

## OPERATIONAL INFORMATION DOCUMENT

This Operational Information Document relates to the Final Terms dated 5 January 2018 (the “Final Terms”) in respect of the issue by The Bank of Nova Scotia of £550,000,000 Floating Rate Covered Bonds due 10 January 2023 (the “Covered Bonds”) unconditionally and irrevocably guaranteed as to payments of interest and principal by Scotiabank Covered Bond Guarantor Limited Partnership under the CAD\$36 billion Global Registered Covered Bond Program.

*This Operational Information Document has not been reviewed or approved by any competent authority for the purposes of the Prospectus Directive or otherwise and does not form part of the Final Terms for the purposes of the Prospectus Directive. However, for all other purposes this Operational Information Document must be read in conjunction with the Final Terms. Words and expressions which have a defined meaning in the Final Terms or the Prospectus dated 6 February 2017, as supplemented on 27 February 2017, 1 March 2017, 30 May 2017, 31 May 2017, 30 August 2017 and 29 November 2017 have the same meanings in this Operational Information Document.*

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Covered 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 European Economic Area (**EEA**). 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 (**MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC (**IMD**) 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 Directive 2003/71/EC (as amended, the **Prospectus Directive**). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## FINAL TERMS

5 January 2018

### The Bank of Nova Scotia

#### **Issue of £550,000,000 Floating Rate Covered Bonds due 10 January 2023 unconditionally and irrevocably guaranteed as to payments of interest and principal by Scotiabank Covered Bond Guarantor Limited Partnership under the CAD\$36 billion Global Registered Covered Bond Program**

The Prospectus referred to below (as completed by this Final Terms Document) has been prepared on the basis that any offer of Covered Bonds in any member state of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (as amended) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Covered Bonds. Accordingly, any person making or intending to make an offer in that Relevant Member State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any relevant Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any relevant Dealer has authorized, nor do they authorize, the making of any offer of Covered Bonds in any other circumstances.

## PART 1

### CONTRACTUAL TERMS

Terms used herein will be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 6 February 2017, as supplemented on 27 February 2017, 1 March 2017, 30 May 2017, 31 May 2017, 30 August 2017 and 29 November 2017 (together, the **Prospectus**) which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (as amended) (the **Prospectus Directive**). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the Guarantor and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms Document and the Prospectus. The Prospectus is available for viewing at [www.londonstockexchange.com/exchange/news/market-news/market-newshome.html](http://www.londonstockexchange.com/exchange/news/market-news/market-newshome.html) and copies of the Prospectus are available free of charge to the public at the Executive Offices of the Issuer and from the specified office of each of the Paying Agents.



for Payment Date at a rate of 1 month GBP LIBOR + 23bps per annum Floating Rate payable monthly in arrear.

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|-----|---|--|
| 12. | Put/Call Options:                                     | Not Applicable   |
| 13. | Date of Board approval for issuance of Covered Bonds: | 28 August 2012, 28 August 2015 and 25 October 2016 in respect of the Issuer and 19 July 2013 in respect of the Guarantor |

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

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|-----|--|---|
| 14. | Fixed Rate Covered Bond Provisions:    | Not Applicable.   |
| 15. | Floating Rate Covered Bond Provisions: | <p>Applicable from and including the Issue Date to the Extended Due for Payment Date.</p> <p>Applicable in respect of the Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee</p>   |
| (a) | Interest Period(s):                    | <p>From and including the Issue Date to, but excluding, the Final Maturity Date, interest is payable quarterly in arrear on each Interest Payment Date.</p> <p>From and including the Final Maturity Date to, but excluding, the Extended Due for Payment Date, interest is payable monthly in arrear on each Interest Payment Date.</p>  |
| (b) | Interest Payment Date(s):              | <p>10th January, 10th April, 10th July and 10th October in each year, commencing on 10 April 2018 up to and including the Final Maturity Date; and</p> <p>10th calendar day of each month payable from but excluding the Final Maturity Date to and including the earlier of:</p> <p>(i) the date on which the Covered Bonds are redeemed in full; and</p> <p>(ii) the Extended Due for Payment Date.</p> |
| (c) | First Interest Payment Date:           | 10 April 2018   |
| (d) | Business Day Convention:               | Modified Following Business Day Convention (adjusted)   |
| (e) | Business Day(s):                       | London, TARGET2, Toronto, New York  |
| (f) | Additional Business Centre(s):         | Not Applicable  |
| (g) | Manner in which the Rate of Interest   | Screen Rate Determination   |

and Interest Amount is to be determined:

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|-----|---|---|
| (h) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): | Not Applicable  |
| (i) | Screen Rate Determination:  | Applicable  |
|     | Reference Rate and Relevant Financial Centre:   | Reference Rate:<br><br>From and including the Issue Date to, but excluding, the Final Maturity Date, 3 month GBP LIBOR<br><br>From and including the Final Maturity Date to, but excluding, the Extended Due for Payment Date, 1 month GBP LIBOR<br><br>Relevant Financial Centre: London, TARGET2, Toronto, New York |
|     | Interest Determination Date(s):   | On the Interest Payment Date at the start of each Interest Period, except for the first such period which will be on the Issue Date.  |
|     | Relevant Screen Page:   | Reuters LIBOR 01  |
| (j) | ISDA Determination:   | Not Applicable  |
| (k) | Floating Rate Covered Bond Margin(s):   | From and including the Issue Date to but excluding the Final Maturity Date, plus 0.23% per annum<br><br>From and including the Final Maturity Date to but excluding the Extended Due for Payment Date, plus 0.23% per annum   |
| (l) | Minimum Rate of Interest:   | 0.00%   |
| (m) | Maximum Rate of Interest:   | 60.00% per annum  |
| (n) | Day Count Fraction:   | Actual/365 (fixed)  |
| 16. | Zero Coupon Covered Bond Provisions:  | Not Applicable  |

## PROVISIONS RELATING TO REDEMPTION

- |     |   |                               |
|-----|---|-------------------------------|
| 17. | Issuer Call:                                  | Not Applicable                |
| 18. | Put Option:                                   | Not Applicable                |
| 19. | Final Redemption Amount of each Covered Bond: | £1,000 per Calculation Amount |

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|-----|---|-------------------------------|
| 20. | Early Redemption Amount of each Covered Bond payable on redemption for taxation reasons or illegality or upon acceleration following an Issuer Event of Default or Guarantor Event of Default or other early redemption and/or the method of calculating the same (if required or if different from that set out in Condition 6.7): | £1,000 per Calculation Amount |
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## **GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

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| 21. | Form of Covered Bonds:   | Registered Covered Bonds:<br><br>Regulation S Global Covered Bond registered in the name of a common safekeeper for Euroclear and/or Clearstream/Luxembourg or its nominee |
| 22. | New Global Covered Bond:   | No   |
| 23. | Global Covered Bond held under the New Safekeeping Structure:  | Yes  |
| 24. | Financial Centre(s) or other special provisions relating to payment dates:   | Not Applicable   |
| 25. | Talons for future Coupons to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No   |
| 26. | Redenomination, renominatisation and reconventioning provisions:   | Not Applicable   |

Signed on behalf of the Issuer: /s/ Christy Bunker

By: Christy Bunker

Title: Managing Director Alternate Funding

*Duly authorized*

Signed on behalf of the Guarantor by its managing general partner Scotiabank Covered Bond GP Inc.:

By: David Tersigni

Title: President and Secretary

/s/ David Tersigni

*Duly authorized*

*(signature page to Final Terms)*

## PART 2

### OTHER INFORMATION

#### 1. LISTING AND ADMISSION TO TRADING

- (a) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's Regulated Market and to the Official List of the UK Listing Authority with effect from 10 January 2018.
- (b) Estimate of total expenses related to admission to trading: £3,650

#### 2. RATINGS

- Ratings: The Covered Bonds to be issued are expected to be rated:
- Fitch: AAA
- Moody's: Aaa
- DBRS: AAA

#### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in *Selling Restrictions*, so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

#### 4. YIELD (*Fixed Rate Covered Bonds only*)

- Indication of yield: Not Applicable

#### 5. OPERATIONAL INFORMATION

- (a) ISIN Code: XS1747445481
- (b) Common Code: 174744548
- (c) Any clearing system(s) other than DTC, Euroclear or Clearstream, Luxembourg and the relevant identification number(s) or codes such as CUSIP and CINS codes: Not Applicable
- (d) Name and address of initial Paying Agent: The Bank of Nova Scotia, London Branch acting



Agent(s)/Registrar(s)/Transfer  
Agent(s):

through its office at 201 Bishopsgate, 6th Floor,  
London EC2M 3NS

- (e) Names and addresses of additional Not Applicable  
Paying Agent(s)/Transfer Agent(s)  
(if any):

**6. DISTRIBUTION**

U.S. Selling Restrictions

Regulation S compliance category 2, TEFRA Rules  
not applicable; Rule 144A not eligible