

**AMENDING AGREEMENT TO
CASH MANAGEMENT AGREEMENT**

THIS AMENDING AGREEMENT TO CASH MANAGEMENT AGREEMENT (this “**Agreement**”) is made as of the 7th day of February, 2018.

BY AND AMONG

- (1) **THE BANK OF NOVA SCOTIA**, a bank named in Schedule I to the Bank Act, in its capacity as Issuer, Cash Manager, GDA Provider, Seller and Servicer;
- (2) **SCOTIABANK COVERED BOND GUARANTOR LIMITED PARTNERSHIP**, by its managing general partner, **SCOTIABANK COVERED BOND GP INC.**, in its capacity as the Guarantor; and
- (3) **COMPUTERSHARE TRUST COMPANY OF CANADA**, in its capacity as Bond Trustee.

WHEREAS the parties entered into a cash management agreement dated as of July 19, 2013 (the “**Cash Management Agreement**”);

AND WHEREAS the parties hereto have agreed to amend the Cash Management Agreement pursuant to Section 20.1 and the terms of this Agreement;

NOW THEREFORE IT IS HEREBY AGREED that in consideration of the mutual covenants and agreements herein set forth, the parties agree as follows:

ARTICLE 1 – AMENDMENT

1.01 Amendment

(1) Section 3.4 of the Cash Management Agreement shall be amended by deleting the heading and replacing it with the following, and all references to such heading shall be replaced accordingly:

“Compliance with the Asset Coverage Test, the Amortization Test, the Pre-Maturity Test, the Valuation Calculation and the OC Valuation”

(2) Section 3.4 of the Cash Management Agreement is amended in the following manner:

- (i) deleting the word “and” at the end of Section 3.4(v);
- (ii) adding a semicolon to the end of Section 3.4(vi) followed by the word “and”; and
- (iii) adding the following as a new Section 3.4(vii) immediately after Section 3.4(vi):

“(vii) to do all calculations which are required to determine the OC Valuation as of each Calculation Date on or before the Business Day at least two Business Days prior to the immediately following Guarantor Payment Date,”

(3) Section 12.1(l) of the Cash Management Agreement shall be deleted in its entirety and replaced with the following:

“(l) the ratings of the Cash Manager by each of the Rating Agencies are at or above each of the Cash Manager Required Ratings.”

(4) Section 14.1(a)(iv) of the Cash Management Agreement shall be deleted in its entirety and replaced with the following:

“(iv) a Rating Agency downgrading or withdrawing the ratings of the Cash Manager below the Cash Manager Required Ratings (unless the Cash Manager obtains an unconditional and unlimited guarantee of its obligations under this Agreement from a credit support provider whose ratings meet the requirements of the relevant Rating Agencies (including the Cash Manager Required Ratings) within thirty (30) days of the first downgrade below any of the Cash Manager Required Ratings); or”

(5) Section 14.1(b) of the Cash Management Agreement shall be deleted in its entirety and replaced with the following:

“(b) Upon the occurrence of a Cash Manager Termination Event described in paragraph 14.1(a)(iv) that is cured as provided for therein, the Guarantor shall forthwith notify CMHC of the identity of the guarantor of the Cash Manager’s obligations and the ratings by each of the Rating Agencies of such guarantor.”

(6) Section 19.1(a) of the Cash Management Agreement is amended in the following manner:

(i) deleting the words “email: jake.lawrence@scotiabank.com” and replacing them with the words “email: christy.bunker@scotiabank.com;”.

(7) Section 19.1(b) of the Cash Management Agreement is amended in the following manner:

(i) deleting the words “email: jake.lawrence@scotiabank.com” and replacing them with the words “email: christy.bunker@scotiabank.com;”.

(8) Section 20.1 of the Cash Management Agreement shall be deleted in its entirety and replaced with the following:

Any amendments to this Agreement will be made only with the prior written consent of each party to this Agreement. No waiver of this Agreement will be effective unless it is in writing and signed by (or by some Person duly authorized by) each of the parties. Each proposed amendment or waiver of this Agreement that is considered by the Guarantor to be a material amendment or waiver will be subject to the satisfaction of the Rating Agency Condition and the Guarantor (or the Cash Manager on its behalf) will deliver

notice to the Rating Agencies of any amendment or waiver in respect of which satisfaction of the Rating Agency Condition is not required provided that failure to deliver such notice will not constitute a breach of the obligations of the Guarantor under this Agreement. For certainty, any amendment to (a) a Ratings Trigger that (i) lowers the ratings specified therein, or (ii) changes the applicable rating type, in each case as provided for in this Agreement, or (b) the consequences of breaching a Ratings Trigger, or changing the applicable rating type, provided for in this Agreement that makes such consequences less onerous, shall, with respect to each affected Rating Agency only, be deemed to be a material amendment and shall be subject to confirmation of the satisfaction of the Rating Agency Condition from each affected Rating Agency. No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right. The Guarantor (or the Cash Manager on its behalf) will deliver notice to CMHC from time to time of any amendment, variation or waiver with respect to which notice to CMHC is required by the CMHC Guide, provided that failure to deliver such notice will not constitute a breach of the obligations of the Guarantor under this Agreement.

ARTICLE 2– MISCELLANEOUS

2.01 Further Assurances

Each of the parties hereto will from time to time execute and deliver all such further documents and instruments and do all acts and things as any of the other parties may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

2.02 Other Amendments

Except as expressly amended, modified and supplemented hereby, the provisions of the Cash Management Agreement are and shall remain in full force and effect and shall be read with this Agreement, *mutatis mutandis*. Where the terms of this Agreement are inconsistent with the terms of the Cash Management Agreement (prior to its amendment hereby), the terms of this Agreement shall govern to the extent of such inconsistency.

2.03 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein.

2.04 Interpretation

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Cash Management Agreement (prior to its amendment hereby).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties have caused this Agreement to be executed the day and year first before written above.

THE BANK OF NOVA SCOTIA, as Issuer,
Cash Manager, GDA Provider, Seller and
Servicer

Per: “Christy Bunker”
Name: Christy Bunker
Title: Managing Director, Alternate
Funding

**SCOTIABANK COVERED BOND
GUARANTOR LIMITED PARTNERSHIP** by
its managing general partner **SCOTIABANK
COVERED BOND GP INC.**

Per: “Christy Bunker”
Name: Christy Bunker
Title: Vice President

**COMPUTERSHARE TRUST COMPANY OF
CANADA**, as Bond Trustee

Per: “Morag Abraham”
Name: Morag Abraham
Title: Corporate Trust Officer

“Ann Samuel”
Name: Ann Samuel
Title: Associate Trust Officer