

**C\$8,000,000,000 Aggregate Principal Amount**  
**3.70% Canada Mortgage Bonds™, Series 120, to mature June 15, 2029**

**Fully Guaranteed as to Principal and Interest by**  
**Canada Mortgage and Housing Corporation**  
*(An agent of His Majesty in right of Canada)*



CANADA  
HOUSING  
TRUST

**Issued by**

**CANADA HOUSING TRUST™ NO. 1**

Legal Entity Identifier (LEI): 549300M44WH89JG50067

ISSUE PRICE: 99.929%

The bonds offered hereby (the “**Bonds**”) are 3.70% Canada Mortgage Bonds™, Series 120, to mature June 15, 2029, of Canada Housing Trust™ No. 1 (the “**Issuer**”), a trust established under the laws of the province of Ontario, Canada pursuant to a declaration of trust dated April 9, 2001, as amended, made by its trustee CIBC Mellon Trust Company, and are fully guaranteed as to timely payment of principal and interest by Canada Mortgage and Housing Corporation (“**CMHC**” or the “**Guarantor**”), as agent of His Majesty in right of Canada (see “Description of the Bond Indenture and the Bonds - CMHC Guarantee”). The Issuer is authorised to issue Bonds in one or more series and on one or more issue dates pursuant to the Bond Indenture (as defined below). The Bonds are not redeemable prior to maturity (see “Description of the Bond Indenture and the Bonds - Maturity”). The Bonds bear interest at the rate of 3.70% per annum and, at the issue price of 99.929% of their principal amount, will yield at date of issue approximately 3.716%, mature on June 15, 2029 and will be issued in the form of a fully registered global certificate or in fully registered uncertificated form (in either of the foregoing forms, the “**Global Bond**”) in the name of CDS & CO. as nominee of CDS Clearing and Depository Services Inc. (“**CDS**”) and held by CDS. The Bonds will be ready for delivery in book-entry only form through CDS, Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”), as the case may be, on or about March 20, 2024. Beneficial interests in the Global Bond will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants of CDS, Clearstream, Luxembourg and Euroclear. Owners of beneficial interests in the Global Bond will not be entitled to have Bonds registered in their names, will not receive or be entitled to receive Bonds in definitive form and will not be considered holders thereof except in limited circumstances as described in the Bond Indenture (as defined below) and the Global Bond.

Half-yearly interest (June 15 and December 15) on the Global Bond will be payable in lawful money of Canada following the first interest payment which shall be payable on June 15, 2024 for the period from March 20, 2024 to June 15, 2024, without deduction for or on account of Canadian withholding taxes, to the extent set forth herein. The final payment of interest and repayment of principal will be due June 15, 2029. Owners of beneficial interests in the Global Bond will receive payment in accordance with the customary procedures of CDS, Clearstream, Luxembourg and Euroclear. Bonds will only be sold in minimum denominations of C\$5,000 and integral multiples thereof.

Application has been made for the Bonds to be admitted on the Official List of the Luxembourg Stock Exchange and for such Bonds to be admitted to trading on the Euro MTF Market. The Euro MTF Market is not a regulated market for purposes of the Markets in Financial Instruments Directive (2014/65/EU). This Offering Circular constitutes a prospectus for the purpose of Part IV of the Luxembourg Law dated July 16<sup>th</sup>, 2019 on Prospectuses for Securities but does not constitute a prospectus for purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). See “Notice Regarding Offers in the EEA and UK”.

The Government of Canada announced on November 21, 2023 that it will begin purchasing up to \$30 billion of Canada Mortgage Bonds™ annually, commencing in 2024. The Government of Canada has indicated that it will participate in all offerings of fixed-rate 5-year and 10-year Canada Mortgage Bonds™ proposed for 2024 and that it will target the purchase of 50% of such fixed-rate Canada Mortgage Bonds™ issued in 2024, although the amount it purchases of a particular new issuance may be more or less than 50% of that issuance. Accordingly, the Bank of Canada, purchasing on behalf of the Government of Canada, has agreed to purchase from the Underwriters (as defined below) C\$4,000,000,000 of the principal amount of the Bonds at the issue price. In such capacity, the Bank of Canada will manage the Government of Canada’s portfolio of Canada Mortgage Bonds™ and may hold the Bonds to maturity, resell some or all of the Bonds held, or enter into repurchase or other transactions with counterparties in respect of such Bonds, including secured lending transactions.

The Bonds will be assigned a rating of “AAA” by Standard & Poor’s, “Aaa” by Moody’s Investors Service and “AAA” by DBRS Limited. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

<b>TD Securities</b>	<b>CIBC Capital Markets</b>	<b>RBC Capital Markets</b>	<b>Scotiabank Global Banking and Markets</b>
<b>BMO Capital Markets</b>	<b>National Bank Financial</b>	<b>Desjardins Securities</b>	<b>Bank of America Merrill Lynch</b>
<b>Casgrain &amp; Company</b>	<b>Laurentian Bank Securities</b>		

The Issuer, in relation only to the information contained herein that relates to the Issuer or the Bonds, and the Guarantor, in relation only to the information contained herein that relates to the Guarantor or the CMHC Guarantee (as defined below), confirms that this Offering Circular contains all information with respect to the Issuer and the Bonds, and the Guarantor and the CMHC Guarantee, respectively, which is material in the context of the issue of the Bonds; that such information is true and accurate in all material respects and is not misleading; the Issuer confirms that there is no other fact the omission of which makes this document as a whole or any of such information misleading and the Guarantor confirms that there is no other fact relating to the Guarantor or the CMHC Guarantee the omission of which makes this document as a whole or any of such information misleading; that the Issuer has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid; and that the Guarantor has made all reasonable inquiries to ascertain all facts relating to the Guarantor and the CMHC Guarantee material for the purposes aforesaid. The Issuer accepts responsibility for the information contained in this Offering Circular and the Guarantor accepts responsibility for the information contained in this Offering Circular that relates to the Guarantor and the CMHC Guarantee.

No person is authorised to give any information or to make any representation not contained in this Offering Circular and, if given or made, any information or representation not contained herein may not be relied upon as having been authorised by or on behalf of the Issuer, the Guarantor or by any of the Underwriters named in “Underwriting and Distribution” (the “**Underwriters**”). Neither the delivery of this Offering Circular nor any sale of the Bonds shall at any time imply that the information contained herein is correct at any time subsequent to its date.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or the Underwriters to purchase, any of the Bonds.

The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor and the Underwriters to inform themselves as to, and to observe, any such restrictions. For a description of certain restrictions on the offering and sale of Bonds, and on the distribution of this Offering Circular, see “Underwriting and Distribution”.

In this Offering Circular all references to “\$” and “C\$” are to the legal currency of Canada and all references to the “**European Economic Area**” or “**EEA**” are to the member states of the European Union together with Iceland, Norway and Liechtenstein (each, a “**Member State**”).

#### **NOTICE REGARDING OFFERS IN THE EEA AND UK**

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation. Each person in a Member State of the EEA or in the UK who receives any communication in respect of, or who acquires any Bonds under, the offer contemplated in this Offering Circular, or to whom the Bonds are otherwise made available, will be deemed to have represented, warranted and agreed to and with each Underwriter and the Issuer that it and any person on

whose behalf it acquires Bonds as a financial intermediary, as that term is defined in the Prospectus Regulation, is: (a) a qualified investor as defined in the Prospectus Regulation; and (b) not a “retail investor” as defined above. Neither the Issuer nor the Underwriters have authorised, nor do they authorise, the making of any offer of Bonds through any financial intermediary, other than offers by the Underwriters which constitute the final placement of the Bonds contemplated in this Offering Circular.

#### **SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION**

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Bonds are capital market products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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IN CONNECTION WITH THIS ISSUE, THE TORONTO-DOMINION BANK AND/OR ONE OF ITS AFFILIATES (THE “STABILISING MANAGER”) (OR ANY PERSON(S) ACTING ON BEHALF OF THE STABILISING MANAGER) MAY OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISING ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER MARCH 20, 2024 AND 60 DAYS AFTER THE DATE OF ALLOTMENT OF THE BONDS. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR ANY PERSON(S) ACTING ON BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

## DESCRIPTION OF THE BOND INDENTURE AND THE BONDS

### General

The Bonds will be issued by the Issuer as a series of bonds that have the benefit of and are subject to a bond trust indenture between the Issuer, Computershare Trust Company of Canada and Computershare Trust Company, N.A. (the “**Bond Trustees**”) dated as of March 14, 2011, as amended May 12, 2020 (the “**Base Indenture**”), and as supplemented by a supplemental indenture between the Issuer and the Bond Trustees to be dated March 20, 2024 (the “**Supplemental Indenture**”; the Base Indenture as so supplemented is referred to herein as the “**Bond Indenture**”). CMHC, as agent of His Majesty in right of Canada (“**Canada**”) has guaranteed the timely payment of principal and interest payable on the Bonds (the “**CMHC Guarantee**”). The CMHC Guarantee is given pursuant to a commitment to guarantee obligations agreement dated as of April 9, 2001 (as amended, supplemented, restated or replaced from time to time) between the Issuer and the Guarantor in respect of bonds to be issued pursuant to the Base Indenture as supplemented from time to time. The text of, and statutory authority for, the CMHC Guarantee is set out under “**CMHC Guarantee**” below. The CMHC Guarantee will be set out in the Supplemental Indenture; if the Global Bond is issued in certificated form, it will be set out on the Global Bond, and if Bonds are issued in definitive form, on the certificate for each such Bond. The Issuer may issue further bonds, including further Series 120 Bonds, as described under “**Further Issues**” below.

The terms and conditions of the Bond Indenture and the Bonds are summarised below and are subject to the detailed provisions of the Bond Indenture and the exhibits thereto, including the form of the Global Bond. Investors may review a copy of the Bond Indenture and the Global Bond (if issued in certificated form) during normal business hours at the offices of the Bond Trustees at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada and 6200 South Quebec Street, Greenwood Village, Colorado, United States of America and, once the relevant paying agent has been appointed, at the offices of the Paying Agent in Luxembourg set out below. Holders of the Bonds are bound by, and deemed to have notice of, the provisions contained in the Bond Indenture.

### Status of the Bonds

The Bonds constitute direct and unconditional obligations of the Issuer, shall rank *pari passu* and without any preference among themselves, and have a second-ranking security interest in the Secured Property (as defined below).

References hereinafter to principal and interest in respect of the Bonds shall be deemed also to refer to any Additional Amounts which may be payable under the provisions set out under “**Taxation**” below.

### Security Interest

To secure the due payment of all principal of, and interest (including interest on overdue principal and interest) on and premium (if any) and other monies for the time being and from time to time payable on the Bonds, the Issuer has unconditionally mortgaged, charged to and in favour of the Bond Trustees and granted the Bond Trustees a security interest (the “**Security Interest**”) in all the right, title and interest of the Issuer in and to its real and personal property, realizable against all of such assets excluding (i) the proceeds of any future bonds of a Specified Asset Series (see below - “**Further Issues**”), (ii) the assets purchased with such proceeds and all proceeds from the disposition of such assets, (iii) all renewals, substitutions and replacements for any of the foregoing, and (iv) amounts receivable by the Issuer under all swap and other hedge documents relating to such assets (such excluded assets are hereinafter referred to as the “**Series Assets**”, and the right, title and interest of the Issuer in and to its real and personal property other than the Series Assets is hereinafter referred to as the “**Secured Property**”). The Security Interest is subject to CMHC’s Security Interest described below.

### CMHC Guarantee

The following is the text of the CMHC Guarantee, which will be set out in the Supplemental Indenture, on the Global Bond if issued in certificated form and, if issued, on each Bond in definitive form:

**“Canada Mortgage and Housing Corporation as agent for His Majesty in right of Canada hereby guarantees the timely payment of the principal and interest set forth in this instrument in accordance with the terms and conditions of this instrument, pursuant to the powers given to it in Sections 4 and 14 of the National Housing Act, R.S.C. 1985, as amended, which expressly provide that ‘Every right or obligation acquired or incurred by the Corporation under this Act, whether in its name or in the name of His Majesty, is a right or obligation of His Majesty’ (Section 4), and ‘The Corporation may guarantee payment of any or all principal or interest, or both, in respect of securities issued on the basis of housing loans’ (Section 14). It is certified that no provision of any law or contract adversely affects the rights of the holder to the benefit of this guarantee.”**

In the event of any Payment Default (as defined in the Bond Indenture – see “Payment Default” below) the holders of the Bonds through the Bond Trustees will have recourse to the CMHC Guarantee and to the Secured Property pursuant to the Security Interest.

### **Status of the CMHC Guarantee**

The CMHC Guarantee constitutes a direct unconditional obligation of the Guarantor and as such carries the full faith and credit of Canada and constitutes a direct unconditional obligation of Canada. Amounts payable under the CMHC Guarantee of the principal of and interest on the Bonds constitute a charge on and are payable out of the Consolidated Revenue Fund of Canada. The CMHC Guarantee ranks equally with all of the Guarantor’s other unsecured and unsubordinated indebtedness and obligations from time to time outstanding. As security for the Issuer’s obligations to the Guarantor, including its obligation to indemnify the Guarantor in respect of the CMHC Guarantee, the Issuer has granted, in favour of the Guarantor, a first ranking mortgage of, charge on and security interest in all of the present and after acquired undertaking and property of the Issuer (other than consumer goods and the initial \$10,000 of capital of the Issuer) (“**CMHC’s Security Interest**”).

### **Form, Denomination and Registration**

The Bonds will be issued in the form of a fully registered Global Bond registered in the name of CDS & CO., as nominee of CDS and held by CDS. Beneficial interests in the Global Bond will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in CDS. Investors may elect to hold beneficial interests in the Global Bond directly through any of CDS (in Canada) or Clearstream, Luxembourg or Euroclear (in Europe) if they are participants of such systems, or indirectly through organisations which are participants in such systems. Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers’ securities accounts in the names of Clearstream, Luxembourg and Euroclear, respectively, on the books of their respective Canadian subcustodians (the “**Canadian Subcustodians**”), each of which is a Canadian Schedule I chartered bank, which in turn will hold such interests in customers’ securities accounts in the names of the Canadian Subcustodians on the books of CDS. Except in the limited circumstances described herein, owners of beneficial interests in the Global Bond will not be entitled to have Bonds registered in their names, will not receive or be entitled to receive physical delivery of Bonds in definitive form and will not be considered owners or holders thereof under the Bond Indenture. See “Description of the Bond Indenture and the Bonds – Title” and “Description of the Bond Indenture and the Bonds – Definitive Certificates”.

Bonds will only be sold in minimum denominations of C\$5,000 and integral multiples thereof.

The Bonds will be recorded in a register maintained by Computershare Trust Company of Canada (in its capacity as one of the Bond Trustees) and will be registered in the name of CDS & CO., for the benefit of owners of beneficial interests in the Global Bond, including participants of Clearstream, Luxembourg and Euroclear.

The Bond Trustees will be responsible for (i) maintaining a record of the aggregate holdings of the Bonds by CDS & CO.; (ii) ensuring that payments of principal and interest in respect of the Bonds are duly credited to CDS & CO.; and (iii) transmitting to the Issuer any notices from the registered holders of Bonds.

The Bond Trustees will not impose any fees on the registered holders of Bonds in respect of the Bonds, other than reasonable fees for the replacement of lost, stolen, mutilated or destroyed Bonds. However, owners of beneficial interests in the Global Bond may incur fees payable in respect of the maintenance and operation of the book-entry accounts in which such interests are held with the clearing systems.

### **Title**

Subject to applicable law and the terms of the Bond Indenture, the Issuer, the Guarantor and the Bond Trustees will treat the person in whose name the Global Bond is registered, initially CDS & CO., as the owner of such Global Bond for the purpose of making payments of principal and interest on the Bonds represented thereby and for all other purposes whatsoever, except in respect of the payment of Additional Amounts. Therefore, none of the Issuer, the Guarantor nor the Bond Trustees has any direct responsibility or liability for the payment of principal or interest on the Bonds to owners of beneficial interests in the Global Bond.

### **Interest**

The Bonds will bear interest from March 20, 2024 at a rate of 3.70% per annum. Interest from and including March 20, 2024 to but excluding June 15, 2024 will be payable in arrears on June 15, 2024. Thereafter, interest on the Bonds will be payable in two equal semi-annual instalments in arrears on June 15 and December 15 in each year (each an interest payment date) until

maturity. Any overdue principal or interest on the Bonds shall bear interest at the rate of 3.70% per annum (before as well as after default) until paid, or if earlier, when the full amount of the moneys payable has been received by the Bond Trustees and notice to that effect has been given in accordance with “Notices” below. With respect to amounts payable on a day that is not a business day, see “Description of the Bond Indenture and the Bonds – Payments” below.

Whenever it is necessary to compute any amount of accrued interest in respect of the Bonds for a period of less than one full year, other than with respect to regular semi-annual interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a 365-day year.

## Payments

The principal of and interest on the Bonds (including Bonds in definitive form issued in exchange for the Global Bond as described under “Definitive Certificates”) are payable by the Issuer in Canadian dollars to the persons in whose names the Bonds are registered as determined on the 15th day preceding any interest payment date or at maturity, as the case may be.

Computershare Trust Company of Canada will act as the principal paying agent and make all payments to the registered holders of Bonds in accordance with the Bond Indenture. In addition, if Bonds in definitive form are issued, the Issuer and the Bond Trustees will appoint The Bank of New York Mellon SA/NV, Luxembourg Branch in Luxembourg as a paying agent for the Bonds. Under the terms of the Bond Indenture, the Issuer may change or retain additional paying agents with the prior consent of the Guarantor and the Bond Trustees. With respect to payments on Bonds in definitive form, see “Definitive Certificates”.

Ownership positions within each clearing system will be determined in accordance with the normal conventions observed by such system. None of the Issuer, the Guarantor, the Bond Trustees nor any paying agent will have any responsibility or liability for any payments made by CDS, Clearstream, Luxembourg or Euroclear on account of beneficial interests in the Global Bond or for maintaining, supervising or reviewing any aspect of the records of such clearing systems relating to such beneficial interests.

If any date for payment in respect of any Bond is not a business day, the holder thereof shall not be entitled to payment until the next following business day, and no further interest shall be paid in respect of the delay in such payment. In this paragraph “**business day**” means a day, other than a Saturday or Sunday, on which banking institutions in the City of Toronto and in the applicable place of payment are not authorised or obligated by law or executive order to be closed.

## Taxation

All payments of, or in respect of, principal and interest on the Bonds will be made without withholding of or deduction for, or on account of, any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Government of Canada, or any province or political subdivision thereof or any authority thereof or agency therein having power to tax, unless such taxes, duties, assessments or charges are required by law or by the administration or official interpretation thereof to be withheld or deducted. In that event, the Issuer will pay such additional amounts (the “**Additional Amounts**”) as will result (after withholding or deduction of the said taxes, duties, assessments or charges) in the payment to the beneficial owners of Bonds of the amounts which would otherwise have been payable in respect of the Bonds in the absence of such taxes, duties, assessments or charges, except that no such Additional Amounts shall be payable with respect to any Bond presented for payment:

- (a) by or on behalf of a beneficial owner who is subject to such taxes, duties, assessments or charges in respect of such Bond by reason of the beneficial owner being connected with Canada otherwise than merely by the holding or ownership as a non-resident of Canada of such Bond; or
- (b) more than 15 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 15 days. For this purpose the “**Relevant Date**” in relation to any Bond means whichever is the later of:
  - (i) the date on which the payment in respect of such Bond becomes due and payable; or
  - (ii) if the full amount of the monies payable on such date in respect of such Bond has not been received by the Bond Trustees on or prior to such date, the date on which notice is duly given to the holders of Bonds that such monies have been so received.

## **Maturity**

The principal amount of the Bonds shall be due and payable on June 15, 2029.

The Bonds are not subject to any sinking fund and are not redeemable at the option of the Issuer prior to maturity and are not repayable at the option of the holder prior to maturity. However, the Issuer may, at any time and from time to time, following the completion of any stabilising action described in this Offering Circular, purchase Bonds in the secondary market at prevailing market prices. Such purchased Bonds may be delivered to the Bond Trustees for cancellation or may be held on behalf of the Issuer, each in accordance with the terms of the Bond Indenture. Any purchase of Bonds for cancellation must be made in compliance with the Issuer's internal parameters regarding same, the terms of which parameters may change at any time without notice in the Issuer's sole and absolute discretion. The parameters are currently (as at the date of this Offering Circular) that no Bonds may be purchased for cancellation unless (i) the Bonds have a remaining term to maturity of no more than 3.5 years at the time of purchase for cancellation, (ii) such purchase and cancellation occurs after the 59<sup>th</sup> day following March 20, 2024 or the date of any future issuance of bonds of the same series as the Bonds, and during a period that is not 15 days immediately prior to any interest payment date, and (iii) the outstanding principal amount of the Bonds and any bonds of the same series as the Bonds following the cancellation shall not be less than \$3,000,000,000, other than during the last six months of their term when no minimum shall apply.

## **Payment Default**

The Bond Indenture provides that a "**Payment Default**" is a default in the payment of the whole or any part of the principal or interest on any of the Bonds that are outstanding when the same shall become due and payable, whether by reason of maturity, acceleration or otherwise. The Bond Trustees are required to give all holders (the "**Affected Bondholders**") of bonds of the same series as the bond or bonds in respect of which a Payment Default has occurred (the "**Affected Series**"), the Issuer and the Guarantor prompt notice in writing of any Payment Default (unless such default shall have been remedied prior to the giving of such notice) and to demand payment by the Guarantor under the CMHC Guarantee of all amounts owing and unpaid on the outstanding bonds of all Affected Series, together with interest on unpaid interest to the date of such payment. If so directed by the holders of bonds of the Affected Series, or if the Bond Trustees so elect where the Payment Default has continued for at least 1 day, the Bond Trustees shall, in addition, forthwith make written demand for the unpaid balance of the principal of all outstanding bonds of the Affected Series. All such demanded amounts shall become due and payable immediately upon delivery of any such demand by the Bond Trustees.

## **Bondholders' Right to Direct Bond Trustees After Payment Default**

The Bond Indenture provides that during the continuance of a Payment Default, the holders of a majority in principal amount of the outstanding bonds of the Affected Series shall have the right by a direction approved by ordinary resolution of such holders (i) to direct the Bond Trustees to exercise or to refrain from exercising any right or to enforce any remedy granted to them by the Bond Indenture; and (ii) to direct the time, method and place of the exercise of any such right or the enforcement of any such remedy; provided that, notwithstanding the foregoing and any other provision of the Bond Indenture, the Bond Trustees are obligated to demand payment of the CMHC Guarantee by the Guarantor unless all of the holders of the bonds of the Affected Series shall have directed the Bond Trustees not to make such demand.

## **Regarding the Bond Trustees**

Except as otherwise provided in the Bond Indenture, the rights, powers, duties and obligations conferred or imposed on the Bond Trustees shall be conferred or imposed upon and exercised or performed by the Bond Trustees jointly, provided that if the Bond Trustees cannot mutually agree upon a course of conduct in the exercise or performance of the rights, powers, duties and obligations conferred or imposed upon the Bond Trustees, Computershare Trust Company, N.A. shall be entitled to determine such course of conduct in the exercise or performance of the rights, powers, duties and obligations conferred upon the Bond Trustees.

## **Definitive Certificates**

No beneficial owner of Bonds will be entitled to receive physical delivery of Bonds in definitive form except in the limited circumstances described below.

If, as more particularly described in the Bond Indenture and subject to the requirements of the Bond Indenture, (a) the Issuer advises the Bond Trustees that CDS (or any successor clearing agency) is unwilling or unable to discharge its responsibilities as a clearing agency and such clearing agency is unable to locate a qualified successor, or (b) the Issuer, at its option, advises the Bond Trustees that it elects to terminate the book entry system with respect to the Bonds, the Bond Trustees



will advise the registered holders of the Bonds of such event and of the availability of certificated Bonds to beneficial owners of the Bonds. Notice of such event will also be published in a leading newspaper having general circulation in Luxembourg. Upon surrender by the relevant clearing agency of the Global Bond to the Issuer, including surrender of the certificate if the Global Bond is issued in certificated form, the Bond Trustees will authenticate and deliver certificated Bonds.

For so long as the Bonds are listed on the Luxembourg Stock Exchange and if the rules of such stock exchange on which the Bonds are listed so require, the Issuer has agreed to appoint and maintain a transfer agent and paying agent in Luxembourg to act on its behalf. In addition, if Bonds in definitive form are issued, the Issuer will appoint and maintain a paying agent and transfer agent in London. Fully registered Bonds in definitive form may be presented at the office of the Luxembourg transfer agent or London transfer agent, for registration of transfer or exchange by the Bond Trustees in accordance with the Bond Indenture, once the relevant paying agents have been appointed. Payments of interest on fully registered Bonds in definitive form will be made by the Bond Trustees in accordance with the Bond Indenture. Fully registered Bonds in definitive form may be surrendered at the office of the Luxembourg paying agent or London paying agent for payment of principal at maturity, once the relevant paying agents have been appointed.

### **Notices**

All notices to the registered holders of Bonds will be mailed or delivered to such holders at their addresses indicated in records maintained by the Bond Trustees and, as long as the Bonds are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and/or on the website of the Luxembourg Stock Exchange at [www.luxse.com](http://www.luxse.com). Any such notice shall be deemed to have been given on the date of such delivery or publication, as the case may be, or in the case of mailing, on the third business day after such mailing.

### **Prescription**

The Bonds may become void unless presented for payment within a period of six years from their respective Relevant Dates (as defined under "Taxation" herein) for payment thereof.

### **Modification**

The Bond Indenture may be amended or supplemented by the Issuer, the Bond Trustees and, where applicable, the Guarantor, without notice to or the consent of the holder of any Bond, for certain purposes set out in the Bond Indenture, including providing for the issue of other series of bonds, or additional Bonds as described under "Further Issues" below, curing any ambiguity, or correcting or supplementing any defective provisions contained therein as the Issuer or the Guarantor may deem necessary or desirable, provided such provisions are not inconsistent with the Bond Indenture and shall not, as confirmed by a written legal opinion from legal counsel who is reasonably acceptable to the Bond Trustees, adversely affect the interests of the owners of beneficial interests in the Bonds.

With the consent of Affected Bondholders passed by extraordinary series resolution of the holders of bonds of each series affected thereby, (1) compliance by the Issuer with any of the terms of the Bond Indenture may be waived, or (2) the Issuer and the Bond Trustees may enter into any supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Bond Indenture or of modifying in any manner the rights of the holders of bonds issued under the Bond Indenture; notwithstanding the foregoing, no such waiver or supplemental indenture shall:

- (a) without the consent of all holders of Bonds, (i) change the stated maturity or reduce the principal of the Bonds, (ii) extend the time of payment of, or reduce the rate of interest thereon, or (iii) change the currency in which the Bonds or the interest thereon is payable; or
- (b) without the consent of all holders of Bonds (i) terminate or modify the CMHC Guarantee or the obligations of the Guarantor thereunder, (ii) reduce the amount of the CMHC Guarantee, (iii) eliminate, modify or condition the duties of the Bond Trustees to demand payment of the CMHC Guarantee or otherwise to comply with the provisions of the Bond Indenture relating to such demand or the termination and payment of the CMHC Guarantee, or (iv) reduce the percentage in principal amount of the outstanding bonds of any series, the consent of whose holders is required for any such supplemental indenture or for any waiver provided in the Bond Indenture or to modify any of the provisions of the Bond Indenture relating to such consent or waiver.

The Bond Indenture provides that no waiver referred to above will be effective, and neither the Issuer nor the Bond Trustees may enter into any supplemental indenture, without the prior written consent of the Guarantor, and any purported action or attempt to take such action so forbidden to be taken will be null and void *ab initio* and of no legal effect.

## **Extraordinary Resolution**

The Bond Indenture provides that the expression “**extraordinary resolution**” means a resolution proposed to be passed as an extraordinary resolution at a meeting of holders of bonds duly convened for the purpose and held in accordance with the provisions of the Bond Indenture (see “Description of the Bond Indenture and the Bonds - Meetings of Bondholders”) at which the holders of at least 50.1% in principal amount of outstanding bonds are present in person or by proxy and passed by the favourable votes of the holders of at least 66 2/3% of the principal amount of outstanding bonds represented at the meeting and voted on a poll upon such resolution. Such meeting will be adjourned to a date between 21 and 60 days after the date thereof if a quorum of holders of bonds is not met at the original meeting. At the adjourned meeting the holders present in person or by proxy will form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided above will be an extraordinary resolution within the meaning of this Indenture, notwithstanding that the holders of 50.1% in principal amount of the outstanding bonds are not present in person or by proxy at such adjourned meeting. Votes on an extraordinary resolution will always be given on a poll and no demand for a poll on an extraordinary resolution will be necessary.

## **Meetings of Bondholders**

The Bond Indenture contains provisions for convening meetings of holders of bonds issued thereunder or the holders of a series of such bonds. The Bond Trustees may at any time and from time to time and will on receipt of a written request of the Issuer or a written request signed by the holders of not less than 25% in principal amount of the outstanding bonds convene a meeting of the holders of such bonds. Notice of such meetings shall be given to all holders of bonds at least 21 days before the date of the meeting. The Bond Indenture contains procedures for the giving of such notices and the conduct of such meetings. Except in the case of a meeting at which an extraordinary resolution is to be proposed, at any meeting of the bondholders a quorum will consist of holders of bonds present in person or by proxy and representing at least 25% in principal amount of the outstanding bonds. If a quorum is not present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the holders of bonds or pursuant to a request of the holders of bonds, will be dissolved, but in any other case the meeting will be adjourned to the same day in the next week (unless such day is not a business day, in which case it will be adjourned to the next business day) at the same time and place and no notice will be required to be given in respect of such adjourned meeting. At the adjourned meeting, the holders of bonds present in person or by proxy will form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not represent 25% of the principal amount of the outstanding bonds. On a show of hands every person who is present and entitled to vote, whether as a holder or as proxy for one or more Bondholders, or both, will have one vote. On a poll each holder of a bond present in person or represented by a proxy duly appointed by an instrument in writing will be entitled to one vote in respect of each \$1,000 in principal amount of outstanding bonds of which that person is then the holder. A proxy need not be a holder of a bond. In the case of joint holders of an outstanding bond, any one of them present in person or by proxy at the meeting may vote in absence of the other or others; but in case more than one of them is present in person or by proxy, they must vote together in respect of the outstanding bonds of which they are joint holders. Copies of the minutes of meetings, including resolutions adopted at such meetings, are available at the offices of the Bond Trustees.

The procedures applicable for meetings of holders of a series of bonds shall be those set out above with respect to meetings of holders of bonds, except that all references to holders of bonds, bonds and outstanding bonds shall be read as “holders of the series of bonds”, “bonds of the series” and “outstanding bonds of the series”, respectively, and the relevant provisions relating to meetings of Bondholders shall be read with such other changes as may be required in the context to adapt such provisions to procedures applicable to meetings and resolutions of holders of a given series of bonds.

## **Further Issues**

In addition to issuing other series of bonds under the Base Indenture as supplemented from time to time that will have the benefit of the Security Interest, the Issuer may from time to time, without notice to or the consent of the holders of the Bonds then outstanding, (a) create and issue further bonds of the same series, which in all respects (or in all respects except for the payment of interest accruing prior to the issue date of such further bonds or except for the first payment of interest following the issue date of such further bonds) will be the same as the Bonds, shall be consolidated and form a single series with the Bonds and shall have the same terms as to status, security interest or otherwise as the Bonds; (b) issue bonds of a “Specified Asset Series”, in which case the proceeds of such issuance will not be subject to the Security Interest, and the bonds of such series will not have the benefit of the Security Interest; and (c) create and issue bonds of one or more series under a bond trust indenture other than the Base Indenture, which will have the benefit of a security interest ranking *pari passu* with the Security Interest. Any bonds of a new series under the Base Indenture shall be issued subject to an indenture supplemental to the Base Indenture.

## **Governing Law**

The Bonds, the CMHC Guarantee and the Bond Indenture shall be governed by, and construed in accordance with, the laws of the Province of Ontario, Canada and the laws of Canada applicable therein. The Ontario Superior Court of Justice has non-exclusive jurisdiction in any proceedings arising out of or relating to obligations under the Bonds.

## **USE OF PROCEEDS**

The net proceeds of the Bonds, approximately C\$7,988,120,000.00 after payment of the underwriters' commissions and reimbursement of certain expenses, will be used to provide funds for the acquisition by the Issuer of mortgage-backed securities guaranteed under the *National Housing Act* (Canada), as amended (the "NHA").

## **CANADA HOUSING TRUST™ NO. 1**

The Issuer is a trust settled by CIBC Mellon Trust Company under the laws of the Province of Ontario, Canada. The Issuer's main purpose is to raise funds by way of the issuance of bonds and to use the proceeds of such issues to acquire ownership interests in housing loans (as defined in the NHA) including mortgage-backed securities evidencing undivided ownership interests in such housing loans. As the Issuer is a trust and not a share capital corporation it has no share capital.

## **CANADA MORTGAGE AND HOUSING CORPORATION**

### **Status as Crown Agent**

CMHC is an agent of His Majesty in right of Canada by virtue of the Canada Mortgage and Housing Corporation Act (the "CMHC Act") and is a Crown corporation wholly owned by Canada established in 1946. Crown corporations are established by the Parliament of Canada for many purposes, including the administering and managing of public services in which business enterprise and public accountability must be combined. CMHC is accountable for its affairs to Parliament through the Minister Responsible for CMHC.

All assets and liabilities of CMHC are assets and liabilities of Canada. Accordingly, amounts payable by CMHC (as an agent of His Majesty) under the CMHC Guarantee carry the full faith and credit of Canada, constitute direct and unconditional obligations of Canada and constitute a charge on and are payable out of the Consolidated Revenue Fund of Canada (the "CRF"). The CRF is the aggregate of all public monies, such as tax revenues, which are on deposit at the credit of the Receiver General for Canada, the public officer who receives and collects public monies for and on behalf of Canada.

### **Business**

CMHC is Canada's leading provider of residential mortgage insurance. CMHC also administers a mortgage-backed securities guarantee program, funds assisted housing programs for lower income Canadians and offers housing-related loans and investments. CMHC conducts research in housing design, technology and sustainability to help improve housing and living conditions for Canadians. In addition, CMHC promotes Canadian housing in foreign markets, increasing export opportunities for housing products, services and expertise.

CMHC's head office is located at 700 Montreal Road, Ottawa, K1A 0P7 (telephone – (613) 748-2000).

## **ELIGIBILITY**

The Bonds are eligible investments under the usual insurance companies, loan companies, trust companies, trustee and pension statutes of Canada, and are qualified investments for registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans, tax-free savings accounts, first home savings accounts and revoked plans under the *Income Tax Act* (Canada) (the "Tax Act").

## **CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

In the opinion of Borden Ladner Gervais LLP, counsel to the Guarantor and special counsel to the Issuer, the following constitutes a summary of the principal Canadian federal income tax consequences for an investor who acquires Bonds pursuant to this offering, and who deals at arm's length with the Issuer and any subsequent purchaser of the Bonds.

This summary is based upon the provisions of the Tax Act, the regulations thereunder and Borden Ladner Gervais LLP's understanding of the Canada Revenue Agency's published administrative and assessing policies as of March 13, 2024. It also

takes into account specific proposals to amend the Tax Act and the regulations publicly announced by the Canadian federal Minister of Finance prior to March 13, 2024 (the “**Tax Proposals**”), but there is no certainty that such proposals will be enacted in the form proposed, if at all. This summary does not otherwise take into account or anticipate any changes in law, whether by way of legislative, judicial or governmental action or interpretation, nor does it address any provincial or foreign income tax considerations.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR INVESTOR CONCERNING THE CONSEQUENCES OF ACQUIRING, HOLDING OR DISPOSING OF BONDS. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS HAVING REGARD TO THEIR PARTICULAR CIRCUMSTANCES.

### **Investors Resident in Canada**

The following section of this summary is applicable to an investor who, at all relevant times, for purposes of the Tax Act, is a resident of Canada and holds the Bonds as capital property (a “**Canadian investor**”). Generally the Bonds will be considered to be capital property to a Canadian investor provided that the Canadian investor does not hold the Bonds in the course of carrying on a business of buying and selling securities and has not acquired them as an adventure in the nature of trade. The following section of this summary does not apply to an investor that is a “financial institution” (as defined in Section 142.2 of the Tax Act), or to whom the functional currency reporting rules contained in the Tax Act would apply.

#### *Interest*

A Canadian investor (other than a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary) will be required to include in computing its income for a taxation year any interest on the Bonds that becomes receivable or is received by it before the end of the year (depending upon the method regularly followed by the Canadian investor in computing income), except to the extent that such interest was included in computing the Canadian investor’s income for a preceding taxation year.

A Canadian investor that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Bonds that accrues to it to the end of that year, or that becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing the Canadian investor’s income for a preceding taxation year.

As the Bonds will be issued at a discount from their face value, a Canadian investor may be required to include an additional amount in computing income, either in accordance with the interest accrual rules contained in the Tax Act and Regulations or in the taxation year in which the discount is received or receivable by the Canadian investor. Canadian investors should consult with their own tax advisors as to the treatment of the discount in their circumstances.

#### *Dispositions*

A Canadian investor will generally be required to include in computing its income for the taxation year in which a disposition or deemed disposition of a Bond occurs the amount of interest that accrues to it to the date of the disposition, except to the extent that such amount has otherwise been included in income.

In general, a disposition or deemed disposition of a Bond will give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of unpaid accrued interest and any reasonable costs of disposition, exceed (or are less than) the Canadian investor’s adjusted cost base of such Bond immediately before the disposition. One-half of any such capital gain (a “**taxable capital gain**”) realized by a Canadian investor in a taxation year will be included in computing the Canadian investor’s income for the year. One-half of the amount of any capital loss (an “**allowable capital loss**”) realized by a Canadian investor in a taxation year must be deducted from taxable capital gains realized by the Canadian investor in the year, and the balance of any allowable capital losses for the year may be deducted against net taxable capital gains realized in any of the three preceding taxation years or in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act.

#### *Additional Refundable Tax*

A Canadian investor that is a “Canadian-controlled private corporation” (as defined in the Tax Act) or a “Substantive CCPC” (as defined in the Tax Proposals) may be liable to pay an additional refundable tax on certain investment income, including interest and taxable capital gains.

## Investors Not Resident in Canada

The following section of this summary is applicable to an investor holding Bonds who, at all relevant times, for the purposes of the Tax Act, is, or is deemed to be, a non-resident of Canada and who does not use or hold or is not deemed to use or hold the Bonds in carrying on business in Canada. Special rules, which are not discussed in this summary, may apply to a non-resident that is an insurer carrying on business in Canada and elsewhere.

Investors that are not resident in Canada for the purposes of the Tax Act will not be subject to Canadian non-resident withholding tax on any interest paid or credited on the Bonds. There are no other Canadian taxes on income, including taxable capital gains on the disposition of a Bond, payable in respect of a Bond by such an investor.

## CLEARING AND SETTLEMENT

Links have been established among CDS, Clearstream, Luxembourg and Euroclear to facilitate the initial issuance of the Bonds and cross-market transfers of the Bonds associated with secondary market trading. CDS will be directly linked to Clearstream, Luxembourg and Euroclear through the CDS accounts of the respective Canadian Subcustodians.

### The Clearing Systems

The clearing systems have advised the Issuer and the Guarantor as follows:

**CDS.** CDS was formed in November 2006 pursuant to the restructuring of The Canadian Depository for Securities Limited (“**CDS Ltd.**”). After the restructuring, CDS Ltd., founded in 1970, remains the holding company for CDS and two other operating subsidiaries. CDS is Canada’s national securities clearing and depository services organisation. Functioning as a service utility for the Canadian financial community, CDS provides a variety of computer automated services for financial institutions and investment dealers active in domestic and international capital markets. CDS participants (“**CDS Participants**”) include banks (including the Canadian Subcustodians), investment dealers and trust companies and may include certain of the Underwriters. Indirect access to CDS is available to other organisations that clear through or maintain a custodial relationship with a CDS Participant. Transfers of ownership and other interests, including cash distributions in Bonds in CDS may only be processed through CDS Participants and will be completed in accordance with existing CDS rules and procedures. CDS operates in Montreal, Toronto, Calgary and Vancouver to centralise securities clearing functions through a central securities depository.

CDS is wholly-owned by CDS Ltd., a private corporation. CDS is the exclusive clearing house for equity trading on the Toronto and Montreal stock exchanges and also clears a substantial volume of “over the counter” trading in equities and bonds.

**Clearstream, Luxembourg.** Clearstream Banking, société anonyme, 42 Avenue John F. Kennedy, L-1855 Luxembourg, was incorporated in 1970 as “Cedel S.A.”, a company with limited liability under Luxembourg law (a société anonyme). Cedel S.A. subsequently changed its name to Cedelbank. On 10 January 2000, Cedelbank’s parent company, Cedel International, société anonyme (“**CI**”) merged its clearing, settlement and custody business with that of Deutsche Börse Clearing AG (“**DBC**”). The merger involved the transfer by CI of substantially all of its assets and liabilities (including its shares in Cedelbank) to a new Luxembourg company, New Cedel International, société anonyme (“**New CI**”), which was 50% owned by CI and 50% owned by DBC’s parent company, Deutsche Börse AG (“**DBG**”).

Further to the merger, the Board of Directors of New CI decided to re-name the companies in the group in order to give them a cohesive brand name. The new brand name that was chosen is “Clearstream”. With effect from 14 January 2000 New CI was renamed “Clearstream International, société anonyme” (“**Clearstream International**”). On 17 January 2000 DBC was renamed “Clearstream Banking AG”, on 18 January 2000 Cedelbank was renamed “Clearstream Banking, société anonyme”, and Cedel Global Services was renamed “Clearstream Services, société anonyme”. This means that there are now two entities in the corporate group headed by Clearstream International which share the name “Clearstream Banking”, the entity previously named “Cedelbank” and the entity previously named “Deutsche Börse Clearing AG”.

Effective 1 July 2002, DBG acquired CI and Clearstream International became an indirect wholly-owned subsidiary of DBG.

Clearstream, Luxembourg holds securities for its customers (“**Clearstream, Luxembourg Customers**”) and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg Customers through electronic book-entry changes in accounts of Clearstream, Luxembourg Customers, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in any of 32 currencies, including Canadian Dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and

settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 39 countries through established depository and custodial relationships. Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier, 'CSSF', which supervises Luxembourg banks. Clearstream, Luxembourg's Customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Currently, Clearstream, Luxembourg has approximately 2,000 customers located in over 80 countries, including all major European countries, Canada, and the United States. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear Bank in Brussels to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear Bank.

Distributions with respect to the Bonds held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg Customers in accordance with its rules and procedures, to the extent received by the Canadian Subcustodian for Clearstream, Luxembourg.

**Euroclear.** Euroclear was created in 1968 to hold securities for participants of Euroclear ("**Euroclear Participants**") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the "**Euroclear Operator**"), under contract with Euro-clear Clearance Systems S.C., a Belgian cooperative corporation (the "**Cooperative**"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator was granted a banking license by the Belgian Banking and Finance Commission in 2000, authorising it to carry out banking activities on a global basis. It took over operation of Euroclear from the Brussels, Belgium office of Morgan Guaranty Trust Company of New York on December 31, 2000.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "**Terms and Conditions**"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to the Bonds held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the Canadian Subcustodian for Euroclear.

### **Global Clearance and Settlement Procedures**

Settlement for the Bonds will be in immediately available Canadian dollar funds.

Secondary market trading between CDS Participants will be in accordance with market conventions applicable to transactions in book-based Canadian domestic bonds. Secondary market trading between Clearstream, Luxembourg Customers and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

*Transfers Between CDS and Clearstream, Luxembourg or Euroclear.*

Cross-market transfers between persons holding directly or indirectly through CDS Participants, on the one hand, and directly or indirectly through Clearstream, Luxembourg Customers or Euroclear Participants, on the other, will be effected in CDS in accordance with CDS rules; however, such cross-market transactions will require delivery of instructions to the relevant clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. The relevant clearing system will, if the transaction meets its settlement requirements, deliver instructions to CDS

directly or through its Canadian Subcustodian to take action to effect final settlement on its behalf by delivering or receiving bonds in CDS, and making or receiving payment in accordance with normal procedures for settlement in CDS. Clearstream, Luxembourg Customers and Euroclear Participants may not deliver instructions directly to CDS or the Canadian Subcustodians.

Because of time-zone differences, credits of Bonds received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a CDS Participant will be made during subsequent securities settlement processing and dated the business day following the CDS settlement date. Such credits or any transactions in such Bonds settled during such processing will be reported to the relevant Clearstream, Luxembourg or Euroclear Participants on such business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Bonds by or through a Clearstream, Luxembourg Customer or a Euroclear Participant to a CDS Participant will be received with value on the CDS settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in CDS.

Although CDS, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of bonds among CDS Participants, Clearstream, Luxembourg Customers and Euroclear Participants, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.

## UNDERWRITING AND DISTRIBUTION

Subject to the terms and conditions set forth in the Underwriting Agreement dated as of March 13, 2024 (the “**Underwriting Agreement**”), each of the Underwriters listed below (the “**Underwriters**”) has severally agreed to purchase, and the Issuer has agreed to sell to each of them severally, the respective principal amounts of Bonds set forth opposite its name below at the issue price of 99.929% of their principal amount plus accrued interest, if any, to yield at date of issue approximately 3.716%, but less a selling commission of 0.090% of the principal amount of the Bonds, and the Issuer will pay a combined management and underwriting commission of 0.060% of the principal amount of the Bonds. Under the terms and conditions of the Underwriting Agreement, the Underwriters are committed to take and pay for all of the Bonds, if any are taken; provided, however, that in each case, the principal amount of the Bonds, if any, which are distributed by the Underwriters to the Bank of Canada, purchasing on behalf of the Government of Canada, as part of the initial distribution of the Bonds, shall be excluded for the purpose of the calculation of the commissions otherwise payable to the Underwriters.

<u>Underwriter</u>	<u>Principal Amount of Bonds</u>
The Toronto-Dominion Bank.....	C\$1,380,000,000
CIBC World Markets Inc. ....	C\$1,060,000,000
RBC Dominion Securities Inc. ....	C\$1,060,000,000
Scotia Capital Inc. ....	C\$1,060,000,000
BMO Nesbitt Burns Inc. ....	C\$720,000,000
National Bank Financial Inc. ....	C\$720,000,000
Desjardins Securities Inc. ....	C\$640,000,000
Merrill Lynch Canada Inc. ....	C\$600,000,000
Casgrain & Company Limited .....	C\$380,000,000
Laurentian Bank Securities Inc. ....	C\$380,000,000
Total	<u>C\$8,000,000,000</u>

The Bonds are offered for sale in Canada, in the United States (as described below) and in Europe and elsewhere where it is legal to make such offers. In the United States, the Bonds are offered only to persons who are “qualified institutional buyers” (as defined in Rule 144A under the Securities Act of 1933, as amended (the “**1933 Act**”)) in reliance on Rule 144A under the 1933 Act. In the case of offers in the United States, offers and sales may be made only if this Offering Circular is accompanied by the United States Offering Memorandum.

Each of the Underwriters has acknowledged that the offering of the Bonds in certain jurisdictions may be restricted by law. In particular, in the EEA and in the UK, the Bonds may not be offered or sold, directly or indirectly, except under circumstances that will result in compliance with the Prospectus Regulation and the Underwriters have represented that all offers and sales by them will be made on the same terms. Each of the Underwriters has agreed that it has not offered, sold or delivered and it will not offer, sell or deliver, directly or indirectly, any of the Bonds or distribute this Offering Circular, the United States Offering Memorandum or any other offering material relating to the Bonds, in or from any jurisdiction except under circumstances that will, to the best of its knowledge and belief having made due enquiry, result in compliance with the applicable

laws and regulations thereof and will not impose any obligations on the Issuer or CMHC except as contained in the Underwriting Agreement.

Purchasers may be required to pay stamp duties or taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price set forth above.

The Issuer has agreed to indemnify the several Underwriters against certain liabilities.

### **United States**

The Bonds have not been and will not be registered under the 1933 Act and may not be offered or sold within the United States except to persons who are “qualified institutional buyers” in reliance on Rule 144A under the 1933 Act, as provided in the United States Offering Memorandum.

Each Underwriter has represented and agreed that it has not offered or sold and will not offer or sell any Bonds either (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Underwriting Agreement), within the United States except in accordance with Rule 144A under the 1933 Act.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by a dealer, whether or not participating in the offering, may violate the registration requirements of the 1933 Act if such offer or sale is made otherwise than in accordance with Rule 144A under the 1933 Act.

### **Prohibition of Sales to EEA and UK Retail Investors**

Each Underwriter has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA or in the UK. For the purposes of this provision:

(a) the expression “retail investor” means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

Each person in a Member State of the EEA or in the UK who receives any communication in respect of, or who acquires any Bonds under, the offer contemplated in this Offering Circular, or to whom the Bonds are otherwise made available, will be deemed to have represented, warranted and agreed to and with each Underwriter and the Issuer that it and any person on whose behalf it acquires Bonds is: (a) a qualified investor as defined in the Prospectus Regulation; and (b) not a “retail investor” as defined above.

For greater certainty, the Issuer’s intention is that the Issuer’s offer ends with the offer by the Underwriters to their customers.

### **Selling Restrictions Addressing Additional UK Securities Laws**



Each Underwriter has represented, warranted and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or Guarantor; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

### **The Netherlands**

Each Underwriter has represented and agreed that the Bonds will only be offered in the Netherlands to Qualified Investors (as defined in the Prospectus Regulation), unless such offer is made in accordance with the Dutch Financial Supervision Act (Wet op het financieel toezicht).

### **Singapore**

Each Underwriter has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Underwriter has represented and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

### **Japan**

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the “FIEA”) and, accordingly, each of the Underwriters, on behalf of itself and each of its affiliates that participates in the initial distribution of the Bonds, has represented and agreed that it has not offered or sold and will not

offer or sell any Bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other applicable laws, regulations and ministerial guidelines of Japan.

## **Hong Kong**

Each Underwriter has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“SFO”) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

## **Switzerland**

The Bonds may not be publicly offered, sold, or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on SIX Swiss Exchange (“SIX”) or on any other stock exchange or multilateral trading facility in Switzerland. This Offering Circular has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 et seqq. of the SIX Listing Rules or the listing rules of any other stock exchange or multilateral trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Bonds or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Offering Circular nor any other offering or marketing material relating to the offering, the Issuer, or the Bonds have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Offering Circular will not be filed with, and the offer of Bonds will not be supervised by, the Swiss Financial Market Supervisory Authority (“FINMA”). The investors of the Bonds will not benefit from protection or supervision by FINMA.

## **United Arab Emirates (excluding Dubai International Financial Centre)**

Each Underwriter has represented and agreed that the Bonds have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

## **Dubai International Financial Centre**

Each Underwriter has represented and agreed that it has not offered and will not offer the Bonds to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the “DFSA”) rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

## GENERAL INFORMATION

1. As at the closing date, being March 20, 2024, each of the Issuer and the Guarantor will have obtained all necessary consents, approvals and authorisations to be obtained by it in connection with the issue and performance of the Bonds and the CMHC Guarantee. The issue of the Bonds is within the authority conferred on CIBC Mellon Trust Company by the declaration of trust that created the Issuer.
2. The Issuer is not involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Bonds nor, so far as the Issuer is aware, is any such litigation or arbitration pending or threatened.
3. Save as disclosed herein, there has been no material adverse change in the financial position or prospects of the Issuer or the Guarantor since December 31, 2022.
4. On February 14, 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transactions tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). Estonia has since abandoned the Commission’s Proposal. The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances. Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States of the European Union may decide to participate. Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.
5. The Transparency Obligations Directive 2004/109/EC of the European Union and of the Council of December 15, 2004, as amended (the “**Transparency Directive**”), which relates to minimum transparency requirements for the provision of information by issuers whose securities are admitted to trading on a regulated market in the European Union was published in the Official Journal of the European Union on December 31, 2004. The Transparency Directive was implemented in Luxembourg on January 11, 2008. The Bonds are to be admitted to trading on the Euro MTF Market, which is not a regulated market for purposes of MiFID II. The Transparency Directive does not apply to the Euro MTF Market. If the Issuer decides to no longer have the Bonds traded on the Euro MTF Market or the Bonds are de-listed by the Issuer, the Issuer will use reasonable endeavours to list the Bonds elsewhere. The Issuer will provide notice of de-listing to the Luxembourg Stock Exchange and publish a notice of de-listing in a leading newspaper having general circulation in Luxembourg and/or on the website of the Luxembourg Stock Exchange at [www.luxse.com](http://www.luxse.com).
6. Copies of the most recent audited annual financial statements of the Guarantor and copies of the constitutional documents of the Issuer may be obtained free of charge from the specified office of the Paying Agent in Luxembourg, once the relevant paying agent has been appointed, and the CMHC Act, the NHA, the Financial Administration Act (Canada), as amended, the Bond Indenture, the Global Bond (if issued in certificated form), the paying agency agreement relating to the Bonds and the declaration of trust creating the Issuer will, so long as any Bonds are outstanding, be available for inspection during usual business hours at such office. The Issuer does not and will not publish financial statements.
7. The Bonds have been accepted for clearance through CDS, Clearstream, Luxembourg and Euroclear systems with the Common Code of 278464768, the ISIN of CA13509PJT18 and the CUSIP number of 13509PJT1.

**ISSUER**

**CANADA HOUSING TRUST™ NO. 1**

**by its Trustee,**

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**CANADA MORTGAGE AND HOUSING CORPORATION**

**(An agent of His Majesty in right of Canada)**

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