and must be paid off.

Option

A security that gives the investor the right, but not the obligation, to buy or sell certain securities at a specified price within a specified time.

Preferred shares

Securities that represent ownership of a company. Owners of preferred shares receive a specified annual dividend. They also have the first claim to the common shares of the company if the company is liquidated.

Return

Income earned or capital gain made on an investment.

Security

An investment instrument offered by a company, government or other organization. Securities include common and preferred shares, debt securities and mutual fund units.

Senior

Senior loans hold the most senior position in the capital structure of a business entity, and are typically secured with specific collateral and have a claim on the assets and/or stock of the borrower that is senior to that held by subordinated debt holders and stockholders of the borrower.

Term

The time period to maturity for a bond.

Treasury bill

Debt securities issued by governments, usually for terms of three months to a year.

UNSDGs

In September 2015, all 193 Member States of the United Nations (or "UN") adopted a plan for achieving a better future for all and agreed to 17 global goals (officially knows as the Sustainable Development Goals, or SDGs) — laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet.

Volatility

The rate of change in the price of a security over a given time.

Notes

NBI Fund

National Bank Investments Inc.

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Additional information about NBI Fund is available in the financial statements, the Fund Facts and the annual and interim management reports of fund performance. These documents are incorporated herein by reference and are legally considered to be a part of this document just as if they were printed in it.

You can get a copy of the financial statements or the annual and interim management reports of fund performance at no cost from your dealer or by emailing us at investments@nbc.ca. You can also get copies by calling National Bank Investments Advisory Service at 514 871-2082 or, toll-free, at 1 888 270-3941 or by visiting the fund's website at www.nbinvestments.ca.

These documents (as well as proxy circulars and material contracts) and other information about the fund is also available at www.sedar.com.

NBI International Equity Fund