

THE BANK OF NOVA SCOTIA

and

CREDIT SUISSE AG

and

OTHERS

SWISS PAYING AGENCY AGREEMENT

in respect of
0.200 per cent. Covered Bonds due 2025 of CHF 250,000,000
issued under
THE BANK OF NOVA SCOTIA

CAD\$36,000,000,000
Global Registered Covered Bond Program

To: CREDIT SUISSE AG as Swiss principal paying agent (the **Swiss Principal Paying Agent**)

SCOTIABANK COVERED BOND GUARANTOR LIMITED PARTNERSHIP (the **Guarantor**)

THE BANK OF NOVA SCOTIA, London Branch (the **Principal Paying Agent**)

COMPUTERSHARE TRUST COMPANY OF CANADA (the **Bond Trustee**)

November 19, 2018

Dear Sirs

The Bank of Nova Scotia (the **Issuer**) proposes to issue 0.200 per cent. Covered Bonds due 2025 of CHF 250,000,000 (the **Covered Bonds**) under the CAD\$36,000,000,000 Global Registered Covered Bond Program established by the Issuer (the **Program**).

This Swiss Paying Agency Agreement amends and supplements, for the purpose of the Covered Bonds, the Amended and Restated Agency Agreement dated September 24, 2013, as amended by an amending agreement dated February 7, 2018 (as so amended, the **Agency Agreement**). The expression "Covered Bonds" shall include any further Covered Bonds to be consolidated and form a single Series with this Series of Covered Bonds.

The Issuer has agreed to issue and Credit Suisse AG and Scotiabank Europe plc, pursuant to a subscription agreement dated November 15, 2018 (the **Subscription Agreement**) relating to the Covered Bonds, have agreed to subscribe or procure subscribers for the Covered Bonds. The Issuer and Credit Suisse AG have also agreed that Credit Suisse AG will be appointed as Swiss Principal Paying Agent for the Covered Bonds, that the Swiss Principal Paying Agent shall act as paying agent for the Covered Bonds and that the clearing and settlement of the Covered Bonds in permanent global form will be through SIX SIS Ltd, Olten, Switzerland (**SIS**). The Covered Bonds are represented by a permanent global covered Bond substantially in the form set out in the schedule to the supplemental trust deed dated November 19, 2018 (the **Supplemental Trust Deed**) between the Issuer, the Guarantor and the Bond Trustee (the **Permanent Global Covered Bond**) which shall be deposited by the Swiss Principal Paying Agent with SIS as intermediary or any other intermediary in Switzerland recognized for such purposes by SIX Swiss Exchange Ltd (**SIX Swiss Exchange**). The Swiss Principal Paying Agent agrees to perform all functions in this context (as applicable), in accordance with standard Swiss market practice, in particular as set out in the Conditions, and to initiate the process with the clearing system.

We wish to record the arrangements agreed between us for this purpose.

1 Interpretation

Terms defined in the Agency Agreement (as modified by this Swiss Paying Agency Agreement) shall, save where the context requires, bear the same meaning in this Swiss Paying Agency Agreement.

2 Amendments to the Agency Agreement

- 2.1 Pursuant to Article 2 of the Agency Agreement, the Swiss Principal Paying Agent accepts its appointment by the Issuer as Swiss Principal Paying Agent at its offices in Switzerland as the Issuer's agent in relation to the issue of the Covered Bonds for the purposes specified in this Agreement and in the Conditions and all matters incidental thereto.
- 2.2 The Issuer, the Guarantor, the Principal Paying Agent and the Bond Trustee (the **Original Parties**) hereby agree that Credit Suisse AG shall act as principal paying agent in Switzerland in relation to the Covered Bonds and carrying out certain other functions all in accordance with the Swiss standard market practices established for clearing and settlement of any payments on the Covered Bonds in accordance with the terms of the Agency Agreement as modified by this Swiss Paying Agency Agreement. The Original Parties also agree that the Covered Bonds will be cleared and settled through SIS in accordance with Swiss standard market practices. The Principal Paying Agent will not be responsible for any of its duties and obligations so specified in the Agency Agreement to the extent that such duties and obligations have been agreed to be undertaken by the Swiss Principal Paying Agent herein.
- 2.3 The Original Parties hereby agree that (a) the Swiss Principal Paying Agent shall be joined as a party to the Agency Agreement for the purpose of acting as paying agent in Switzerland in relation to the Covered Bonds and (b) the Principal Paying Agent appointed in the Agency Agreement will not act as paying agent in connection with the Covered Bonds. Article 2 of the Agency Agreement shall be construed accordingly.
- 2.4 For the purposes of the issue of the Covered Bonds only:
- 2.4.1 unless the context does not otherwise permit, all references to the Principal Paying Agent and the Paying Agent in the Agency Agreement shall be deemed to be references to the Swiss Principal Paying Agent;
 - 2.4.2 all references to the "Temporary Global Covered Bond" in the Agency Agreement shall be deemed to be deleted in as much as only a Permanent Global Covered Bond (as set out in the schedule to the Supplemental Trust Deed) will be executed. For the avoidance of doubt, the Covered Bonds will at no time be represented by a Temporary Global Covered Bond;
 - 2.4.3 all references to "Global Covered Bonds" in the Agency Agreement shall be read, as applicable, in relation to the Covered Bonds to mean the Permanent Global Covered Bond;
 - 2.4.4 all references to "Euroclear" and "Clearstream, Luxembourg" shall also be construed in relation to the Covered Bonds as references to SIS;
 - 2.4.5 notwithstanding the provisions of Article 3 of the Agency Agreement, the Swiss Principal Paying Agent shall (i) prepare and complete or arrange for the preparation of the Permanent Global Covered Bond in respect of the Covered Bonds, (ii) attach a copy of the Pricing Supplement in respect of the Covered Bonds to such Permanent Global Covered Bond, (iii) arrange for the Permanent Global Covered Bond in respect of the Covered Bonds to be executed by or on behalf of the Issuer,

(iv) hold the signed Permanent Global Covered Bond in respect of the Covered Bonds in escrow until the closing of the issue at which time it shall authenticate such Permanent Global Covered Bond and deliver it to SIS and (v) arrange for payments of principal and/or interest to be paid to holders of Covered Bonds or Coupons through SIS;

- 2.4.6** notwithstanding the provisions hereof, the Principal Paying Agent shall continue to perform its reporting obligations in accordance with the Agency Agreement, if any, except that the Swiss Principal Paying Agent shall be responsible for complying with any reporting requirements imposed by the Swiss authorities in respect of the Covered Bonds. The Swiss Principal Paying Agent will provide the Principal Paying Agent with all information required by the Principal Paying Agent in order to enable it to fulfil its remaining reporting obligations arising pursuant to the Agency Agreement;
- 2.4.7** notwithstanding the provisions of Article 5 of the Agency Agreement, no physical delivery of the Covered Bonds shall be made unless and until definitive Covered Bonds (*Wertpapiere*) with coupons attached shall have been printed. Covered Bonds may only be printed, in whole, but not in part, if the Swiss Principal Paying Agent determines, in its sole discretion, that the printing of the definitive Covered Bonds (*Wertpapiere*) is necessary or useful, for instance if the presentation of definitive Covered Bonds (*Wertpapiere*) is required by Swiss or other applicable laws in connection with the enforcement of the rights of the Covered Bondholders or SIS ceases business and no successor intermediary is available. In such circumstances, the Swiss Principal Paying Agent shall provide for the security printing of definitive Covered Bonds (*Wertpapiere*) with Coupons attached without cost to the Covered Bondholders. If printed, the definitive Covered Bonds (*Wertpapiere*) with Coupons attached shall be executed by affixing thereon the facsimile signature of two authorised officers of the Issuer. Upon delivery of the definitive Covered Bonds (*Wertpapiere*) with Coupons attached, the Permanent Global Covered Bond will immediately be cancelled by the Swiss Principal Paying Agent and the definitive Covered Bonds (*Wertpapiere*) with Coupons attached shall be delivered to the relevant Covered Bondholders against cancellation of the Covered Bonds in such relevant Covered Bondholders' securities accounts. A proof of the definitive Covered Bonds (*Wertpapiere*) and Coupons (if printed) shall be delivered to both the Issuer and the Swiss Principal Paying Agent. The Swiss Principal Paying Agent shall procure the exchange of interests in the Permanent Global Covered Bond in respect of the Covered Bonds for definitive Covered Bonds (*Wertpapiere*) with Coupons attached;
- 2.4.8** the Issuer irrevocably authorises the Swiss Principal Paying Agent to use the signatures provided by the Issuer in the "Signature Specimen for Covered Bonds" (in the form set out in Annex 3 to the Subscription Agreement) for the printing of the Covered Bonds in definitive form, if any;
- 2.4.9** receipt by the Swiss Principal Paying Agent of the due and punctual payment of the funds in Swiss Francs in Zurich, in the manner provided by the Conditions and the

Pricing Supplement, shall release the Issuer from its obligations under the Covered Bonds and Coupons for the payment of interest and principal due on the respective Interest Payment Dates and on the Maturity Date to the extent of such payment; and

2.4.10 in respect of the Covered Bonds, the Issuer will at all times maintain a paying agent having a specified office in Switzerland and will at no time maintain a paying agent having a specified office outside of Switzerland.

2.5 For the avoidance of doubt, the terms of this Agreement shall only apply to the Covered Bonds and no other Covered Bonds issued or to be issued under the Program.

3 Liability

None of the parties to this Swiss Paying Agency Agreement shall be liable in respect of the acts or omissions of any of the other parties to this Agreement, unless otherwise provided by a mandatory provision of law. The liabilities of the Swiss Principal Paying Agent and the Issuer will be several.

4 Commissions

Simultaneously with each interest payment and repayment of Covered Bonds, the Issuer shall pay to the Swiss Principal Paying Agent for the servicing of the Covered Bonds a commission of 0.01 per cent. of the aggregate principal amount of the outstanding Covered Bonds.

5 One Agreement

This Agreement shall be read as one with the Agency Agreement and all references therein to "this Agreement" shall be deemed in relation to the Covered Bonds and to the extent specified herein, also to refer to this Agreement.

6 Additional Paying Agents

The Issuer undertakes not to appoint any other bank as paying agent in respect of the Covered Bonds and not to pay to other banks, corporations or individuals any commissions or remunerations for the payments of interest or principal without the prior written consent of the Swiss Principal Paying Agent.

7 Representations and Warranties

Each of the Parties hereto severally represents and warrants to and with each other party that:

7.1 it has the power to enter into and has duly authorised the execution and delivery of this Agreement and

7.2 its obligations hereunder constitute its legal, valid and binding obligations.

8 Communications

For the purpose of the issue of the Covered Bonds and Article 31 of the Agency Agreement all communications to any of the Swiss Principal Paying Agent shall be made to Credit Suisse AG at the notice details set out below:

Credit Suisse AG
Uetlibergstrasse 231
CH-8070 Zurich
Switzerland

Telephone: +41 44 333 28 86
Fax: +41 44 333 57 79
Attention: VUCC 22 - Transaction Advisory Group

9 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when so executed shall constitute one and the same binding agreement between the parties.

10 Governing Law

This Agreement shall be governed by, and shall be construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada and the provision of Article 38 of the Agency Agreement shall apply *mutatis mutandis* to this Agreement.

Please confirm that this Agreement correctly sets out the arrangements agreed between us.

Yours faithfully

THE BANK OF NOVA SCOTIA

By: "David Tersigni"

Name: David Tersigni

Title: Managing Director, Senior Funding

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

By: "David Tersigni"

Name: David Tersigni

Title: President

THE BANK OF NOVA SCOTIA, London Branch

By: "James Walter"

Name: James Walter

Title: Regional Director, Europe Legal

By: "Richard Enskat"

Name: Richard Enskat

Title: Director

COMPUTERSHARE TRUST COMPANY OF CANADA

By: "John C. Poolman"

Name: John C. Poolman

Title: Corporate Trust Officer

By: "Ann Samuel"

Name: Ann Samuel

Title: Associate Trust Officer

We agree to the foregoing

CREDIT SUISSE AG

By: "Walter Hüni"

Name: Walter Hüni

Title: Director

By: "Jörg Nubbemeier"

Name: Jörg Nubbemeier

Title: Vice President