

**FINAL TERMS**

**THE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION (CMHC) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THESE FINAL TERMS. THE COVERED BONDS ARE NEITHER INSURED NOR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.**

**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.

**PRIIPS REGULATION / 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.

27 March 2018

**The Bank of Nova Scotia**

**Issue of €1,250,000,000 0.25% Covered Bonds due 28 September 2022 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 7 February 2018 and the supplemental prospectus dated 28 February 2018 which together constitute a base prospectus (the **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 as so supplemented. 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.

The Guarantor is not now, and immediately following the issuance of the Covered Bonds pursuant to the Trust Deed will not be, a "covered fund" for purposes of regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the "Volcker Rule." In reaching this conclusion, although other statutory or regulatory exemptions under the Investment Company Act of 1940, as amended, and under the Volcker Rule and its related regulations may be available, the Guarantor has relied on the exemption from registration set forth in Section 3(c)(5)(C) of the Investment Company Act of 1940, as amended. See "*Certain Investment Company Act Considerations*" in the Prospectus dated 7 February 2018.

1. (a) Issuer: The Bank of Nova Scotia
- (b) Guarantor: Scotiabank Covered Bond Guarantor Limited Partnership
2. (a) Series Number: CBL21
- (b) Tranche Number: 1
- Series which Covered Bonds will be consolidated and form a single Series with: Not Applicable
- Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above: Not Applicable
3. Specified Currency or Currencies: €, EUR or EURO
4. Aggregate Nominal Amount of Covered Bonds admitted to trading:
  - (a) Series: €1,250,000,000
  - (b) Tranche: €1,250,000,000
5. Issue Price: 99.679% of the Aggregate Nominal Amount
6. (a) Specified Denominations: €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000.
- (b) Calculation Amount: €1,000
7. (a) Issue Date: 28 March 2018
- (b) Interest Commencement Date: Issue Date
8. (a) Final Maturity Date: 28 September 2022
- (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 28 September 2023
9. Interest Basis: Interest accrues from and including the Issue Date to, but excluding, the Final Maturity Date at a rate of

0.25% Fixed Rate payable annually in arrear. Interest accrues from and including the Final Maturity Date to, but excluding, the Extended Due for Payment Date at a rate of 1 month EURIBOR + 0.123% Floating Rate per annum payable monthly in arrear

10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Fixed to Floating
- Paragraph 14 is applicable for the period from and including the Interest Commencement Date to but excluding the Final Maturity Date.
- Paragraph 15 is applicable for the period from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.
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**

14. Fixed Rate Covered Bond Provisions: Applicable from and including the Issue Date to but excluding the Final Maturity Date.
- (a) Rate(s) of Interest: 0.25% per annum payable annually in arrears on each Interest Payment Date
- (b) Interest Period(s): The first Interest Period is the period from and including the Issue Date up to but excluding the first Interest Payment Date. Subsequent Interest Periods are the period from and including an Interest Payment Date up to but excluding the following Interest Payment Date.
- (c) Interest Payment Date(s): 28 September in each year, commencing on 28 September 2018, up to and including the Final Maturity Date (each, an **Original Due for Payment Date**) not adjusted (*provided however* that after the Extension Determination Date, the Interest Payment Date may be monthly).
- (d) Business Day Convention: Following Business Day Convention (unadjusted)
- (e) Business Day(s): London, TARGET2, Toronto, New York
- (f) Additional Business Centre(s): Not Applicable
- (g) Fixed Coupon Amount(s): €2.50 per Calculation Amount for each Interest

		Period other than the short first Interest Period.
	(h) First Fixed Coupon Amount:	€1.26 per Calculation Amount
	(i) Day Count Fraction:	Actual/Actual (ICMA)
	(j) Determination Date(s):	28 September in each year
	(k) Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	Not Applicable
15.	Floating Rate Covered Bond Provisions:	Applicable from and including the Final Maturity Date to, but excluding, the Extended Due for Payment Date.
		Applicable in respect of the Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee
	(a) Interest Period(s):	The first Interest Period after the Final Maturity Date will be the period from and including the Final Maturity Date to but excluding the next following Interest Payment Date and subsequent Interest Periods will be from and including an Interest Payment Date to but excluding the next Interest Payment Date (or, in the case of the last Interest Period, the Extended Due for Payment Date)
	(b) Interest Payment Date(s):	28th calendar day of each month payable from but excluding the Final Maturity Date to and including the earlier of: <ul style="list-style-type: none"> <li>(i) the date on which the Covered Bonds are redeemed in full; and</li> <li>(ii) the Extended Due for Payment Date.</li> </ul>
	(c) First Interest Payment Date:	28 October 2022
	(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 and Interest Amount is to be determined:	Screen Rate Determination
	(h) Party responsible for calculating the Rate of Interest and Interest Amount	Not Applicable

(if not the Principal Paying Agent):

- (i) Screen Rate Determination: Applicable
- Reference Rate and Relevant Financial Centre: Reference Rate: 1 month EURIBOR  
Relevant Financial Centre: Brussels
- Interest Determination Date(s): The second day on which the TARGET2 System is open prior to the start of each Interest Period.
- Relevant Screen Page: Reuters EURIBOR 01
- (j) ISDA Determination: Not Applicable
- (k) Floating Rate Covered Bond Margin(s): plus 0.123% per annum
- (l) Minimum Rate of Interest: Not Applicable
- (m) Maximum Rate of Interest: 60.00% per annum
- (n) Day Count Fraction: Actual/360 (adjusted)
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
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

#### **GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

21. Form of Covered Bonds: Registered Covered Bonds:  
Regulation S Global Covered Bond registered in the name of a common safekeeper for Euroclear and/or

Clearstream/Luxembourg or its nominee

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|-----|--|----------------|
| 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, renominalisation and reconventioning provisions:   | Not Applicable |

Signed on behalf of the Issuer:

By: David Tersigni

Title: Managing Director, Senior Funding

/s/ David Tersigni

*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 28 March 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: 0.322% per annum

#### 5. OPERATIONAL INFORMATION

- (a) ISIN Code: XS1799545758
- (b) Common Code: 179954575
- (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(s)/Registrar(s)/Transfer Agent(s): The Bank of Nova Scotia, London Branch acting through its office at 201 Bishopsgate, 6th Floor, London EC2M 3NS

- (e) Names and addresses of additional Paying Agent(s)/Transfer Agent(s) (if any): Not Applicable
- (f) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

## 6. DISTRIBUTION

- U.S. Selling Restrictions Regulation S compliance category 2, TEFRA Rules not applicable; Rule 144A not eligible
- Prohibition of Sales to EEA Retail Investors Applicable

## 7. UNITED STATES TAX CONSIDERATIONS

Not Applicable