

*This Information Statement does not constitute an offer or invitation by any person in any jurisdiction in which the offer or invitation is not authorized to be made and it does not constitute an offer or invitation to any person to whom it cannot lawfully be made. This Information Statement is also not, and under no circumstances should it be construed as, a public offering of the Notes or a prospectus or advertisement in respect of the Notes. The distribution of this Information Statement and the offering or sale of the Notes in some jurisdictions may be restricted by law. In addition, distribution of the Notes in jurisdictions other than Canada may also be restricted by policies of either the Fédération and/or the selling agents. Persons into whose possession this Information Statement comes are required by the Fédération and/or the selling agents to inform themselves about, and to observe, any such restrictions. This Information Statement constitutes an offering of the Notes only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale and where not restricted by policies of the Fédération and/or the selling agents, and then only through persons duly qualified to effect such sales. The Notes have not been, and will not be, registered with the U.S. Securities and Exchange Commission and will not be offered or sold in the United States.*

*No securities commission or similar authority has in any way passed upon the merits of the Notes nor has any commission or similar authority passed on the accuracy or adequacy of this Information Statement and any representation to the contrary may be an offence.*

**Information Statement dated April 18, 2019**



## **FÉDÉRATION DES CAISSES DESJARDINS DU QUÉBEC**

### **Desjardins Global Equity Principal Protected Notes, Contingent Coupon, Series 1, F-Class Due May 10, 2024**

This Information Statement relates to the distribution of Desjardins Global Equity Principal Protected Notes, Contingent Coupon, Series 1, F-Class (each, a “Note”, and collectively, the “Notes”) issued by the Fédération des caisses Desjardins du Québec (the “Fédération”). The Notes will be issued on or about May 10, 2019 (the “Issue Date”), and mature five years following the Issue Date. The Notes are Canadian dollar denominated notes linked to the price performance of an equally-weighted basket (the “Basket”) comprised of the common shares of twenty global companies from various sectors (each a “Company” and collectively, the “Companies”) as described in “THE BASKET”. On each Observation Date (as defined below), a coupon of 5.20% (each, a “Coupon”) will be paid if the price performance of the Basket for a period reaches a threshold, referred to as the Coupon Threshold. Coupons (as defined below) may be paid on a Coupon Payment Date for a Maximum Total Return (as defined below) of 26%, or a Coupon of 5.20% per annum, of the Principal Amount, if the Periodic Basket Level is equal to or greater than the Coupon Threshold on each of the five Observation Dates. No Coupon is paid on a Coupon Payment Date if the performance of the Basket is lower than the Coupon Threshold on an Observation Date. See “CALCULATION OF PAYMENTS UNDER THE NOTES”.

#### **SUMMARY**

Issue:	Desjardins Global Equity Principal Protected Notes, Contingent Coupon, Series 1, F-Class
Issuer:	Fédération des caisses Desjardins du Québec (long term debt rated DBRS: AA / S&P A+ / Moody’s Aa2 / Fitch: AA-)
Type of product:	Principal Protected Notes. Your Principal Amount is fully guaranteed at maturity by the Fédération.
Issue Date:	On or about May 10, 2019 but no later than May 17, 2019.
Maturity Date:	Assuming an Issuance Date on May 10, 2019, the Maturity Date will be on May 10, 2024.
Term:	The term of the Notes will commence on the Issue Date and end on the Maturity Date, resulting in a term of five years.
Selling Period	April 22, 2019 – May 3, 2019
Minimum Investment	\$1,000 (10 Notes)
Price and Principal Amount:	\$100 per Note
Description:	The Notes aim to provide you with a periodic contingent coupon of 5.20% per annum of the Principal Amount on each Coupon Payment Date if the performance of the Basket is equal to or greater than the Coupon Threshold on each Observation Date.
Rank:	The Notes will constitute direct, unsubordinated and unsecured obligations of the Fédération ranking, prior to insolvency or winding up, equally in right of payment with all deposit liabilities and other unsecured and unsubordinated liabilities of the Fédération.

Basket:	<p>The notional Basket comprised of the common shares(s) (each a “Share”), and collectively the “Shares”) of the following twenty global companies from various sectors (each a “Company”) and collectively, the “Companies”):</p> <table border="1" data-bbox="581 222 1537 718"> <tr> <td>S1: Telus Corporation</td> <td>S11: Muenchener Rueckversicherungs AG</td> </tr> <tr> <td>S2: NTT Docomo, Inc.</td> <td>S12: Canadian Imperial Bank of Commerce</td> </tr> <tr> <td>S3: Woolworths Limited</td> <td>S13: Bank of Montréal</td> </tr> <tr> <td>S4: Saputo Inc.</td> <td>S14: Sun Life Financial Inc.</td> </tr> <tr> <td>S5: The Coca-Cola Company</td> <td>S15: Investor AB</td> </tr> <tr> <td>S6: Canadian Tire Corporation Limited</td> <td>S16: Engie</td> </tr> <tr> <td>S7: Geberit AG</td> <td>S17: Johnson &amp; Johnson</td> </tr> <tr> <td>S8: Suncor Energy Inc</td> <td>S18: Novartis AG</td> </tr> <tr> <td>S9: Siemens AG</td> <td>S19: Cisco Systems, Inc.</td> </tr> <tr> <td>S10: Air Products and Chemicals Inc.</td> <td>S20: Paychex Inc.</td> </tr> </table> <p>An investment in the Notes is not equivalent to a direct investment in the Shares. As such, a Noteholder will not be entitled to the rights and benefits of a holder of the Shares. See “THE BASKET”.</p>	S1: Telus Corporation	S11: Muenchener Rueckversicherungs AG	S2: NTT Docomo, Inc.	S12: Canadian Imperial Bank of Commerce	S3: Woolworths Limited	S13: Bank of Montréal	S4: Saputo Inc.	S14: Sun Life Financial Inc.	S5: The Coca-Cola Company	S15: Investor AB	S6: Canadian Tire Corporation Limited	S16: Engie	S7: Geberit AG	S17: Johnson & Johnson	S8: Suncor Energy Inc	S18: Novartis AG	S9: Siemens AG	S19: Cisco Systems, Inc.	S10: Air Products and Chemicals Inc.	S20: Paychex Inc.
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Payment of Principal Amount:	A Noteholder will be paid the Principal Amount on the Maturity Date or on the first succeeding Business Day if the Maturity Date is not a Business Day. See “DESCRIPTION OF THE NOTES – Maturity and Repayment of Principal Amount																				
Coupon Rate:	means 5.20% per annum																				
Coupon:	The Coupon, if any, will be determined by the Calculation Agent on each Observation Date and payable if the Periodic Basket Level(n) is equal to or greater than the Coupon Threshold(n) which is equal to the Initial Basket Level. See “CALCULATION OF PAYMENTS UNDER THE NOTES”.																				
Observation Dates:	<table border="1" data-bbox="581 1115 1537 1312"> <tr> <td>Date 1</td> <td>May 4, 2020</td> </tr> <tr> <td>Date 2</td> <td>May 3, 2021</td> </tr> <tr> <td>Date 3</td> <td>May 3, 2022</td> </tr> <tr> <td>Date 4</td> <td>May 3, 2023</td> </tr> <tr> <td>Date 5</td> <td>May 3, 2024</td> </tr> </table>	Date 1	May 4, 2020	Date 2	May 3, 2021	Date 3	May 3, 2022	Date 4	May 3, 2023	Date 5	May 3, 2024										
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Maximum Total Return:	The Maximum Total Return is equal to 26%, or a Coupon of 5.20% per annum, of the Principal Amount.																				
Coupon Threshold:	Initial Basket Level.																				
Currency of the Notes:	Canadian dollars																				
Dividends and /or Distributions Reinvested:	No. The Periodic Basket Level will not take into account the return constituted by the payment of dividends and/or distributions on the Shares comprising the Basket. See “THE BASKET” below for further information on the Shares.																				
No Early Redemption:	The Notes will not be redeemable by the Fédération prior to the Maturity Date.																				
Secondary Market:	The Notes will not be listed on any stock exchange. Desjardins Securities Inc. (“DSI”) intends to maintain until the Maturity Date, under normal market conditions, a daily secondary market for the Notes. DSI is under no obligation to facilitate or arrange a secondary market, and DSI in its sole discretion, may stop maintaining a market for the Notes at any time, without any prior notice to you. There can be no assurance that a																				

	secondary market will be available or that such market will be liquid or sustainable. See “DESCRIPTION OF THE NOTES – Secondary Market”.
Notes Not a Guaranteed Deposit:	The Notes do not constitute guaranteed deposits within the meaning of the <i>Deposit Insurance Act</i> (Québec) or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon insolvency of the deposit-taking institution.
Early Trading Fee:	No Early Trading Fee.
Certain Canadian Federal Income Tax Consequences:	Noteholders who dispose of a Note should consult and rely on their own tax advisors with respect to their particular circumstances. See “CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS”.
Fees and Expenses:	No selling commission. Noteholders may pay fees to their advisor based on the services rendered or as a percentage of the Principal Amount, as provided between such advisor and each Noteholder.
Fundserv Code:	DSN00019. See “FUNDSERV”.
Global Note issued to the Depository:	Issued by way of a single Global Note to be held by or on behalf of the Fédération, as custodian of the Global Note and registered in the name of the Fédération as depository for the Notes. Records of ownership and transfer will be maintained through the book-entry system of the Fédération. See “DESCRIPTION OF THE NOTES – Form and Registration”.
Eligibility for Investment:	The Notes are eligible for RRSPs, RRIFFs, RESPs, RDSPs, DPSPs and TFSAs. Prospective investors should consult their own advisors in this regard. See “CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS”.
Suitability and Appropriateness for Investment:	A person should consult with his or her advisors prior to any decision to invest in the Notes only after carefully considering, whether the Notes are a suitable investment in light of his or her investment objectives, investment horizon, risk tolerance, financial situation, the composition of their current investment portfolio, and the information set out in this Information Statement, among other factors. No recommendation is made herein as to whether the Notes are a suitable investment for any person. See “SUITABILITY FOR INVESTMENT”.
Risk Factors:	Prospective investors should carefully consider all of the information set forth in this Information Statement and, in particular, should evaluate the specific risk factors set forth under “Risk Factors” for a discussion of certain risks involved in evaluating an investment in the Notes.
Extraordinary Event:	An Extraordinary Event may result in the determination of an Accelerated Return, if any, on the Principal Amount of each Note in lieu of the Coupons, if any, that would have been payable. In that event, a Noteholder’s right to receive any Coupon will be extinguished. In these circumstances, payment of the Principal Amount of the Note will not be accelerated and will remain due and payable on the Maturity Date. The Accelerated Return may be nil. See “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.
Market Disruption Event:	Upon the occurrence of a Market Disruption Event in respect of any Share, the determination of the Coupon may be delayed. The Coupon (if any) will be paid on the third Business Day following the determination of the Periodic Basket Level and no interest will be paid in respect of such delay. See “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.
Right of Cancellation:	An investor may cancel an order to purchase a Note (or the purchase of a Note, if already issued) by providing instructions to the Fédération through his or her investment advisor within two Business Days of the later of (i) the day on which the agreement to purchase the Note is entered into and (ii) the deemed receipt of this Information Statement.  Upon cancellation, the investor is entitled to a refund of the Principal Amount and any fees relating to the purchase that have been paid by the investor. This right of cancellation does not extend to investors buying a Note in the secondary market.  See “PLAN OF DISTRIBUTION – Right of Cancellation”.
Availability of Information:	Information about the Notes is available on request from your investment advisor or on the Desjardins Structured Notes’ website <a href="http://www.desjardinstructurednotes.com">www.desjardinstructurednotes.com</a> where the following information will be provided: (a) the most recent bid price of the Notes and the applicable Early Trading Fee (if any); and (b) the last available measures on which the Coupon is determined. The information made available on the Desjardins Structured Notes’ website is provided for information purposes only.

Prospective investors may request information about the Notes or another copy of this Information Statement by calling the Calculation Agent at 514 286-3499 or 1 866 666-1280 to speak to someone in English or French. A copy of this Information Statement is also posted at [www.desjardinstructurednotes.com](http://www.desjardinstructurednotes.com).

During the term of the Notes, Noteholders may inquire as to the net asset value of the Notes and the formula for determining the Coupon under the Notes by contacting the Calculation Agent at the above numbers.

The investment highlights should be read in conjunction with the more detailed information appearing elsewhere in this Information Statement. In this Information Statement, capitalized terms will have the meanings ascribed to them and references to "\$" and "CAD" are to Canadian dollars.

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*The Fédération has taken all reasonable care to ensure that the facts stated in this Information Statement in relation to the Notes are true and accurate in all material respects and that there are no other material facts in relation to the Notes the omission of which would make any statement herein, whether of fact or opinion, misleading as of the date hereof. Where the information is from third-party sources, the information is from sources believed to be reliable, but neither the Fédération nor the selling agents have independently verified any such information contained herein.*

*No person has been authorized to give any information or to make any representations other than those that may be contained in: (i) this Information Statement; (ii) any amendments made from time to time to this Information Statement; or (iii) any supplementary terms and conditions provided in any Global Note or other definitive note in replacement therefor; in connection with the offering or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorized.*

## SAMPLE CALCULATIONS

The examples set out below are included for illustrative purposes only. The prices used in the examples are not estimates or forecasts of the Share prices on the relevant dates. The Fédération is not predicting or guaranteeing any gain or particular Coupon payments on the Notes. The hypothetical data assumes that a Noteholder has made a \$10,000 investment in the Notes.

### Scenario 1: Basket Level is higher than the Coupon Threshold on each Observation Dates

	Periodic Basket Level	Coupon Threshold	Coupon Payment
<b>Observation Date 1</b>	105	100	<b>5,20%</b>
<b>Observation Date 2</b>	100	100	<b>5,20%</b>
<b>Observation Date 3</b>	108	100	<b>5,20%</b>
<b>Observation Date 4</b>	115	100	<b>5,20%</b>
<b>Observation Date 5 (Maturity Date)</b>	120	100	<b>5,20%</b>
<b>Total Return (sum of Coupons)</b>			<b>26.00%</b>

Since the Periodic Basket Level is higher than the Coupon Threshold on each Observation Date, a Coupon payment of 5.20% would be paid periodically on each Coupon Payment Dates. The Total Return (sum of Coupons) paid would be \$2,600 (\$10,000 x 26%). The last Coupon of 5,20% or \$520 would be paid at Maturity in addition to the Principal Amount.

### Scenario 2: Basket Level is higher than the Coupon Threshold on some Observation Dates

	Periodic Basket Level	Coupon Threshold	Coupon Payment
<b>Observation Date 1</b>	108	100	<b>5,20%</b>
<b>Observation Date 2</b>	105	100	<b>5,20%</b>
<b>Observation Date 3</b>	99	100	<b>0,00%</b>
<b>Observation Date 4</b>	94	100	<b>0,00%</b>
<b>Observation Date 5 (Maturity Date)</b>	100	100	<b>5,20%</b>
<b>Total Return (sum of Coupons)</b>			<b>15.60%</b>

Since the Periodic Basket Level is higher than the Coupon Threshold on three out of five Observation Dates, a coupon payment of 5.20% would be paid on Coupon Payment Dates 1, 2 and 5. The Total Return (sum of Coupons) paid would be \$1,560 (\$10,000 x 15.60%). The last Coupon of 5,20% or \$520 would be paid at Maturity in addition to the Principal Amount.

### Scenario 3: Basket Level is lower than the Coupon Threshold on each Observation Dates

	Periodic Basket Level	Coupon Threshold	Coupon Payment
<b>Observation Date 1</b>	95	100	<b>0,00%</b>
<b>Observation Date 2</b>	90	100	<b>0,00%</b>
<b>Observation Date 3</b>	85	100	<b>0,00%</b>
<b>Observation Date 4</b>	91	100	<b>0,00%</b>
<b>Observation Date 5 (Maturity Date)</b>	98	100	<b>0,00%</b>
<b>Total Return (sum of Coupons)</b>			<b>0.00%</b>

Since the Periodic Basket Level is lower than the Coupon Threshold on each Observation Date, no coupon would be paid on any Observation Date. The Principal Amount would be paid at maturity.

**The Coupon and the Periodic Basket Level are calculated in Canadian dollars (CAD) and will not reflect fluctuations in the exchange rate of the foreign currencies in which the Shares of the Companies included in the Basket are traded against the Canadian dollar.**

\*The return is presented for information purposes only and is not indicative of future performance

## EXAMPLES – KEY POINTS

The following key points relate to the payment under the Notes and the calculation of the Coupon as described in the examples above. All points are subject to adjustments that may be made as set out under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances” below.

- The Notes will provide a Coupon on each of the Coupon Payment Dates (including the Maturity Date), each of which is equal to 5.20% per annum of the Principal Amount, only if the Periodic Basket Level is equal to or greater than the Coupon Threshold on the relevant Observation Date.
- The Maximum Total Return is equal to the sum of the Coupons which may be paid on each Coupon Payment Dates i.e. 26%, or a Coupon of 5.20% per annum, of the Principal Amount.
- Payment of the Principal Amount will be made to Noteholders on the Maturity Date, regardless of the performance of the Basket.
- You may receive no return on your investment.

## DEFINITIONS

Unless the context otherwise requires, terms not otherwise defined in this Information Statement will have the meaning ascribed thereto hereunder:

“**Accelerated Return**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Basket**” means the notional basket comprised of the Shares, as described under “THE BASKET”.

“**Basket Level**” means, in respect of an Exchange Business Day, the level of the Basket, calculated as one plus the sum of the Weighted Share Returns for each Share on such Exchange Business Day, multiplied by 100.

“**Business Day**” means a day, other than a Saturday or a Sunday, a statutory or civic holiday in Montreal. If any date on which any action is otherwise required to be taken in respect of the Notes is not a Business Day, the date on which such action will be taken will, except as otherwise indicated, be the next following Business Day and, if the action involves payment of any amount, no interest or other compensation will be paid as a result of any such delay.

“**CAD**” means Canadian dollars.

“**Calculation Agent**” means the calculation agent for the Notes appointed by the Fédération from time to time. The Calculation Agent initially will be Desjardins Investments.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Closing Price**” means, in respect of a Share and an Exchange Business Day, the official closing price for such Share as announced by the Exchange on such Exchange Business Day, provided that, if on or after the Issue Date such Exchange materially changes the time of day at which such official closing price is determined or no longer announces such official closing price, the Calculation Agent may thereafter deem the Closing Price to be the price of such Share as of the time of day used by such Exchange to determine the official closing price prior to such change or failure to announce.

“**Company**” means each of the respective issuers of the Shares, as described under “THE BASKET”.

“**Comparable Company**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Coupon**” has the meaning ascribed thereto under “CALCULATION OF PAYMENTS UNDER THE NOTES”

“**Coupon Payment Dates**” means each of May 11, 2020, May 10, 2021, May 10, 2022, May 10, 2023 and, for greater certainty, includes the Maturity Date.

“**Coupon Rate**” has the meaning ascribed thereto under “CALCULATION OF PAYMENTS UNDER THE NOTES”.



“**Coupon Threshold**” means the Initial Basket Level.

“**CRA**” means the Canada Revenue Agency.

“**Delisting**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Desjardins Investments**” means Desjardins Investments Inc.

“**DFSF**” means Desjardins Financial Services Firm Inc.

“**DSFI**” means Desjardins Financial Security Investments Inc.

“**DSI**” means Desjardins Securities Inc.

“**Exchange**” means, in respect of a Share, the exchange set out under the heading “Exchange” for such Share in the table included under “THE BASKET”, provided that if such exchange is no longer the primary exchange for the trading of such Share, as determined by the Calculation Agent, the Calculation Agent may designate another exchange or trading system as the Exchange for such Share.

“**Exchange Business Day**” means, in respect of a Share, any day on which the Exchange and each Related Exchange for that Share is scheduled to be open for trading during its respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

“**Excluded Share**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Extraordinary Event**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Extraordinary Event Notification Date**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Fédération**” means Fédération des caisses Desjardins du Québec.

“**Fundserv**” means the facility maintained and operated by Fundserv Inc. for electronic communication with participating companies, including the receiving of orders, order match, contracting, registrations, settlement of orders, transmission of confirmation of purchases, and the redemption of investments or instruments.

“**Fundserv Notes**” means Notes purchased through Fundserv.

“**Global Note**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Form and Registration”.

“**Initial Basket Level**” means 100.

“**Initial Share Price**” for a Share means the Closing Price on the Exchange (or where such Exchange does not announce or publish a Closing Price, the last traded price, or, if necessary, the mid-market price) for that Share on the Initial Valuation Date, subject to adjustments that may be made pursuant to “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Initial Valuation Date**” means the Issue Date, provided that if such day is not an Exchange Business Day for each Share then the Initial Valuation Date will be the first succeeding day that is an Exchange Business Day for each Share, subject to the occurrence of a Market Disruption Event. See “DESCRIPTION OF THE NOTES – Market Disruption Event” below for further detail.

“**Insolvency**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Issue Date**” means the date of closing of the offering of the Notes, being on May 10, 2019.

“**Market Disruption Event**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Market Disruption Event”.

“**Maturity Date**” means May 10, 2024.

“**Maximum Total Return**” means the sum of the Coupons which may be paid on each Coupon Payment Date i.e. 26%, or a Coupon of 5.20% per annum, of the Principal Amount.

“**Merger Date**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Merger Event**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Nationalization**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Nominee**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Form and Registration”.

“**Note**” means a Desjardins Global Equity Principal Protected Notes, Contingent Coupon, Series 1, F-Class

“**Noteholder**” means a holder of Notes.

“**Observation Dates**”: means each of the following dates:

Date 1	May 4, 2020
Date 2	May 3, 2021
Date 3	May 3, 2022
Date 4	May 3, 2023
Date 5	May 3, 2024

“**Periodic Basket Level**” means the Basket Level on each Observation Date (n).

“**Potential Adjustment Event**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Principal Amount**” means the original principal amount invested of \$100 per Note. For greater certainty, the Principal Amount for fractional Notes will be equal to a corresponding fraction of \$100 per Note and Noteholders who have sold Notes prior to the Maturity Date will not be entitled to receive any Principal Amount in respect of such Notes that have been sold.

“**Proposals**” has the meaning ascribed thereto under “CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS”.

“**Regulations**” means the *Income Tax Regulations* (Canada).

“**Related Exchange**” means any exchange or quotation system on which futures, options or other similar instruments related to the Shares are listed or traded from time to time.

“**Replacement Share**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Resident Initial Investor**” has the meaning ascribed thereto under “CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS”.

“**Share**” has the meaning ascribed thereto under “THE BASKET”.

“**Share Return**” means, in respect of a Share and an Exchange Business Day, an amount expressed as a percentage equal to (i) the Closing Price for such Share on such Exchange Business Day minus the Initial Share Price, divided by (ii) the Initial Share Price.

“**Share Weight**” means, in respect of a Share, the proportion of the Basket set out under the heading “Share Weight” for such Share in the table included under “THE BASKET, subject to adjustments that may be made pursuant to “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Substitution Date**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Substitution Event**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Tender Offer**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Tender Offer Date**” has the meaning ascribed thereto under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

“**Weighted Share Return**” means, in respect of a Share and an Exchange Business Day, an amount expressed as a percentage equal to the product of the Share Return on such Exchange Business Day and the Share Weight for such Share.

“\$” means Canadian dollars, unless otherwise specified.

#### THE BASKET

The Basket is initially comprised of the common shares of the following twenty global companies from various sectors, subject to change in accordance with provisions outlined under “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

Company	Ticker	Exchange	Currency	Share Weight
S1: Telus Corporation	T	Toronto	Canadian Dollar	5.00%
S2: NTT Docomo, Inc.	9437	Tokyo	Japanese Yen	5.00%
S3: Woolworths Limited	WOW	Sydney	Australian Dollar	5.00%
S4: Saputo Inc.	SAP	Toronto	Canadian Dollar	5.00%
S5: The Coca-Cola Company	KO	New York	United States Dollar	5.00%
S6: Canadian Tire Corporation Limited	CTC/A	Toronto	Canadian Dollar	5.00%
S7: Geberit AG	GEBN	Zurich	Swiss Franc	5.00%
S8: Suncor Energy Inc	SU	Toronto	Canadian Dollar	5.00%
S9: Siemens AG	SIE	Francfort	Euro	5.00%
S10: Air Products and Chemicals Inc.	APD	New York	United States Dollar	5.00%
S11: Muenchener Rueckversicherungs AG	MUV2	Francfort	Euro	5.00%
S12: Canadian Imperial Bank of Commerce	CM	Toronto	Canadian Dollar	5.00%
S13: Bank of Montréal	BMO	Toronto	Canadian Dollar	5.00%
S14: Sun Life Financial Inc.	SLF	Toronto	Canadian Dollar	5.00%

S15: Investor AB	INVEB	Stockholm	Swedish Krona	5.00%
S16: Engie	ENGI	Paris	Euro	5.00%
S17: Johnson & Johnson	JNJ	New York	United States Dollar	5.00%
S18: Novartis AG	NOVN	Zurich	Swiss Franc	5.00%
S19: Cisco Systems, Inc.	CSCO	NASDAQ	United States Dollar	5.00%
S20: Paychex Inc.	PAYX	NASDAQ	United States Dollar	5.00%

The Basket is a notional basket only. Noteholders will not have any direct or indirect ownership interest or rights (including, without limitation, voting rights or rights to receive dividends) in the Shares. Noteholders will not have any direct or indirect recourse to any of the Companies or the Shares, and will only have a right against the Fédération to be paid the Coupons on the Coupon Payment Dates, and the Principal Amount on the Maturity Date.

The Basket Levels reflect only the applicable price appreciation or depreciation of the Shares and do not reflect the payment of dividends or distributions thereon. Accordingly, Noteholders will not benefit from any dividends or distributions declared and paid on the Shares. Furthermore, the Periodic Basket Level does not reflect fluctuations in the exchange rate of the foreign currencies in which the Shares of the Companies included in the Basket are traded against the Canadian dollar. The dividend yield of the Basket at March 31, 2019 was 3.49%, which would represent aggregate dividends of 17.45% over the term of the Notes assuming the dividends or distributions paid on the Shares remain constant and the dividends or distributions are not reinvested.

Listed below are descriptions of the businesses for each of the Companies whose Shares are initially included in the Basket.

S1: Telus Corporation

TELUS Corporation is a telecommunications company providing a variety of communications products and services. The Company provides voice, data, Internet, and wireless services to businesses and consumers in Canada.

S2: NTT Docomo, Inc.

NTT DOCOMO, INC. provides various types of telecommunication services including cellular phones, satellite mobile communication, and wireless LAN Network. The Company also sells cellular phones and other related equipment.

S3: Woolworths Limited

Woolworths Group Limited offers retail operations. The Company operates general merchandise consumer stores and supermarkets, as well as engages in procurement of food, liquor, and products. Woolworths Group also operates hotels which includes pubs, food, accommodation, and gaming operations. Woolworths Group serves customers in Australia and New Zealand.

S4: Saputo Inc.

Saputo Inc. manufactures dairy and grocery products. The Company manufactures Italian cheeses, European cheeses, and North American cheeses. Saputo also operates a distribution network through which it markets a variety of imported cheeses and non-dairy products to complement its cheese offerings. The Company also produces and distributes snack cakes, cookies, breads, and soups.

S5: The Coca-Cola Company

The Coca-Cola Company manufactures, markets, and distributes soft drink concentrates and syrups. The Company also distributes and markets juice and juice-drink products. Coca-Cola distributes its products to retailers and wholesalers in the United States and internationally.

S6: Canadian Tire Corporation Limited

Canadian Tire Corporation Limited is a family of businesses that includes a retail segment, a financial services division and CT REIT. The Company's retail business provides Canadians with products for life in Canada across its living, playing, fixing, automotive and seasonal categories. Canadian Tire Corporation's retail products include casual, industrial and active wear.

S7: Geberit AG

Geberit AG manufactures and supplies water supply pipes and fittings, installation, and drainage and flushing systems such as visible cisterns other sanitary systems for the commercial and residential construction markets. The Company sells its products in Germany, Italy, Switzerland, Austria, the Netherlands, France, and Belgium.

S8: Suncor Energy Inc.

Suncor Energy, Inc. is a integrated energy company focused on developing the Athabasca oil sands basin. The Company extracts and upgrades oil sands into refinery feedstock and diesel fuel, explores for, develops and produces natural gas, refines crude oil and markets a range of petroleum and petrochemical products, and operates crude oil pipelines and retail petroleum stations.

S9: Siemens AG

Siemens AG is an engineering and manufacturing company. The Company focuses on areas of electrification, automation, and digitalization. Siemens also provides engineering solutions in automation and control, power, transportation, and medical diagnosis.

S10: Air Products and Chemicals Inc.

Air Products and Chemicals, Inc. produces industrial atmospheric and specialty gases and performance materials and equipment. The Company's products include oxygen, nitrogen, argon, helium, specialty surfactants and amines, polyurethane, epoxy curatives, and resins. Air Products and Chemicals products are used in the beverage, health, and semiconductors fields.

S11: Muenchener Rueckversicherungs AG

Muenchener Rueckversicherungs-Gesellschaft AG (MunichRe) provides financial services. The Company offers reinsurance, insurance, and asset management services. MunichRe has subsidiaries in most major financial centers throughout the world.

S12: Canadian Imperial Bank of Commerce

Canadian Imperial Bank of Commerce provides banking and financial services to consumers, individuals, and corporate clients in Canada and around the world.

S13: Bank of Montréal

Bank of Montreal, doing business as BMO Financial Group, is a Canadian chartered bank which operates throughout the world. The Bank offers commercial, corporate, governmental, international, personal banking, and trust services. Bank of Montreal also offers full brokerage, underwriting, investment, and advisory services.

S14: Sun Life Financial Inc.

Sun Life Financial Inc. is an international financial services organization providing a diverse range of wealth accumulation and protection products and services. The Company provides insurance, mutual funds, annuities, pensions, investment management, trust services, and banking services. Sun Life serves individuals and corporate customers worldwide.

S15: Investor AB

Investor AB is an industrial holding company. The Company owns significant shareholdings in major public multinational companies and conducts private equity activities in Europe, North America, and Asia. Investor takes an active ownership role in many of the companies it owns.

S16: Engie

Engie SA offers a full range of electricity, gas and associated energy and environment services throughout the world. The Company produces, trades, transports, stores, and distributes natural gas, and offers energy management and climatic and thermal engineering services.

S17: Johnson & Johnson

Johnson & Johnson manufactures health care products and provides related services for the consumer, pharmaceutical, and medical devices and diagnostics markets. The Company sells products such as skin and hair care products, acetaminophen products, pharmaceuticals, diagnostic equipment, and surgical equipment in countries located around the world.

S18: Novartis AG

Novartis AG manufactures pharmaceutical and consumer healthcare products. The Company produces pharmaceuticals for cardiovascular, respiratory and infectious diseases, oncology, neuroscience, transplantation, dermatology, gastrointestinal and urinary conditions, arthritis, vaccines and diagnostics, vision, and animal health products.

S19: Cisco Systems, Inc.

Cisco Systems, Inc. designs, manufactures, and sells Internet Protocol (IP)-based networking and other products related to the communications and information technology (IT) industry and provide services associated with these products and their use. The Company provides products for transporting data, voice, and video within buildings, across campuses, and globally.

S20: Paychex Inc.

Paychex, Inc. provides comprehensive payroll and integrated human resource and employee benefits outsourcing solutions for small to medium-sized businesses in the United States. The Company's services range from calculating payroll and filing tax payments to administering retirement plans and workers' compensation.

Please note that historical performance is not necessarily indicative of, or a representation or guarantee of, future price performance. The business descriptions included herein are taken from the Companies' internet sites, Bloomberg and other publicly available sources, and their accuracy and completeness cannot be guaranteed. Market capitalization figures and Closing Prices included herein are taken from Bloomberg. Neither the Fédération nor the selling agents takes any responsibility for the accuracy or completeness of such information. Noteholders may consult each of the Companies' internet sites below for more detailed information. Information from these websites is not incorporated by reference into this Information Statement. There can be no guarantee that the Companies will maintain their current levels of capitalization or continue to operate their businesses with emphasis in the areas indicated. The Companies are subject to change in accordance with the "Substitution Event" provisions herein.

The table below presents the calendar year and year to date (“YTD”) historical performance of the Shares and the Basket. The calculations are based on the performance observed on each Company’s principal stock exchange and measured in the currency of such principal stock exchange without dividend reinvestment. Each calendar year performance is measured starting from December 31 of the applicable previous year.

**Historical performance is not necessarily indicative of, or a representation or guarantee of, future price performance.**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
Telus Corporation	-12.80%	36.26%	23.69%	12.49%	15.85%	15.23%	-1.94%	0.73%	11.39%	0.15%	3.71%
NTT Docomo, Inc.	-17.25%	3.66%	4.20%	-15.97%	38.77%	12.21%	25.74%	14.39%	-0.08%	-1.22%	-6.73%
Woolworths Limited	4.66%	-4.46%	-6.34%	17.81%	15.06%	-7.63%	-23.94%	1.82%	13.28%	6.31%	5.12%
Saputo Inc.	27.43%	27.64%	4.33%	17.96%	5.17%	36.93%	-1.39%	45.33%	-4.90%	-8.61%	10.32%
The Coca-Cola Company	22.04%	10.44%	10.76%	8.39%	5.99%	11.55%	-4.93%	-2.72%	10.66%	9.85%	-7.02%
Canadian Tire Corporation Limited	22.69%	15.07%	3.73%	0.00%	51.31%	28.68%	-2.49%	11.31%	17.69%	-9.49%	-2.94%
Geberit AG	55.19%	17.68%	-7.98%	11.95%	37.73%	26.40%	2.23%	18.63%	5.12%	-9.30%	4.57%
Suncor Energy Inc	32.52%	-9.02%	-14.79%	10.48%	12.20%	-0.85%	2.19%	18.97%	5.13%	-7.17%	1.10%
Siemens AG	38.65%	29.16%	-12.28%	7.25%	26.49%	-2.10%	3.13%	19.01%	-0.56%	-11.84%	-6.31%
Air Products and Chemicals Inc.	73.64%	3.97%	-1.19%	-2.64%	31.22%	32.16%	-4.83%	13.64%	14.09%	-1.96%	18.70%
Muenchener Rueckversicherungs AG	-2.37%	2.46%	-11.42%	38.48%	22.67%	2.89%	15.15%	-5.82%	0.61%	6.17%	9.95%
Canadian Imperial Bank of Commerce	37.79%	15.02%	-6.65%	8.69%	13.58%	16.91%	-5.83%	9.25%	11.85%	-9.01%	-5.29%
Bank of Montréal	41.45%	12.00%	-7.18%	6.78%	23.36%	13.92%	-8.05%	25.24%	4.16%	-1.45%	0.87%
Sun Life Financial Inc.	5.46%	-5.01%	-31.77%	43.86%	35.12%	15.49%	3.79%	17.05%	0.64%	-5.55%	4.78%
Investor AB	11.58%	7.08%	-5.73%	20.02%	39.07%	30.70%	18.67%	2.44%	9.87%	6.58%	5.02%
Engie	-8.92%	-8.13%	-17.34%	-18.11%	-1.30%	16.08%	-16.78%	-26.50%	18.28%	-13.36%	6.92%
Johnson & Johnson	7.27%	-2.05%	6.55%	6.33%	35.75%	14.36%	-6.48%	13.80%	21.27%	5.14%	-4.84%
Novartis AG	-1.34%	-4.48%	0.85%	6.80%	24.93%	30.49%	-5.93%	-15.76%	11.21%	10.39%	5.30%
Cisco Systems, Inc.	41.48%	-18.12%	-5.64%	4.59%	12.37%	30.07%	-1.41%	10.90%	26.74%	24.99%	12.78%
Paychex Inc.	10.93%	-8.96%	5.50%	8.07%	34.39%	8.42%	14.43%	12.22%	11.83%	3.94%	13.34%
<b>Basket</b>	19.51%	6.01%	-3.43%	9.66%	23.99%	16.59%	0.07%	9.20%	9.41%	-0.27%	3.47%

The table below presents the historical performance of the Shares and the Basket for the periods beginning on April 1, 2009 and ending on March 31, 2019. The calculations are based on the performance observed on each Company's principal stock exchange and measured in the currency of such principal stock exchange without dividend reinvestment. The performance for the periods from 1 to 6 months is cumulative but not annualized. The performance for the periods of one year or more is annualized.

**Historical performance is not necessarily indicative of, or a representation or guarantee of, future price performance.**

	1 month	3 months	6 months	1 year	2 years	3 years	4 years	5 years	10 years
Telus Corporation	3.47%	3.71%	3.89%	6.78%	7.04%	5.37%	4.13%	4.53%	11.05%
NTT Docomo, Inc.	-5.40%	-6.73%	-19.75%	-10.69%	-2.76%	-1.34%	4.13%	8.53%	6.25%
Woolworths Limited	6.03%	5.12%	8.26%	10.50%	7.30%	11.35%	0.85%	-3.10%	2.11%
Saputo Inc.	6.20%	10.32%	18.56%	11.07%	-0.37%	3.04%	6.95%	10.34%	15.84%
The Coca-Cola Company	3.35%	-7.02%	1.45%	8.42%	5.08%	0.34%	3.68%	3.92%	7.87%
Canadian Tire Corporation Limited	-0.83%	-2.94%	-4.86%	-17.43%	-4.53%	2.12%	2.78%	6.68%	12.64%
Geberit AG	2.16%	4.57%	-10.59%	-4.95%	-2.91%	4.24%	2.76%	7.05%	15.76%
Suncor Energy Inc	-4.52%	1.10%	-13.35%	2.53%	2.99%	6.19%	4.01%	2.32%	4.41%
Siemens AG	-0.20%	-6.31%	-13.05%	-11.53%	-13.56%	0.99%	-1.20%	-0.36%	8.69%
Air Products and Chemicals Inc.	5.40%	18.70%	14.31%	18.76%	18.81%	12.76%	8.10%	11.65%	13.89%
Muenchener Rueckversicherungs AG	1.88%	9.95%	10.62%	14.61%	7.26%	5.68%	1.25%	5.88%	8.68%
Canadian Imperial Bank of Commerce	-5.40%	-5.29%	-12.75%	-9.90%	-4.04%	2.86%	3.56%	2.08%	8.69%
Bank of Montréal	-2.56%	0.87%	-6.15%	2.62%	0.33%	8.23%	7.13%	6.22%	11.73%
Sun Life Financial Inc.	3.05%	4.78%	-0.02%	-2.88%	2.82%	7.01%	7.09%	6.05%	8.44%
Investor AB	1.50%	5.02%	1.95%	11.62%	5.36%	13.36%	5.06%	12.32%	14.92%
Engie	0.23%	6.92%	4.86%	3.15%	0.00%	-0.89%	-7.84%	-7.73%	-6.16%
Johnson & Johnson	2.31%	-4.84%	1.17%	7.63%	5.94%	8.91%	8.57%	7.31%	10.27%
Novartis AG	5.21%	5.30%	13.48%	20.99%	13.51%	11.18%	-0.10%	5.01%	8.32%
Cisco Systems, Inc.	4.29%	12.78%	10.98%	20.57%	26.39%	23.78%	18.34%	19.23%	12.40%
Paychex Inc.	4.13%	13.34%	8.89%	23.14%	16.69%	14.09%	12.76%	13.49%	12.07%
<b>Basket</b>	1.51%	3.47%	0.90%	5.25%	4.57%	6.96%	4.60%	6.07%	9.39%

#### CALCULATION OF PAYMENTS UNDER THE NOTES

A Noteholder will be entitled to receive the Coupons, in Canadian dollars, equal to the Coupon Rate on each Observation Date for which the Periodic Basket Level is equal to or greater than the Coupon Threshold, in accordance with the following formulas:

“**Coupon Rate**” means 5.20% per annum of the Principal Amount

“**Coupon**” means that on each Observation Date (n), a coupon will be paid if the Periodic Basket Level is greater or equal to the Coupon Threshold

“**Coupon Threshold**” means the Initial Basket Level.



**On any given Observation Date, no Coupon will be paid unless the Periodic Basket Level is equal to or greater than the Coupon Threshold.** The Maximum Total Return will not, in any case, be less than zero. The Principal Amount of the Note will be paid on May 10, 2024 subject to adjustments as set out in “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

The Periodic Basket Level reflects only the applicable price appreciation or depreciation of the Shares and does not reflect the payment of dividends or distributions thereon. Accordingly, a Noteholder will not benefit from any dividends or distributions declared on the Shares.

The Maximum Total Return will be achieved only if a Coupon is paid on each Coupon Payment Date.

**The Coupon and the Periodic Basket Level are calculated in Canadian dollars (CAD) and will not reflect fluctuations in the exchange rate of the foreign currencies in which the Shares of the Companies included in the Basket are traded against the Canadian dollar.**

### **FEES AND EXPENSES**

The following fees and expenses relate to the Notes:

#### **Selling Agent’s Commission:**

No Selling commission will be paid by the Fédération to the Selling Agent. Noteholders may pay fees to their advisor based on the services rendered or as a percentage of the Principal Amount, as provided between such advisor and each Noteholder.

#### **Expenses of the Offering:**

The expenses of the offering will be borne by the Fédération.

### **SUITABILITY FOR INVESTMENT**

A person should make a decision to invest in the Notes only after carefully considering, with his or her advisors, whether the Notes are a suitable investment in light of his or her investment objectives, investment horizon, risk tolerance, financial situation, the composition of their current investment portfolio, and the information set out in this Information Statement, among other factors. No recommendation is made herein as to whether the Notes are a suitable investment for any person.

The Notes have features of conventional indebtedness in that they have a contingent fixed yield. There will be interest payments to Noteholders during the term of the Notes. The Principal Amount of a Note will be repaid only if the Note is held to maturity. In addition, the total return, if any, on the Notes will be uncertain until the Maturity Date and will depend on the performance of the Basket. It is possible that the Notes could produce no yield by the Maturity Date and an investor may not receive anything more on the Maturity Date than the Principal Amount. Accordingly, the Notes are not suitable investments for investors requiring or expecting certainty of yield and who are not prepared to assume risks associated with a medium term investment whose return is based on the performance of the Basket.

The Notes may be suitable investments for medium term investors who are looking for additional diversity in their investment portfolio through exposure to a Basket that invests in equities but who need the safety of principal protection. The Notes are generally not suitable for investors who anticipate the need to sell them prior to maturity.

### **FÉDÉRATION DES CAISSES DESJARDINS DU QUÉBEC**

The Fédération is a federation of cooperative financial institutions formed under *An Act respecting financial services cooperatives* (Québec) (the " **AFSC** "). The Fédération is the cooperative entity responsible for strategic policy, oversight, coordination, treasury operations and development for Desjardins Group, while serving as a financial agent in Canadian and international financial markets. It provides its member caisses with a variety of services, including certain technical, financial and administrative services. The member caisses collectively control the Fédération and each of the member caisses has influence over the Fédération. The Fédération enables the caisses and other Desjardins Group components to accelerate their development and better meet the needs of their members and clients.

The Fédération also acts as a control and supervisory body over the caisses. The AFSC confers broad normative powers upon the Fédération, in particular with respect to caisse adequacy of capital base, reserves, liquid assets and credit and investment activities. The Fédération is responsible for inspecting the caisses.

Furthermore, the Fédération provides financial services to Desjardins Group, governments, public and parapublic sector institutions, individuals as well as medium-sized and large businesses. It meets the financial needs of Desjardins Group caisses and other Desjardins Group components. The Fédération's mandate is to provide institutional funding for the Desjardins network and to act as financial agent, in particular by supplying interbank exchange services, including clearing house settlements. Its activities in Canadian and international markets complement those of other Desjardins Group entities. The Desjardins network consists of the components of the Desjardins Group and other related entities.

The Fédération's structure has been designed to accommodate the needs of Desjardins Group members and clients, as well as the markets in which it operates. Accordingly, the Fédération and the caisse network in Québec and Ontario can leverage three key business segments—Personal and Business and Institutional Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance—to give them the agility they need to develop their products and services.

The Fédération handles Desjardins Group's treasury operations in particular and is its official representative to the Bank of Canada and Canadian banking system.

## **DESJARDINS GROUP**

Desjardins Group is the largest financial cooperative group in Canada, with assets of \$295.5 billion. The organization brings together 271 caisses in Québec and Ontario as of December 31, 2018, the Fédération and its subsidiaries (including Desjardins Capital Inc.), the *Fédération des caisses populaires de l'Ontario Inc.* and the *Fonds de sécurité Desjardins*. A number of its subsidiaries and components are active across Canada, whereas Desjardins Group is also present in the United States through Desjardins Bank, National Association. With its Personal and Business and Institutional Services, Wealth Management and Life and Health Insurance, and Property and Casualty Insurance segments, Desjardins Group offers a full range of financial services designed to meet the needs of its members and clients. As one of the largest employers in the country, Desjardins Group is driven by the skills of nearly 46,000 employees and the commitment of over 4,000 elected officers. The Desjardins Group is not a legal entity itself but is the term used to describe the numerous legal entities that form the group, as more fully described in this section.

## **DESCRIPTION OF THE NOTES**

### **ISSUE**

Desjardins Global Equity Principal Protected Notes, Contingent Coupon, Series 1, F-Class, due May 10, 2024 will be issued by the Fédération on or about May 10, 2019. The Fédération reserves the right to issue the Notes in an aggregate number and in an aggregate Principal Amount as the Fédération may determine in its absolute discretion.

### **CREDIT RATING**

The Notes have not been rated by any rating agency. The following ratings apply to the long-term debt of the Fédération as at the date of this Information Statement: DBRS: AA / S&P A+ / Moody's Aa2 / Fitch: AA-. There can be no assurance that, if the Notes were specifically rated by these agencies, they would have the same ratings as the long-term debt of the Fédération. A credit rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

### **DENOMINATIONS**

The Notes will be issued at a price of \$100 each, subject to a minimum subscription of \$1,000 (10 Notes). Fractional Notes over such minimum number of Notes may be issued and all calculations made in respect of amounts payable on account of a fractional Note will be prorated accordingly.

### **PAYMENT CURRENCY**

All amounts owing under the Notes will be payable in Canadian dollars.

## **MATURITY AND REPAYMENT OF PRINCIPAL AMOUNT**

The Noteholder will be entitled to receive the Principal Amount on the Maturity Date. If the Maturity Date is not a Business Day, then such payment of the Principal Amount will be made on the following Business Day and no interest will be paid in respect of the delay in such payment.

## **COUPONS PAYMENTS**

Coupons will be paid on a Coupon Payment Date (without any need for the Noteholder to elect or otherwise take any action), subject to the occurrence of a Market Disruption Event or an Extraordinary Event if the Periodic Basket Level on the relevant Observation Date is equal to or greater than the Coupon Threshold. If a Coupon Payment Date is not a Business Day, then payment of the Coupon will be made on the next succeeding Business Day and no interest will be paid in respect of the delay in such payment. Upon the occurrence of a Market Disruption Event affecting the payment of the Coupon, the Coupon will be paid on the Business Day following the event and no interest will be paid in respect of such delay. The Fédération may elect to determine an Accelerated Return on the full Principal Amount prior to the Maturity Date in lieu of the Coupons, if any, that would have been payable, upon the occurrence of an Extraordinary Event, in which case the Noteholder's right to receive any Coupon will be extinguished. In these circumstances, payment of the Principal Amount of the Note will not be accelerated and will remain due and payable on the Maturity Date. The Accelerated Return may be nil. See "ADJUSTMENTS AND EXCEPTIONAL CIRCUMSTANCES".

## **COUPON CALCULATION**

Each Coupon, if payable, is equivalent to 5.20% per annum of the Principal Amount.

The Coupons payable under the Notes are each linked to the level of the Periodic Basket Level compared to the Initial Basket Level on each Observation Date. At each Observation Date, the Calculation agent will calculate the Periodic Basket Level and determine if a Coupon is payable. A Coupon will be payable if the Periodic Basket Level is equal to or greater than the Coupon Threshold. The Shares initially comprising the Basket are listed in the table under "THE BASKET" with a brief description of the current business of each of the respective Companies and a chart of the historical price of its Shares. The tables show the historical performance of the Shares comprising the Basket based on the performance observed on each Company's principal stock exchange and measured in the currency of such principal stock exchange, without dividend reinvestment. The Shares are subject to substitution from time to time by the Calculation Agent as specified under "ADJUSTMENTS AND EXCEPTIONAL CIRCUMSTANCES" below.

The Coupon will be determined by the Calculation Agent in accordance with the formula and related definitions set out under "CALCULATION OF PAYMENTS UNDER THE NOTES", subject to any adjustment as specified under "DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances".

**No Coupon will be payable on an Observation Date unless the Periodic Basket Level on that Observation Date is equal to or greater than the Coupon Threshold.**

## **ADJUSTMENTS AND EXCEPTIONAL CIRCUMSTANCES**

### ***Potential Adjustment Event***

Following the declaration by a Company of the terms of any Potential Adjustment Event in respect of its Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Share and, if so, will (i) make the corresponding adjustment(s), if any, to any one or more of the Initial Share Price, the Share Weight for the relevant Share or any other component or variable relevant to the determination of the Coupon as the Calculation Agent determines appropriate to account for such diluting or concentrative effect and (ii) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine any appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Share traded on such options exchange. Unless expressly provided below, the Calculation Agent will make no adjustments in respect of any distribution of cash.

**"Potential Adjustment Event"** means, in respect of a Share, the occurrence of any of the following events:

- (a) a subdivision, consolidation or reclassification of the relevant Shares (unless resulting from a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalization or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the applicable Company equally or proportionately with such payments to holders of such Shares, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the applicable Company as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an extraordinary dividend or distribution in respect of such Shares (where the characterization of a dividend or distribution as “extraordinary” will be determined by the Calculation Agent);
- (d) a call by the applicable Company in respect of the relevant Shares that are not fully paid;
- (e) a repurchase by the applicable Company or any of its subsidiaries of the relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the applicable Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event will be readjusted upon any redemption of such rights; or
- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

***Merger Event and Tender Offer***

On or after a Merger Date or Tender Offer Date (as defined below), the Calculation Agent will either (i) (A) make adjustment(s), if any, to any one or more of the Initial Share Price, the Share Weight for the relevant Share or any other component or variable relevant to the determination of the Coupon as the Calculation Agent determines appropriate to account for the economic effect on the Notes of the relevant Merger Event or Tender Offer, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and (B) determine the effective date(s) of the adjustment(s), or (ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, the Calculation Agent may deem the relevant Merger Event or Tender Offer to be a Substitution Event subject to the provisions of “Substitution Event” below.

“**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“**Merger Event**” means, in respect of a Share, any (i) reclassification, reorganization, consolidation or change of the relevant Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) statutory arrangement, consolidation, amalgamation, merger or binding share exchange of the relevant Company with or into another entity or person (other than a statutory arrangement, consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in a reclassification, reorganization, consolidation or change of all of such Shares outstanding), (iii) takeover bid, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of such Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) reorganization, consolidation, amalgamation, merger or binding share exchange of such Company or its subsidiaries with or into another entity in which such Company is the continuing entity and which does not result in a reclassification, reorganization, consolidation or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (commonly referred to as a “reverse merger”), in each case if the Merger Date is on or before the Maturity Date.

“**Tender Offer**” means, in respect of a Share, a takeover bid, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10% and less than 100% of the outstanding relevant Shares of the applicable Company, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“**Tender Offer Date**” means, in respect of a Tender Offer, the date on which the relevant Shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

***Substitution Event***

Upon the Calculation Agent becoming aware of the occurrence of a Substitution Event (as defined below) in respect of a Share in the Basket (the “Excluded Share”), the following will apply, effective on a date as determined by the Calculation Agent (the “Substitution Date”):

- (a) any adjustment(s) set out in “Potential Adjustment Event” above in respect of such Share will not apply;
- (b) the Calculation Agent may choose a new share (the “Replacement Share”) of a Comparable Company as a substitute for such Excluded Share;
- (c) such Excluded Share will be removed from the Basket and will not be considered as a Share for purposes of determining any Periodic Basket Level on or after the Substitution Date;
- (d) the Replacement Share will be a Share in the Basket, the issuer of such Replacement Share will be the Company in respect of such Replacement Share, and the primary exchange or market quotation system on which such Replacement Share is listed will be the Exchange in respect of such Replacement Share; and
- (e) the Calculation Agent will determine the Initial Share Price of such Replacement Share by taking into account all market circumstances, including the Initial Share Price of such Excluded Share and the Closing Price or estimated value on the Substitution Date of the Excluded Share and the Closing Price on the Substitution Date of the Replacement Share, and will make adjustment(s), if any, to the Share Weight of such Replacement Share, or any other component or variable relevant to the determination of the Coupon as the Calculation Agent determines appropriate to account for the economic effect on the Notes of the relevant Substitution Event (including adjustment to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the applicable substitution).

Upon choosing a Replacement Share, the Calculation Agent will as soon as reasonably practicable under the circumstances provide details of such substitution to the Noteholders or their agents, and the Fédération. For greater certainty, the Replacement Share chosen by the Calculation Agent may be any share of a Comparable Company, and may be a company that was the continuing entity in respect of a Merger Event. The Calculation Agent may elect not to choose a Replacement Share as a substitute for an Excluded Share if the Calculation Agent determines that there are no appropriate shares of a Comparable Company which offer sufficient liquidity in order for the Fédération to place, maintain or modify hedges in respect of such shares; in that event, see “Extraordinary Event” below.

“**Comparable Company**” means a global company (not currently in the Basket) and deemed by the Calculation Agent to have characteristics comparable to the Companies initially comprising the Basket.

“**Delisting**” means, in respect of a Share, that the Exchange announces that pursuant to the rules of the Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system.

“**Substitution Event**” means, in respect of a Share, any Nationalization, Insolvency or Delisting in respect of such Share, or any Merger Event or Tender Offer in respect of such Share that is deemed by the Calculation Agent to be a Substitution Event, or an occurrence and continuation for at least eight consecutive applicable Exchange Business Days of a Market Disruption Event in respect of such Share.

“**Nationalization**” means, in respect of a Share, that all such Shares or all the assets or substantially all the assets of the applicable Company are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

“**Insolvency**” means, in respect of a Share, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the applicable Company, (i) all the relevant Shares of such Company are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares of such Company become legally prohibited from transferring them.

***Market Disruption Event***

If the Calculation Agent determines that a Market Disruption Event (as defined below) in respect of a Share in the Basket has occurred or is continuing on any day that, but for that event, would be an Observation Date then the Closing Price of such Share will be determined on the basis that such Observation Date will be postponed to the next Exchange Business Day on which there is no Market Disruption Event in effect for such Share.

However, if on the eighth Exchange Business Day following the date originally scheduled as an Observation Date, such Observation Date has not occurred, then despite the occurrence of any Market Disruption:

- (i) such eighth Exchange Business Day will be the Observation Date in respect of such Share, and
- (ii) the Closing Price of such Share for such Observation Date used in the calculation of the Periodic Basket Level will be a value equal to the estimate of the Calculation Agent for the Closing Price of such Share as at such Observation Date reasonably taking into account all relevant market circumstances.

A Market Disruption Event may delay the determination of a Share Price on an Observation Date and consequently the calculation of the Coupon payable. Payment of the final Coupon, if any, is scheduled for the Maturity Date, but the Calculation Agent may delay such payment until the third Business Day after all Share Prices Share Price on the last Observation Date have been determined and no interest will be paid in respect of such delay.

“**Market Disruption Event**” means, in respect of a Share, any *bona fide* event, circumstance or cause (whether or not reasonably foreseeable) beyond the reasonable control of the Fédération or any person that does not deal at arm’s length with the Fédération which, in the determination of the Calculation Agent, has or will have a material adverse effect on the ability of the Fédération or market participants generally to place, maintain or modify hedges of positions in respect of such Share.

A Market Disruption Event may include, without limitation, any of the following events:

- (a) any failure of trading to commence or the permanent discontinuation of trading or any suspension of or limitation imposed on trading by the Exchange or any Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by such Exchange or Related Exchange or otherwise (i) relating to the Shares, or (ii) in futures or options contracts relating to the Shares on any relevant Related Exchange;
- (b) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, such Share on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any Related Exchange;
- (c) the closure on any Exchange Business Day of the Exchange or any Related Exchange after it has opened for trading but prior to its scheduled closing time unless such earlier closing time is announced by the Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be submitted for entry in the Exchange or Related Exchange system for execution at the close of trading on such Exchange Business Day;
- (d) the failure on any Exchange Day of the Exchange or any Related Exchange to open for trading during its regular trading session;
- (e) the adoption, change, enactment, publication, decree or other promulgation of any statute, regulation, rule or notice, howsoever described, or order of any court or other governmental or regulatory authority, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other event which has or would have a material adverse effect on a securityholder of a Share comprising the Basket, on the Fédération’s ability to perform its

obligations under the Notes, or for equity dealers generally to place, maintain or modify hedges of positions in respect of such Share;

- (f) the taking of any action by any governmental, administrative, legislative or judicial authority or power of any country, or any political subdivision thereof, which has a material adverse effect on the financial markets of Canada or of a country in which the Exchange or any Related Exchange is located;
- (g) any outbreak or escalation of hostilities or other national or international calamity or crisis (including, without limitation, natural calamities, man-made disaster, armed conflict, act of terrorism, riot, labour disruption or any other circumstance beyond the Fédération's control) that has or would have a material adverse effect on the ability of the Fédération to perform its obligations under the Notes or of dealers generally to acquire, place, establish, re-establish, substitute, maintain, modify or unwind or dispose of any hedge transaction in respect of the Shares or to realize, recover or remit the proceeds of any such hedge transaction in respect of the Shares or has or would have a material adverse effect on the economy of Canada or of a country in which the Exchange or any Related Exchange is located or the trading of securities generally on the Exchange or Related Exchange; or
- (h) an increase in the cost of acquiring, placing, establishing, re-establishing, substituting, maintaining, modifying, unwinding or disposing of any hedge transaction in connection with the Shares or in the cost of realizing, recovering or remitting the proceeds of any such hedge transaction.

### ***Extraordinary Event***

If on any day (i) a Market Disruption Event in respect of a Share has continued for at least eight consecutive applicable Exchange Business Days, and the Calculation Agent has elected to not choose a Replacement Share as a substitute for such Share, or (ii) the Calculation Agent determines that there has been any change in regulation, taxation, regulatory or taxation practice or policy or administration, or there exists or has occurred any state of facts caused by circumstances not within the control of the Fédération, including, without limitation, the failed performance of any third party hedge providers, as a result of which it would be illegal or financially disadvantageous, or disadvantageous from a regulatory or operational perspective, to, among others, the Fédération or its affiliates, to allow the Notes to remain outstanding on their original terms (each, an "Extraordinary Event"), then the Fédération may in its sole discretion, upon providing notice to Noteholders on a Business Day on which such Extraordinary Event has occurred or is continuing (the "Extraordinary Event Notification Date"), elect to determine an amount in lieu of any Coupon, if any, that would have been payable, by requiring the Calculation Agent to determine an amount per Note (the "Accelerated Return"), if any, equal to the present value of the Noteholder's contingent right to receive any Coupon. The Accelerated Return will be determined by the Calculation Agent, acting reasonably and in good faith, taking into consideration the value and composition of the Basket at such time, and any other relevant market circumstances, including but not limited to the performance of the Basket since the Issue Date, volatility in the prices of the Shares, prevailing interest rates, and the time remaining to the maturity of the Notes.

If elected, payment of the Accelerated Return, if any, will be made on the tenth Business Day following the Extraordinary Event Notification Date. Upon determination of the Accelerated Return, if any, the Noteholder's right to receive any Coupon on any Coupon Payment Date (including the Maturity Date) will be extinguished. In these circumstances, payment of the Principal Amount of the Note will not be accelerated and will remain due and payable on the Maturity Date. The Accelerated Return may be nil.

For the avoidance of doubt, if the Fédération elects not to determine an amount in lieu of the Coupon by requiring the Calculation Agent to determine the Accelerated Return notwithstanding the occurrence or continuance of an Extraordinary Event, Noteholders will retain their right to receive the Coupon, if any, that would have been payable.

### **FORM AND REGISTRATION**

All Notes will be represented in the form of a fully-registered, book-entry only global note (the "Global Note") held by or on behalf of the Fédération as custodian of the Global Note, and registered in the name of the Fédération or its nominee, as depository for the Notes (the "Nominee") with CDS. All references to the Notes and a Note contained in this Information Statement will include the Global Note unless the context otherwise requires.

Except in the limited circumstances described below, purchasers of beneficial interests in the Global Note will not be entitled to receive Notes in definitive form. Rather, the Notes will be represented in book-entry form only. Beneficial interests in the Global Note, constituting ownership of Notes, will be represented through (a) book-entry accounts of Fédération of the institutions or market intermediaries such as dealers acting on behalf of beneficial owners of Notes, which will be Desjardins Investments for any

beneficial owner of Notes that has not elected an institution or market intermediary to hold Notes on his or her behalf and (b) book-entry account of such institutions or market intermediaries such as dealers acting on behalf of beneficial owners of Notes. The Fédération will be responsible for establishing and maintaining book-entry accounts for the institutions or market intermediaries such as dealers acting on behalf of beneficial owners of Notes having interests in the Global Note. Transfers of ownership of beneficial interests in the Global Note will be effected through records maintained by the Fédération or the Nominee for the Global Note and through the records of institutions or market intermediaries such as dealers acting on behalf of beneficial owners of Notes. If the Fédération is unwilling or unable to continue as depository in connection with the Global Note and, if a successor depository is not appointed by the Fédération within 90 days after receiving such notice, the Fédération will issue or cause to be issued Notes in definitive form upon registration of transfer of, or in exchange for, the Global Note. Notes in definitive form will be in fully registered form. The text of the definitive Notes will contain such provisions as the Fédération may deem necessary or advisable provided that such provisions may not be incompatible with the provisions of the terms and conditions of the Notes as set out in the Global Note.

The Fédération will keep or cause to be kept a register in which will be recorded registrations and transfers of Notes in definitive form if issued. Such register will be kept at the office of the Fédération, or at such other office notified by the Fédération to the Noteholders.

No transfer of the Global Note or, if issued, of Notes in definitive form will be valid unless registered in the aforesaid register upon surrender of the Global Note or Notes in definitive form for cancellation with a written instrument of transfer in form and as to execution satisfactory to the Fédération, and upon compliance with such reasonable requirements as the Fédération may prescribe.

The Global Note may not be transferred except as a whole by the Fédération to a Nominee of the Fédération, or by a Nominee of the Fédération to the Fédération or another Nominee of the Fédération.

#### **NO EARLY REDEMPTION**

The Notes will not be redeemable by the Fédération prior to the Maturity Date.

#### **PAYMENT**

The Principal Amount, and each Coupon payable under the Global Note on any due date will be made available by the Fédération, at the Fédération's option, through Fundserv or its nominee in accordance with arrangements between the Fédération and Fundserv. Fundserv or its nominee (as the case may be) will, upon receipt of any such amount, immediately facilitate payment to the applicable member of Fundserv, or credit to the accounts of those members of Fundserv, in amounts proportionate to the respective beneficial interests of Noteholders in the Principal Amount, and each Coupon, if any, as shown on the records of the Fédération or its Nominee. The Fédération expects that payments by members of Fundserv to owners of beneficial interests in the Global Note held through such members of Fundserv will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such members of Fundserv.

The responsibility and liability of the Fédération in respect of Fundserv Notes represented by the Global Note is limited to making payment of any amount due on the Fundserv Notes to Fundserv or its Nominee and maintaining appropriate records with respect to interests of members of Fundserv.

The responsibility and liability of the Fédération in respect of Notes represented by the Global Note is to maintain records showing the institutions or market intermediaries such as dealers acting on behalf of beneficial owners of Notes and make appropriate payments to such persons.

Neither the Fédération nor Fundserv will be bound to see to the execution of any trust affecting the ownership of any Note or be affected by notice of any equity that may be subsisting with respect to any Note.

#### **RANK**

The Notes will constitute direct, unsubordinated and unsecured obligations of the Fédération ranking, prior to insolvency or winding up, *pari passu* among themselves with all other direct, unsubordinated and unsecured indebtedness of the Fédération outstanding from time to time, including its deposit liabilities. In the event of the insolvency or winding-up of Fédération in accordance with applicable law, the Notes will rank equally in right of payment with all deposit liabilities and other unsecured and unsubordinated liabilities of Groupe coopératif Desjardins (as defined under the AFSC), except as may be provided by law.



## **SECONDARY MARKET**

The Principal Amount of the Notes is only repayable at maturity. A Noteholder cannot elect to receive the Principal Amount of the Notes prior to the Maturity Date; however a Noteholder may be able to sell the Notes prior to the Maturity Date in any available secondary market. Any selling agent may from time to time purchase and sell Notes in the secondary market but is not obligated to do so. There can be no assurance that there will be a secondary market for the Notes. The offering price and other selling terms for such sales in the secondary market may, from time to time, be varied by the relevant selling agent. The Notes will not be listed on any stock exchange.

DSI intends, in normal market conditions, to maintain a secondary market for the Notes, but is not obligated to do so. There can be no assurance that there will be such a market and DSI is making no representation that there will be such a market. If a secondary market does develop, DSI reserves the right not to maintain any secondary market in the future at its sole discretion without providing notice to Noteholders. Changes in laws and regulations may impact the ability of DSI to maintain any secondary market that may develop. To the extent that an available secondary market does exist, a Noteholder may be able to sell a Note, in whole or in part. A Noteholder who sells a Note to DSI prior to the Maturity Date will receive sales proceeds (which may be less than the Principal Amount of the Notes) equal to the bid price for the Note posted on Fundserv, if available, determined at the time of sale based on prevailing market conditions.

See “FUNDSERV” below for details in respect of secondary market trading where the Notes are held through members of Fundserv.

Any bid price of the Notes in the secondary market (if available) may be affected by a number of interrelated factors including, among others, the price performance of the Shares, volatility in the price of the Shares, correlation in price movements between the Shares, prevailing interest rates, changes in the market’s view of the Fédération’s creditworthiness, the dividend yields of the Shares, the time remaining to the Maturity Date, and any market demand for the Notes. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect any bid price of the Notes.

## **NOTIFICATION**

If notice regarding the Notes is required to be given to Noteholders, such notice will be valid and effective (i) if such notice is given (which notice may be given by mail, fax or other electronic means) to the Fédération, as depositary, and (ii) in the case where the Notes are held through Fundserv, if such notice is provided directly by the Fédération (or indirectly through dealers and financial advisors who sold the Notes in certain cases) to investors to the extent required by applicable regulations. The Fédération will have no obligation to notify Noteholders, dealers or financial advisors in any other manner.

## **AMENDMENTS TO THE NOTES**

The terms of the Notes may be amended by the Fédération without the consent of the Noteholders if, in the reasonable opinion of the Fédération, the amendment would not materially and adversely affect the interests of the Noteholders.

## **FUNDSERV**

Some Noteholders may purchase Notes through dealers and other firms that facilitate purchase and related settlement through Fundserv. The following Fundserv information is pertinent for such Noteholders. Noteholders should consult with their financial advisors as to whether their Notes have been purchased through Fundserv and to obtain further information on Fundserv procedures applicable to those Noteholders.

Where a Noteholder’s purchase order for Notes is effected by a dealer or other firm through Fundserv, such dealer or other firm may not be able to accommodate a purchase of Notes under certain registered plans for purposes of the Tax Act. Noteholders should consult their financial advisors as to whether their orders for Notes will be made through Fundserv and any limitations on their ability to purchase Notes through certain registered plans.

## **GENERAL INFORMATION**

Fundserv is owned and operated by both fund sponsors and distributors and provides distributors of funds and certain other financial products (including brokers and dealers who sell investment funds, companies who administer registered plans that include investment funds and companies who sponsor and sell financial products) with online order access to such financial products. Fundserv was originally designed and is operated as a mutual fund communications network facilitating members in electronically placing, clearing and settling mutual fund orders. In addition, Fundserv is currently used in respect of other financial

products that may be sold by financial planners, such as the Notes. Fundserv enables its members to clear certain financial product transactions between members, to settle the payment obligations arising from such transactions, and to make other payments between themselves.

## **FUNDSERV NOTES HELD THROUGH DESJARDINS INVESTMENTS**

As stated above, all Notes will initially be issued in the form of a fully registered Global Note that will be deposited with the Fédération. Fundserv Notes will also be evidenced by that Global Note, as are all other Notes. See “DESCRIPTION OF NOTES - Form and Registration” above for further details on the Fédération as a depositary and related matters with respect to the Global Note. Noteholders holding Fundserv Notes will therefore have an indirect beneficial interest in the Global Note. That beneficial interest will be recorded by the Fédération as being owned by Desjardins Investments. Desjardins Investments in turn will record in its records respective beneficial interests in the Fundserv Notes. A Noteholder should understand that Desjardins Investments will make such recordings as instructed through Fundserv by the Noteholder’s financial advisor.

## **PURCHASE THROUGH FUNDSERV**

In order to complete the purchase of Fundserv Notes, the full subscription price (i.e., the aggregate Principal Amount therefor) must be delivered to Desjardins Investments in immediately available funds by no later than the Issue Date. Despite delivery of such funds, Desjardins Investments reserves the right not to accept any offer to purchase Fundserv Notes. If for any reason Notes are not issued to a person who has delivered such funds, delivered funds will be forthwith returned. In any case, whether or not the Notes are issued, no other interest or other compensation will be paid to the purchaser in respect of delivered funds or to the dealer or financial advisor representing such purchaser.

## **SALE THROUGH FUNDSERV**

A Noteholder wishing to sell Fundserv Notes prior to the Maturity Date is subject to certain procedures and limitations to which a Noteholder holding Notes through a member of Fundserv. Any Noteholder wishing to sell a Fundserv Note should consult with his or her financial advisor in advance in order to understand the timing and other procedural requirements and limitations of selling. A Noteholder must sell Fundserv Notes by using the “redemption” procedures of Fundserv; any other sale or redemption is not possible. Accordingly, a Noteholder will not be able to negotiate a selling price for Fundserv Notes. Instead, the financial advisor for the Noteholder will need to initiate an irrevocable request to “redeem” the Fundserv Note in accordance with the then established procedures of Fundserv. Generally, this will mean the financial advisor will need to initiate such request by 1:00 p.m. (Montreal time) on a Business Day (or such other time as may hereafter be established by Fundserv). Any request received after such time will be deemed to be a request sent and received on the next following Business Day. Any sale of the Fundserv Note to DSI will be effected at a sale price equal to (i) the Fundserv “net asset value” of a Note as of the close of business on the applicable Business Day. The Noteholder should be aware that, although the “redemption” procedures of Fundserv would be utilized, the Fundserv Notes of the Noteholder will not be redeemed by the Fédération, but rather will be sold in the secondary market to DSI. In turn, DSI will be able in its discretion to sell those Fundserv Notes to other parties at any price, to hold them in its inventory or to arrange for redemption by the Fédération. DSI will have the sole right to accept or reject requests for the redemption of Fundserv Notes either in whole or part.

Noteholders should be aware that there is no obligation to provide such “redemption” mechanism to sell Fundserv Notes. Noteholders should also be aware that, if such “redemption” mechanism to sell Fundserv Notes is provided from time to time, such “redemption” mechanism to sell Fundserv Notes may be suspended for any reason without notice, thus effectively preventing Noteholders from selling their Fundserv Notes. Potential Noteholders who may require liquidity should carefully consider this possibility before purchasing Fundserv Notes. The Notes are generally not suitable for an investor who requires liquidity prior to the Maturity Date.

Desjardins Investments is the “fund sponsor” for the Notes within Fundserv. A “net asset value” will be posted for the Notes on a daily basis, which value may also be used for valuation purposes in any statement sent to Noteholders. Any “net asset value” posted in Fundserv will actually represent DSI’s bid price for the Notes as of the close of business for the applicable Business Day. There is no guarantee that the “net asset value” for any day is the highest bid price possible in any secondary market for the Notes, but will represent DSI’s bid price generally available to all Noteholders, including clients of DSI, as at the relevant close of business. See “DESCRIPTION OF NOTES - Secondary Market” above for a discussion of factors that may affect the trading price of the Notes.

A Noteholder is generally able to transfer Fundserv Notes to another dealer; however in limited circumstances certain dealers may be unable to accommodate Fundserv Notes. In the event that a transfer to any such dealer is not permissible, the Noteholder would be able to sell the Fundserv Notes, only pursuant to the procedures outlined above.

## **PLAN OF DISTRIBUTION**

Each Note will be issued at 100% of the Principal Amount thereof. The Notes will be offered from time to time by the Fédération through selling agents, who have agreed to use their best efforts to solicit purchases of the Notes. These selling agents may include related entities of the Fédération such as DSI, DFSF and DFSI. DSI, DFSF and DFSI are wholly-owned subsidiaries of the Fédération, and the Fédération is a related issuer of DSI, DFSF and DFSI.

The Fédération will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes in whole or in part. A selling agent will have the right, in its discretion reasonably exercised, without notice to the Fédération, to reject any offer to purchase Notes received by it in whole or in part.

The Fédération may also sell Notes to a selling agent, acting as principal, for resale to one or more investors at varying prices related to prevailing market prices at the time of such resale to be determined by such selling agent. The Fédération also reserves the right to sell Notes to investors directly on its own behalf in those jurisdictions where it is authorized to do so.

Unless the Notes are sold by the Fédération to a selling agent acting as principal, no part of any commission paid by the Fédération to the selling agent may be reallocated, directly or indirectly, to the purchaser of the Notes or to others, and the selling agent will not be entitled to receive any commission from any other party in respect of initial sales of the Notes.

The Fédération reserves the right to issue additional Notes of a series previously issued, and other debt securities which may have terms substantially similar to the terms of the Notes offered hereby, which may be offered by the Fédération concurrently with the offering of Notes.

The Fédération further reserves the right to purchase for cancellation at its discretion any amount of Notes in the secondary market, without notice to the Noteholders in general.

The Fédération may, at any time prior to the Issue Date, elect in its discretion whether or not to proceed in whole or in part with the issuance of the Notes. If the Fédération for any reason elects not to proceed with the issuance of the Notes then all subscription funds received in connection with the proposed issuance will be returned to investors without interest or deduction.

The Notes may not be offered or sold in any jurisdiction outside of Canada where such offering or sale is restricted by law or by policies of either the Fédération and/or the selling agents. The Fédération and the selling agents require persons into whose possession this Information Statement comes to inform themselves of and observe any and all such restrictions. More particularly, the Notes have not been, and will not be, registered with the U.S. Securities and Exchange Commission and will not be offered or sold in the United States.

## **RIGHT OF CANCELLATION**

An investor may cancel an order to purchase a Note (or the purchase of a Note, if already issued) by providing instructions to the Fédération through his or her investment advisor within two Business Days of the later of (i) the day on which the agreement to purchase the Note is entered into and (ii) the deemed receipt of this Information Statement.

The agreement to purchase the Notes will be entered into (i) if the order to purchase is received via telephone or electronic means, on the day on which the order to purchase is received, or (ii) if the order to purchase is received in person, on the later of the second Business Day following (a) the day of deemed receipt of this Information Statement and (b) the day on which the order to purchase is received.

An investor will be deemed to have received the Information Statement (i) on the day recorded as the time of sending by the server or other electronic systems, if provided by electronic means; (ii) on the day recorded as the date of sending by fax machine, if provided by fax; (iii) five Business Days after the postmark date, if provided by mail, or (iv) when it is received, in any other case.

Upon cancellation, the investor is entitled to a refund of the Principal Amount and any fees relating to the purchase that have been paid by the investor. This right of cancellation does not extend to investors buying a Note in the secondary market.

## RELATED MATTERS

### CALCULATION AGENT

The Calculation Agent will be responsible, among other things, for determining the Initial Basket Value, determining the “net asset value” of a Note as of the close of business on any Business Day, determining the amount of any Coupon and whether a Potential Adjustment Event or Market Disruption Event has occurred. The Calculation Agent will also be responsible, at each Observation Date, for determining the Periodic Basket Level and the Periodic Basket Level and confirming any Coupon.

Whenever the Calculation Agent is required to act, it will do so in good faith and in a commercially reasonable manner, and its determinations and calculations will be binding in the absence of manifest error. The Calculation Agent is a wholly-owned subsidiary of the Fédération. So long as the Fédération and the Calculation Agent are related parties, the Calculation Agent may have economic interests adverse to those of the Noteholders, including with respect to certain determinations that the Calculation Agent must make in determining the amount of any Coupon and in determining whether a Potential Adjustment Event or Market Disruption Event has occurred and in making certain other determinations with regard to the Basket.

Nothing in the Notes will create a fiduciary relationship between the Calculation Agent and the Noteholder and the Calculation Agent will owe no fiduciary duties or obligations to the Noteholder in connection with the performance of its duties and/or exercise of its discretion pursuant to the Note.

### DEALINGS WITH COMPANIES

The Fédération and the Calculation Agent may from time to time, in the course of their respective normal business operations, extend credit to or hold Shares or other securities of or enter into other business dealings with one or more of the Companies. Each of the Fédération and the Calculation Agent has agreed that all such actions taken by it will be taken based on normal commercial criteria in the particular circumstances and will not take into account the effect, if any, of such actions on the performance of any Share or the amount of Coupon, if any, that may be payable on the Notes.

### CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Notes by a Noteholder who purchases the Notes at the time of their issuance, who is an individual (other than a trust) and who, for the purposes of the Tax Act and at all relevant times, is or is deemed to be a resident of Canada, deals at arm’s length with and is not affiliated with the Fédération and holds the Notes as capital property (a “Resident Initial Investor”). This summary does not apply to a Noteholder that is a corporation, partnership or trust, including a “financial institution” within the meaning of section 142.2 of the Tax Act.

This summary is based on the provisions of the Tax Act and the Regulations thereunder as in force on the date of this Information Statement, all specific proposals (the “Proposals”) to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Information Statement and the current administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”) published in writing by the CRA prior to the date of this Information Statement. Except for the Proposals, this summary does not take into account or anticipate any changes in law or the CRA’s administrative policies and assessing practices, whether by legislative, governmental or judicial decision or action, and there can be no assurance that the Tax Act or the Regulations will not be amended or the CRA’s administrative policies and assessing practices changed in a manner that could materially adversely affect the Canadian federal income tax considerations described herein. This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Notes and does not take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. While this summary assumes that the Proposals will be enacted in the form proposed, there can be no assurance that the Proposals will be enacted as proposed or at all.

**This summary is of a general nature only and is not intended to be, nor should it be relied upon as, legal or tax advice to any Noteholder. Noteholders should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Notes, based on their particular circumstances.** In particular, Noteholders should consult their tax advisors as to whether they will hold the Notes as capital property for purposes of the Tax Act, which determination should take into account, among other factors, whether the Notes are acquired with the intention or secondary intention of selling them prior to the Maturity Date, and as to whether the Noteholder is eligible for and should file an irrevocable election under subsection 39(4) of the Tax Act to treat every “Canadian security” owned by the Noteholder, including the Notes, as capital property.

## **COUPON AND ACCELERATED RETURN**

The full amount of the Coupon, if any, payable on each Coupon Payment Date generally will be required to be included in the Resident Initial Investor's income as interest in the taxation year of the Resident Initial Investor that includes an Coupon Payment Date, to the extent that such amount was not otherwise included in computing the Resident Initial Investor's income in the taxation year or a preceding taxation year. If the Fédération elects to pay the Accelerated Return prior to the Maturity Date as a result of an Extraordinary Event, the full amount of the Accelerated Return, if any, generally will be required to be included in the Resident Initial Investor's income as interest in the taxation year of the Resident Initial Investor that includes the Extraordinary Event Notification Date, to the extent that such amount was not otherwise included in computing the Resident Initial Investor's income in the taxation year or a preceding taxation year.

The CRA takes the administrative position that instruments similar to the Notes constitute "prescribed debt obligations" within the meaning of the Tax Act and the Regulations. The rules (the "prescribed debt obligation rules") in the Tax Act and the Regulations applicable to a prescribed debt obligation generally require a taxpayer to accrue the amount of any interest, bonus or premium receivable in respect of the obligation over the term of the obligation, based on the maximum amount of interest, bonus or premium that could be payable on the obligation. Based in part on the CRA's administrative practice with regard to "prescribed debt obligations", there should be no deemed accrual of the Accelerated Return prior to such amounts becoming calculable.

## **DISPOSITION OF NOTES**

In certain circumstances, where an investor assigns or otherwise transfers a debt obligation, the amount of interest accrued on the debt obligation to that time, but unpaid, will be excluded from the proceeds of disposition of the obligation for purposes of computing any capital gain (or capital loss) on the disposition of the obligation and will be required to be included as interest in computing the investor's income for the taxation year in which the transfer occurs, except to the extent that such amount has been otherwise included in income for the taxation year or a preceding taxation year. With respect to an assignment or transfer of a Note by a Resident Initial Investor (other than as a consequence of a repayment or redemption of the Note), the amount of the excess, if any, of the proceeds of disposition over the Principal Amount of the Note will be included in the Resident Initial Investor's income as interest in the taxation year in which the disposition occurs, except to the extent that the amount was otherwise included in income for the taxation year or a preceding taxation year.

On a disposition or deemed disposition of a Note by a Resident Initial Investor (including a sale through Fundserv or otherwise in the secondary market, if available, but not including a disposition resulting from a payment by or on behalf of the Fédération), the Resident Initial Investor will realize a capital loss to the extent that the Resident Initial Investor's proceeds of disposition, net of any amount required to be included in the income of the Resident Initial Investor as interest (including deemed interest as described above) and any reasonable costs of disposition, are less than the Resident Initial Investor's adjusted cost base of the Note.

On a disposition or deemed disposition of a Note by a Resident Initial Investor resulting from a payment by or on behalf of the Fédération of the Principal Amount, the Resident Initial Investor will not realize a capital gain or loss further to such payment of the Principal Amount.

**Resident Initial Investors who dispose of Notes prior to the Maturity Date should consult their tax advisor with respect to their particular circumstances.**

## **TREATMENT OF CAPITAL GAINS AND LOSSES**

One-half of a capital gain realized by a Resident Initial Investor is required to be included in the income of the Resident Initial Investor. One-half of a capital loss realized by a Resident Initial Investor is deductible against the taxable portion of capital gains realized in the taxation year and may, if it exceeds the taxable portion of capital gains, be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against the net taxable portion of capital gains realized in such year, subject to the rules in the Tax Act.

Capital gains realized by an individual may give rise to a liability for alternative minimum tax.

## **ELIGIBILITY FOR INVESTMENT BY REGISTERED PLANS**

The Notes, if issued on the date hereof, would be, on such date, qualified investments under the Tax Act and the Regulations thereunder for trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), registered education savings plans ("RESPs"), registered disability savings plans ("RDSPs"), deferred profit sharing plans (other

than a trust governed by a deferred profit sharing plan or revoked plan to which contributions are made by the Fédération or by an employer with which the Fédération does not deal at arm's length within the meaning of the Tax Act) and tax-free savings accounts ("TFSA's"), each as defined in the Tax Act.

Notwithstanding that the Notes may be qualified investments, a holder of a TFSA or a RDSP, a subscriber of a RESP or an annuitant of an RRSP or RRIF will be subject to a penalty tax if the Notes are "prohibited investments" (as defined in the Tax Act) for a trust governed by a TFSA, RDSP, RESP, RRSP or RRIF. The Notes will generally be a prohibited investment for a trust governed by a TFSA, RDSP, RESP, RRSP or RRIF if the holder of the TFSA or the RDSP, the subscriber of a RESP or the annuitant of the RRSP or RRIF, as the case may be, (i) does not deal at arm's length with the Fédération for purposes of the Tax Act or (ii) has a "significant interest" (as defined in the Tax Act) in the Fédération. In addition, the Notes will generally not be a "prohibited investment" for a trust governed by a TFSA, RDSP, RRSP, RRIF or RESP if they are "excluded property" (as defined in subsection 207.01(1) of the Tax Act) for such trusts.

Holders of TFSAs or RDSPs, subscribers of RESPs and annuitants of RRSPs or RRIFs should consult their own advisors in this regard.

## **RISK FACTORS**

### **SUITABILITY OF THE NOTES FOR INVESTMENT**

A person should reach a decision to invest in the Notes after carefully considering, with his or her advisors, the suitability of the Notes in light of investment objectives and the information set out in this Information Statement. An investment in the Notes is suitable only for investors prepared to assume risks with respect to a return linked to the performance of the Basket. The Notes are designed for investors who are prepared to hold the Notes to maturity. An investment in the Notes is not suitable for an investor looking for a guaranteed return. The Fédération and the selling agents make no recommendation as to the suitability of the Notes for investment.

### **NOTES DIFFER FROM CONVENTIONAL INVESTMENTS**

The Notes are not conventional notes or debt instruments. Except for the Coupons, which are contingent, the Notes do not provide investors with an income stream calculated using a fixed or floating rate of interest or a return. Noteholders will not be able to determine the amount of the Coupon, if any, that they will receive on the Notes prior to each Observation Date.

### **YOU MAY RECEIVE NO RETURN ON YOUR INVESTMENT**

The amount, if any, of the Coupons payable on the Notes is uncertain in that the Notes could produce no Coupon at all. You may, as a result, receive no return on your investment. The amount of Coupon payable under the Notes is linked to the Periodic Basket Level and the Coupon Threshold. The prices of the Shares have in the past experienced significant movements and it is impossible to know the future direction. The Note will not yield any return unless the Periodic Basket Level on at least one Observation Date is equal to or greater than the Coupon Threshold. See "CALCULATION OF PAYMENTS UNDER THE NOTES".

### **AN INVESTMENT IN THE NOTES IS NOT AN INVESTMENT IN THE SHARES**

The Notes are not equivalent to a direct investment in the Shares. As such a Noteholder will not be entitled to the rights and benefits of a shareholder, including any right to receive distributions or dividends or to vote at or attend meetings of shareholders. The Notes are subject to different risks than such a direct investment and any return payable under the Notes will not be identical to the return associated with direct ownership of the Shares. The performance of the Shares will be measured on a price return basis and will not take into account any dividends paid (dividend yield of the Basket as at March 31, 2019 was 3.49 %).

### **THE MAXIMUM TOTAL RETURN WILL NOT BE IDENTICAL TO THE BASKET PERFORMANCE**

As a result of the Periodic Basket Levels calculated on each Observation Date, the Coupon Threshold and the Coupon Rate, the Maximum Total Return, will not be identical to the Basket Return. See "CALCULATION OF PAYMENTS UNDER THE NOTES" for examples.

**THE MAXIMUM TOTAL RETURN DEPENDS ON THE PERIODIC BASKET LEVEL THE COUPON THRESHOLD AND THE COUPON RATE**

The Periodic Basket Level on each Observation Date is used as a reference to determine whether a Coupon will be payable for such Observation Date. If the Periodic Basket Level is less than the Coupon Threshold which is equal to the Initial Basket Level on an Observation Date, there will be no Coupon paid for that period. There is no guarantee that the performance of the Basket in any period will result in the payment of a Coupon. Achieving the Maximum Total Return payable over the term of the Notes is dependent on whether there is a Coupon payable for each of the five periods.

**THERE IS NO ASSURANCE OF A SECONDARY MARKET AND THE NOTES MAY SELL AT A SUBSTANTIAL DISCOUNT ON THE SECONDARY MARKET**

The Principal Amount of the Notes is only repayable at maturity. There is no assurance that a secondary market through which the Notes may be sold will develop or if such market develops, whether such market will be liquid. The Notes will not be listed on any stock exchange. A sale of Notes originally purchased through Fundserv will be subject to certain additional procedures and limitations. See “DESCRIPTION OF THE NOTES – Fundserv”.

The Noteholder may have to sell the Notes at a substantial discount from the original Principal Amount and the Noteholder may as a result suffer a substantial loss. The bid price of the Notes will be determined by Desjardins Investments and will be dependent upon a number of factors, which may include supply and demand for the Notes, inventory positions of Notes with Desjardins Investments, interest rates in the market in general, the return of each Share since the Issuance Date, the time remaining until the Maturity Date, the volatility of each Share, economic, financial, political, regulatory or judicial events that affect the price of each Share, and real or anticipated changes in credit ratings of the Fédération, which can affect the cost at which the Fédération can transact or obtain funding, and thereby affect the Fédération’s liquidity, business, financial condition or results of operations. See “RISK FACTORS - Notes are Subject to the Credit Risk of the Fédération”.

The Notes are generally not suitable for an investor who requires liquidity prior to the Maturity Date. See “DESCRIPTION OF THE NOTES – Secondary Market”.

**MARKET DISRUPTION EVENT MAY DELAY PAYMENT OF THE COUPON**

If a Market Disruption Event occurs or is continuing on any Observation Date, the determination of the Closing Prices (and any subsequent payment of the Coupon) may be delayed. Fluctuations in the price of the relevant Shares may occur in the interim.

**EXTRAORDINARY EVENT MAY FORCE EARLY RECEIPT OF A RETURN**

An Extraordinary Event may result in the determination of an Accelerated Return, if any, on the Principal Amount of each Note in lieu of any Coupon that would have been payable, if any. In that event, a Noteholder’s right to receive any Coupon will be extinguished and Noteholders will not receive the Principal Amount of their Notes until the Maturity Date. The Accelerated Return may be zero. See “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

**CALCULATION AGENT MAY MAKE ADJUSTMENTS IN RESPECT OF THE BASKET**

Upon the occurrence of certain events, such as the merger or nationalization of a Company, the Calculation Agent may substitute another company’s share in the Basket or increase the weightings of the remaining Shares or make other adjustments. In other circumstances, such as a stock split or extraordinary dividend in respect of a Share, the Calculation Agent may adjust any one or more of the Initial Share Price or Share Weight for the Share or make other adjustments. See “DESCRIPTION OF THE NOTES – Adjustments and Exceptional Circumstances”.

**NOTES ARE NOT A GUARANTEED DEPOSIT**

The Notes do not constitute guaranteed deposits within the meaning of the *Deposit Insurance Act* (Québec) or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon insolvency of the deposit-taking institution.

**NOTES ARE SUBJECT TO THE CREDIT RISK OF THE FÉDÉRATION**

The obligation to make payments under the Notes is an obligation of the Fédération. The likelihood that Noteholders will receive payments owing to them under the Notes will depend on the financial health and creditworthiness of the Fédération.

The Notes will constitute direct, unsubordinated and unsecured obligations of the Fédération ranking *pari passu* among themselves with all other direct, unsubordinated and unsecured indebtedness of the Fédération outstanding from time to time, including its deposit liabilities. In the event of the insolvency or winding-up of Fédération in accordance with applicable law, the Notes will rank equally in right of payment with all deposit liabilities and other unsecured and unsubordinated liabilities of Groupe coopératif Desjardins (as defined under the AFSC), except as may be provided by law.

We refer you to the risks described in the Fédération's annual report for the year ended December 31, 2018 and the Fédération's latest quarterly report available at [www.sedar.com](http://www.sedar.com). These reports disclose known material trends and events, and risks or uncertainties, that are reasonably expected to have a material effect on the Fédération's business, financial condition, results of operation and hence, on its general creditworthiness.

#### **NOTES ARE SUBJECT TO RISK FACTORS AFFECTING THE SHARES**

The value of most investments, in particular equity securities, is affected by changes in general market conditions. These changes may be caused by various factors, including corporate developments, changes in interest rates, changes in the level of inflation, and other political and economic developments. These changes can affect the price of equity securities which can move up or down, without any predictability. A decrease in the price of the Shares may adversely affect the amount of any Coupon that may be payable under the Notes, and consequently, the value of the Notes. The equity markets are subject to temporary distortions or other disruptions due to various factors, including a lack of liquidity in the markets, the participation of speculators, and government regulation and intervention. These circumstances could adversely affect the value of the Notes. Market prices of the Shares may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships; trade; fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; disease; pestilence; weather; technological developments and changes in interest rates. These and other factors may affect the value of the Notes in varying ways causing the value of the Shares, and the volatilities of their prices, to move in inconsistent directions at inconsistent rates.

Potential Noteholders should undertake an independent investigation of the Companies as they deem necessary to allow them to make an informed decision with respect to an investment in the Notes.

#### **PERFORMANCE OF THE NOTES WILL BE AFFECTED BY FACTORS AFFECTING FOREIGN SECURITIES MARKETS**

The Shares comprising the Basket are equity securities of companies listed on exchanges in Europe, Asia, Australia and the United States of America. The performance of the Notes will be affected by factors affecting European, Asian, Australian and U.S. securities markets. European, Asian, Australian and U.S. securities markets may be more or less volatile than Canadian or other securities markets and may be affected by market developments in different ways than Canadian or other securities markets. Direct or indirect government intervention to stabilize a particular securities market and cross shareholdings in companies on international securities markets may affect prices and the volume of trading on those markets. Additionally, accounting, auditing and financial reporting standards and requirements in Europe, Asia, Australia and the U.S. differ from those applicable to Canadian reporting companies. The prices and performance of securities of companies in Europe, Asia, Australia and the U.S. may be affected by political, economic, financial and social factors in Europe, Asia, Australia and the U.S., respectively. In addition, recent or future changes in a country's government, economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions, and possible fluctuations in the rate of exchange between currencies, are factors that could negatively affect international securities markets. Moreover, economies in Europe, Asia, Australia and the U.S. may differ favourably or unfavourably from the Canadian economy in economic factors such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

#### **POTENTIAL CONFLICTS OF INTEREST MAY EXIST IN CONNECTION WITH THE NOTES**

The Fédération is the issuer of the Notes and Desjardins Investments, a wholly-owned subsidiary of the Fédération, is the Calculation Agent. As the Calculation Agent, Desjardins Investments may have to exercise judgment and discretion from time to time to make certain calculations, adjustments and determinations in relation to the Notes. Since these calculations, adjustments and determinations may affect the return or market value of the Notes, potential conflicts of interest between Desjardins Investments and Noteholders may arise. The Fédération or one or more of its affiliates may, at present or in the future, publish research reports with respect to the Companies whose securities are included in the Basket. This research may be modified from time to time without notice and may express opinions or provide recommendations inconsistent with purchasing or holding the Notes. The Fédération or one or more of its affiliates may have dealings with one or more of the Companies whose securities are included in the Basket and such dealings will not take into account the effect, if any, on the securities included in the Basket or Noteholders' interests generally. The Fédération or one or more of its affiliates may buy or sell as agent or principal or make



markets in the securities of one or more of the Companies whose securities are included in the Basket and such trading will not take into account the effect, if any, on the Shares or Noteholders' interests generally. Any of these activities may affect the return or market value of the Notes. In addition, DSI, which intends in normal market conditions to provide a secondary market, is an affiliate of the Fédération.

### **THERE ARE TAX CONSEQUENCES ASSOCIATED WITH AN INVESTMENT IN THE NOTES**

A Noteholder should consider the income tax considerations of an investment in the Notes. A Noteholder should also consider the income tax consequences of a disposition of the Notes prior to the Maturity Date. See "CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS" for a summary of certain Canadian federal income tax considerations generally applicable to a Resident Initial Investor.

There can be no assurance that the CRA's administrative practice with regard to "prescribed debt obligations" as described above under "CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS" will not be subject to change or qualification relevant to the Notes or that the CRA will agree with and not take a contrary view with respect to the income tax considerations discussed under "CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS".

### **THERE MAY BE CHANGES IN LEGISLATION OR ADMINISTRATIVE PRACTICES THAT ADVERSELY AFFECT THE NOTEHOLDERS**

There can be no assurance that income tax, securities and other laws or the administrative practices of any government agency (such as the CRA) will not be amended or changed in a manner which adversely affects Noteholders.

### **ECONOMIC AND REGULATORY ISSUES**

Changes in economic conditions, including, for example, interest rates, inflation rates, commodity prices, industry conditions, competition, technological developments, political and diplomatic events and trends, war, tax laws and innumerable other factors, can affect substantially and adversely the Basket Level. None of these conditions are within the control of the Fédération.

The Notes are not subject to Canadian securities laws. Accordingly, Noteholders do not have the same rights of action with respect to the disclosure in this Information Statement that a prospectus would provide. No securities commission or similar authority has in any way passed upon the merits of investing in the Notes or the information contained in this Information Statement.

### **NO INDEPENDENT CALCULATION**

As part of its responsibilities, the Calculation Agent, a wholly-owned subsidiary of the Fédération, acting reasonably, will be solely responsible for computing the Periodic Basket Level and the Coupon. No independent calculation agent will be retained to make or confirm the determinations and calculations made by the Calculation Agent.

### **INDEPENDENT INVESTIGATION REQUIRED**

Neither the Fédération nor the Agents has performed any due diligence investigation of the Companies. Prospective Noteholders considering an investment in the Notes should independently develop their own views as to the future price performance of the Shares. All information in this Information Statement relating to the Companies and the Shares is derived from publicly available sources. A prospective investor should undertake an independent investigation of the Companies and the Shares as such investor considers necessary in order to make an informed decision as to the merits of an investment in the Notes.