



**THE BANK OF NOVA SCOTIA**  
**(a Canadian chartered Bank)**  
**U.S.\$20,000,000,000**  
**Euro Medium Term Note Programme**  
**Due from 1 month to 99 years from the date of original issue**

On December 7, 1994, The Bank of Nova Scotia established a Euro Medium Term Note Programme (the “Programme”) and issued an offering circular on that date describing the Programme. This Prospectus describing the Programme supersedes all offering circulars and prospectuses describing the Programme dated prior to the date hereof. Any Senior Notes (as defined below) to be issued on or after the date hereof under the Programme, which has been further amended as at the date hereof as described herein, are issued subject to the terms and conditions set out herein. This does not affect any Senior Notes issued prior to the date hereof.

Subject to compliance with all relevant laws, regulations and directives, The Bank of Nova Scotia (the “Issuer” or the “Bank”) may from time to time issue Notes (the “Senior Notes”) under the Programme. Senior Notes to be issued under the Programme will constitute deposit liabilities of the Bank pursuant to the *Bank Act* (Canada), will be unsubordinated and unsecured obligations of the Bank and will rank *pari passu* with all present or future deposit liabilities of the Bank (except as otherwise prescribed by law and subject to the exercise of bank resolution powers) and without preference amongst themselves. The aggregate principal amount of Senior Notes outstanding at any time under the Programme will not exceed U.S.\$20,000,000,000 or the equivalent in other currencies determined by the Calculation Agent (as defined below) if any, at the time of each issuance of Senior Notes in other currencies or such other amount as may be authorised from time to time.

**Amounts payable under the Senior Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purpose of Regulation (EU) 2016/1011 (as amended from time to time) (the “Benchmarks Regulation”). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation. Not every reference rate administrator will fall within the scope of the Benchmarks Regulation. Further, transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the Benchmarks Regulation is a matter of public record, and save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.**

Unless otherwise specified in the applicable Final Terms (or the Pricing Supplement, as the case may be), the Bank will issue Senior Notes whose Branch of Account for purposes of the *Bank Act* (Canada) is the head office in Toronto. The Bank may also issue Senior Notes whose Branch of Account for *Bank Act* (Canada) purposes is the London branch, if specified in the applicable Final Terms (or the Pricing Supplement, as the case may be). Irrespective of any specified Branch of Account, the Bank is (a) the legal entity that is the issuer of the Senior Notes and (b) the legal entity obligated to repay the Senior Notes. The Bank is the only legal entity that will issue Senior Notes pursuant to this Programme. The determination by the Bank of the Branch of Account for Senior Notes will be based on various considerations, including those relating to (i) the market or jurisdiction into which the Senior Notes are being issued, based on factors including investors’ preferences in a specific market or jurisdiction, (ii) specific regulatory requirements, such as a regulator requiring that a branch increase its liquidity through locally sourced funding, or (iii) tax implications that would affect the Bank or investors, such as the imposition of a new tax if an alternative branch was used. A branch of the Bank is not a subsidiary of the Bank or a separate legal entity from the Bank.

See the section entitled “Risk Factors” herein for a discussion of certain risks that should be considered in connection with an investment in the Senior Notes.

*Arrangers*

**Barclays**

**Scotiabank**

*Dealers*

**Barclays**  
**BofA Merrill Lynch**  
**Credit Suisse**  
**Goldman Sachs International**  
**J.P. Morgan**  
**NatWest Markets**  
**UBS Investment Bank**

**BNP PARIBAS**  
**Citigroup**  
**Deutsche Bank**  
**HSBC**  
**Morgan Stanley**  
**Scotiabank**  
**Wells Fargo Securities**

**This Prospectus comprises a base prospectus in respect of all Senior Notes other than Exempt Notes (as defined below) issued under the Programme for the purposes of Article 5.4 of the Prospectus Directive. When used in this Prospectus, "Prospectus Directive" means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the "EEA") and for the purpose of giving information with regard to the Issuer which, according to the particular nature of the Issuer and the Senior Notes, is necessary to enable Investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.**

The requirement to publish a prospectus under the Prospectus Directive only applies to Senior Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive. References in this Prospectus to "Exempt Notes" are to Senior Notes for which no prospectus is required to be published under the Prospectus Directive. The United Kingdom Financial Conduct Authority (the "FCA") has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes.

Application has been made to the FCA for Senior Notes (other than Exempt Notes) issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to the official list maintained by the FCA (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Senior Notes to be admitted to trading on the London Stock Exchange's Regulated Market (the "Market"). The Market is a regulated market for the purposes of Directive 2014/65/EU (as amended, "MiFID II"). Exempt Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Exempt Notes which are neither listed nor admitted to trading on any market may also be issued. References in this Prospectus to Senior Notes being "listed" (and all related references) shall mean (i) in relation to Senior Notes other than Exempt Notes, that such Senior Notes have been admitted to trading on the Market and have been admitted to the Official List and (ii) in relation to Exempt Notes, that such Exempt Notes have been listed or admitted to trading on such stock exchange or market as may be specified in the applicable Pricing Supplement (which will not be a regulated market for the purposes of MiFID II).

Each issue of Senior Notes will be issued on the terms set out herein which are relevant to such Senior Notes under "Terms and Conditions of the Senior Notes" on pages 55 to 88, except Senior Notes issued on or after the date of this Prospectus that are to be consolidated and form a single series with Senior Notes issued prior to the date of this Prospectus, which Senior Notes will be subject to the Terms and Conditions of the Senior Notes applicable on the date of issue of the first Tranche of Senior Notes of such series. Those Terms and Conditions are incorporated by reference in, and form part of, this Prospectus.

Under the Bail-in Regime (as defined herein), in certain circumstances, amending or extending the term to maturity of Senior Notes which would otherwise not be Bail-inable Notes because they were issued before September 23, 2018, would mean those Senior Notes could be subject to a Bail-in Conversion. However, the Issuer does not intend to amend or re-open any Series of Senior Notes where such re-opening could have the effect of making the relevant Senior Notes subject to Bail-in Conversion.

**Senior Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part— by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (the "CDIC Act") and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes. See "Risk Factors - Risks applicable to Bail-inable Notes" and Condition 3(c) of the "Terms and Conditions of the Senior Notes". The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate whether the Senior Notes are Bail-inable Notes. Senior Notes are also potentially subject to United Kingdom resolution powers in exceptional circumstances. See Risk Factors - "United Kingdom resolution risks applicable to Senior Notes" and "Risk Factors - Senior Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada".**

Notice of the aggregate principal amount of Senior Notes, interest (if any) payable in respect of Senior Notes, the issue price of Senior Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined in "Issue of Senior Notes" below) of Senior Notes, together with certain other information required by the Prospectus Directive will (other than in the case of Exempt Notes) be set forth in the applicable Final Terms which, with respect to the Senior Notes to be admitted to the Official List and admitted to trading on the Market, will be delivered to the FCA and the London Stock Exchange on or before the date of issue of such Senior Notes. In the case of Exempt Notes, notice of the aggregate nominal amount of Senior Notes, interest (if any) payable in respect of Senior Notes, the issue price of Senior Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the "Pricing Supplement").

The credit ratings and outlooks of the Issuer and the Programme referred to on page 53 of this Prospectus are assigned by Moody's Canada Inc. ("Moody's"), S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. ("S&P"), Fitch Ratings, Inc. ("Fitch") and DBRS Limited ("DBRS"). Each of Moody's, S&P, Fitch and DBRS has also provided issuer ratings for the Bank as specified on pages 13 to 14 of the Bank's Annual

Information Form (as defined in the section entitled “Documents Incorporated by Reference”) incorporated by reference in this Prospectus.

None of S&P, Moody’s, Fitch or DBRS (the “non-EU CRAs”) is established in the European Union or has applied for registration under the Regulation (EU) No 1060/2009 (as amended) (the “CRA Regulation”). The ratings have been endorsed by each of S&P Global Ratings Europe Limited, Moody’s Investors Service Ltd., DBRS Ratings Limited and Fitch Ratings Limited (the “EU CRAs”), as applicable, which are affiliates of S&P, Moody’s, Fitch and DBRS, respectively, in accordance with the CRA Regulation. Each EU CRA is established in the European Union and registered under the CRA Regulation. As such each EU CRA is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation. The list is updated within five working days of ESMA’s adoption of a registration or certification decision in accordance with the CRA Regulation. ESMA has indicated that ratings issued in Canada which have been endorsed by an EU CRA may be used in the EU by the relevant market participants.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU credit rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

A Tranche (as defined herein) of Senior Notes issued under the Programme may be rated or unrated. The rating of certain Series of Senior Notes to be issued under the Programme may be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). Where a Tranche of Senior Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme, the Issuer or to Senior Notes already issued.

The rating of the Senior Notes is not a recommendation to purchase, hold or sell the Senior Notes, and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agencies. There is no assurance that the rating of the Senior Notes will remain for any given period of time or that the rating will not be lowered or withdrawn by the rating agencies if in their judgment circumstances so warrant. Investors are cautioned to evaluate each rating independently of any other rating. Investors may suffer losses if the credit rating assigned to the Senior Notes does not reflect the then creditworthiness of such Senior Notes.

Please also refer to “*Credit ratings might not reflect all risks*” in the “Risk Factors” section of this Prospectus.

Copies of the Final Terms for Senior Notes that are to be listed on the London Stock Exchange will be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer and the headline “Publication of Prospectus”, and will be available without charge from the principal office of the Issuer and the specified offices of the Paying Agent, Registrar and Transfer Agent, as set out at the end of this Prospectus.

This Prospectus is to be read in conjunction with (i) any supplementary prospectus (a “Supplementary Prospectus”) to this prospectus as approved by the FCA from time to time and (ii) with all documents deemed to be incorporated herein or therein by reference (see “Documents Incorporated by Reference”) and, in relation to any Tranche or Series of Senior Notes, should be read and constituted together with any applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). Any reference herein to “Prospectus” means this document together with the documents incorporated by reference herein and any such Supplementary Prospectus and the documents incorporated by reference therein.

The Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms for each Tranche of Senior Notes issued by such Issuer under the Programme. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person is or has been authorised to give any information or to make any representation not contained in, or not consistent with, this Prospectus, any Supplementary Prospectus, any information incorporated by reference herein or therein or any other information supplied in connection with the Programme or the Senior Notes and, in respect of each Tranche of Senior Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), in connection with the issue or sale of the Senior Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Bank or any of the Dealers (as defined in “Plan of Distribution”). Neither the delivery of this Prospectus or any Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) nor the offering, sale or delivery of any Senior Notes made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank since the date hereof or the date upon which this document has been most recently supplemented or that there has been no adverse change in the financial position of the Bank since the date hereof or the date upon which this document has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the

date indicated in the document containing the same. The Dealers expressly do not undertake to any Investor or prospective Investor or purchaser to review the financial conditions or affairs of the Bank during the life of the Programme or to advise any investor in the Senior Notes of any information coming to their attention.

Each Tranche of Bearer Notes (as defined in “Overview of the Programme — Form of Senior Notes” below) will initially be represented by a temporary global note (each a “Temporary Bearer Global Note”) or a permanent global note (each a “Permanent Bearer Global Note”) and together with a Temporary Bearer Global Note, each a “Bearer Global Note”) which will (i) if the Bearer Global Notes are intended to be issued in the new global note (“NGN”) form, as stated in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream, Luxembourg”); and (ii) if the Bearer Global Notes are not intended to be issued in NGN form, as stated in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), be delivered on or prior to the issue date thereof to a common depository on behalf of Euroclear and/or Clearstream, Luxembourg or a depository on behalf of any other agreed clearing system as further described in the “Form of Senior Notes” herein. Interests in Temporary Bearer Global Notes will be exchangeable for interests in Permanent Bearer Global Notes or, if so stated in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), for definitive Bearer Notes after the date falling not earlier than 40 days after the issue date upon certification as to non-U.S. beneficial ownership or for definitive Registered Notes (as defined in “Overview of the Programme — Form of Senior Notes” below) at any time after the issue date. Interests in Permanent Bearer Global Notes will be exchangeable for definitive Bearer Notes or definitive Registered Notes as described under “Summary of Provisions Relating to the Senior Notes while in Global Form”.

Registered Notes will be represented by Senior Note certificates (each a “Certificate”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (as defined in “Issue of Senior Notes” below). Registered Notes which are held in Euroclear and/or Clearstream, Luxembourg or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable), will be registered in the name of the nominee for the common depository for Euroclear and/or Clearstream, Luxembourg or, if the Registered Notes are to be held under the new safe-keeping structure (“NSS”), the Common Safekeeper, as the case may be, (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable)), or a common nominee for both, and the relative Certificate(s) will be delivered to the appropriate depository or, as the case may be, a common depository. References in this Prospectus to “Global Certificates” are to Certificates issued in respect of Registered Notes which are registered in the name of the nominee for the common depository for, or a common nominee for, Euroclear and/or Clearstream, Luxembourg or the Common Safekeeper, as the case may be, (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable)).

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Senior Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offering or sale of the Senior Notes in certain jurisdictions may be restricted by law. None of the Bank, the Arrangers and the Dealers represents that this Prospectus may be lawfully distributed, or that any Senior Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Bank, the Arrangers or the Dealers which is intended to permit a public offering of any Senior Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Senior Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Senior Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Senior Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Senior Notes in the United States, Canada, the EEA (including the United Kingdom), Hong Kong, Japan, Singapore, Italy, Belgium, France, the Netherlands and Australia, see “Plan of Distribution”. The Senior Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any State or other jurisdiction of the United States and include Senior Notes in bearer form that are subject to U.S. tax law requirements. The Senior Notes may not be offered, sold or delivered, directly or indirectly, within the United States, its territories or possessions or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. The Senior Notes may not be offered, sold or delivered, directly or indirectly, in Canada, or to or for the benefit of, residents of Canada in contravention of the securities laws of Canada or any province or territory thereof. For a description of certain restrictions on offers, sales and deliveries of Senior Notes and on distribution of this Prospectus, see “Plan of Distribution”.

The minimum denomination of the Senior Notes (other than Exempt Notes) shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Senior Notes).

**MIFID II PRODUCT GOVERNANCE / TARGET MARKET - The Final Terms in respect of any Senior Notes (or the Pricing Supplement in the case of Exempt Notes) may include a legend entitled “MIFID II PRODUCT GOVERNANCE / TARGET MARKET” which will outline the target market assessment in respect of the Senior Notes and which channels for distribution of the Senior Notes are appropriate. Any person subsequently offering, selling or recommending the Senior Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Senior Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.**

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under Commission Delegated Directive (EU) 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Senior Notes is a manufacturer in respect of such Senior Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Senior Notes, or, in the case of Exempt Notes, the Pricing Supplement, includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Senior Notes 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. 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 MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), 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 Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Senior Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Senior Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.**

**NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME, THE “SFA”)**

Unless otherwise stated in the Final Terms in respect of any Senior Notes, or, in the case of Exempt Notes, the applicable Pricing Supplement, and in each such case notified to the Dealers prior to any offer of Senior Notes, all Senior Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded 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).

Senior Notes issued by the Issuer do not evidence or constitute deposits that are insured under the CDIC Act or any other deposit insurance regime.

The Issuer has been granted an authority to carry on banking business in Australia pursuant to section 9 of the *Banking Act 1959* of the Commonwealth of Australia ("Banking Act") and is an authorised deposit-taking institution ("ADI") within the meaning of the Banking Act. Senior Notes issued by the Issuer are not covered by the depositor protection provisions contained in section 13A of the Banking Act, and will not entitle holders of Senior Notes to claim under Division 2AA – Financial claims scheme for account-holders with insolvent ADIs in the Banking Act.

None of this Prospectus, any supplement hereto, any information incorporated by reference herein or therein and, in respect to each Tranche of Senior Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Senior Notes or are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Dealers that any recipient of this Prospectus or any Final Terms (or any Pricing Supplement) should subscribe for or purchase any Senior Note nor are they intended to provide the basis of any credit or other evaluation. Each recipient of this Prospectus or any Final Terms (or any Pricing Supplement) shall be taken to have made its own independent investigation and appraisal of the condition (financial or otherwise) of, and its overall appraisal of the creditworthiness of, the Issuer and the terms of the relevant Senior Notes including the merits and risks involved.

The Dealers have not independently verified the information contained herein. None of the Dealers makes any representation, warranty, or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information in this Prospectus or incorporated by reference herein or any responsibility for any act or omission of the Issuer or any other person in connection with the issue and offering of the Senior Notes. Neither this Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Dealers that any recipient of this Prospectus, any supplement hereto, any information incorporated by reference herein or therein and in respect to each Tranche of Senior Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), should purchase the Senior Notes. Each potential purchaser of Senior Notes should determine for itself the relevance of the

information contained in this Prospectus and the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) and its purchase of Senior Notes should be based upon such investigation as it deems necessary. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Senior Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Senior Notes. Potential purchasers cannot rely, and are not entitled to rely, on the Dealers in connection with their investigation of the accuracy of any information or their decision whether to purchase or invest in the Senior Notes. None of the Dealers undertakes to advise any Investor or potential Investor in or purchaser of the Senior Notes of any information coming to the attention of any of the Dealers. The Dealers accept no liability in relation to any information contained herein or incorporated by reference herein or any other information provided by the Issuer in connection with the Senior Notes, except for any liability arising from or in respect of any applicable law or regulation.

**In connection with the issue of any Tranche of Senior Notes under the Programme, the Dealer or Dealers (if any) acting as Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Senior Notes or effect transactions with a view to supporting the market price of such Senior Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Senior Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Senior Notes and 60 days after the date of the allotment of the relevant Tranche of Senior Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with applicable laws and rules.**

The Senior Notes may not be suitable for all investors. Each potential Investor in the Senior Notes must determine the suitability of that investment in light of the potential Investor's own circumstances. In particular, each potential Investor, either on its own or with the help of its financial or other professional advisers, should consider whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Senior Notes, the merits and risks of investing in the Senior Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement or any applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement);
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Senior Notes and the impact the Senior Notes will have on the potential Investor's overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Senior Notes, including Senior Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which the potential Investor's financial activities are denominated principally;
- (iv) understands thoroughly the terms of the Senior Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect the potential Investor's investment and its ability to bear the applicable risks.

Some Senior Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential Investor should not invest in Senior Notes which are complex financial instruments unless it considers that it has the expertise (either alone or with a financial adviser) to evaluate how the Senior Notes will perform under changing conditions, the resulting effect on the value of the Senior Notes and the impact this investment will have on the potential Investor's overall investment portfolio.

#### *Legal investment considerations may restrict certain investments*

The investment activities of certain Investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential Investor should consult its legal advisers to determine whether and to what extent (i) Senior Notes are legal investments for it, (ii) Senior Notes can be used as collateral for various types of borrowing, (iii) Senior Notes can be used as repo-eligible securities; and (iv) other restrictions apply to its purchase or pledge of any Senior Notes. Investors are advised that as at the date of this Prospectus (and since April, 2018), Senior Notes do not meet the eligibility criteria to be recognised as Eurosystem eligible collateral. Investors who wish to use Senior Notes as eligible collateral with the Eurosystem should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria at the relevant time. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Senior Notes under any applicable risk-based capital or similar rules.

In this Prospectus, unless otherwise specified or the context otherwise requires, references to “U.S.\$” and to “U.S. dollars” are to the currency of the United States of America, to “\$”, “Canadian Dollars” and “dollars” are to the currency of Canada, to “euro” and “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, to “Japanese yen” and “yen” are to the currency of Japan, to “AUD” and “A\$” are to the currency of Australia and references to “Sterling” are to the currency of the United Kingdom.

Certain figures and percentages included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In this Prospectus, references to the “European Economic Area” or “EEA” are to the Member States of the European Union together with Iceland, Norway and Liechtenstein.



## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Bank's public communications often include oral or written forward-looking statements. Statements of this type are included in this Prospectus and in the documents incorporated by reference in this Prospectus, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. The forward-looking statements in this Prospectus and the documents incorporated by reference include, but are not limited to, statements in the Management's Discussion and Analysis in the Bank's 2018 Annual Report under the headings "Outlook" and in other statements regarding the Bank's objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results, and the outlook for the Bank's businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as "believe," "expect," "foresee," "forecast," "anticipate," "intend," "estimate," "plan," "goal," "project," and similar expressions of future or conditional verbs, such as "will," "may," "should," "would" and "could".

By their very nature, forward-looking statements require the Bank to make assumptions and subject to inherent risks and uncertainties, which give rise to the possibility that the predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the Bank's our assumptions may not be correct and that the Bank's financial performance objectives, vision and strategic goals will not be achieved.

The Bank cautions readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond the Bank's control and effects of which can be difficult to predict, could cause our actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: general economic and market conditions in the countries in which we operate; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary, fiscal, or economic policy and tax legislation and interpretation; changes in laws and regulations or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, and the effect of such changes on funding costs; changes to the Bank's credit ratings; operational and infrastructure risks; reputational risks; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services; the Bank's ability to execute its strategic plans, including the successful completion of acquisitions and dispositions, including obtaining regulatory approvals; critical accounting estimates and the effect of changes to accounting standards, rules and interpretations on these estimates; global capital markets activity; the Bank's ability to attract, develop and retain key executives; the evolution of various types of fraud or other criminal behaviour to which the Bank is exposed; disruptions in or attacks (including cyber-attacks) on the Bank's information technology, internet, network access, or other voice or data communications systems or services; increased competition in the geographic and in business areas in which we operate, including through internet and mobile banking and non-traditional competitors; exposure related to significant litigation and regulatory matters; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; and the Bank's anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank's actual performance to differ materially from that contemplated by forward-looking statements. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results, for more information, please see the "Risk Management" section of the Bank's 2018 Annual Report, as updated by the "Risk Management" section of the Bank's 2019 Second Quarter Report to Shareholders, which documents are incorporated by reference herein.

Material economic assumptions underlying the forward-looking statements contained in this Prospectus and in the documents incorporated by reference are set out in the 2018 Annual Report under the headings "Outlook", " as updated by the "Outlook" section of the Bank's 2019 Second Quarter Report to Shareholders, which documents are incorporated by reference herein. The "Outlook" sections are based on the Bank's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections.

When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's shareholders and analysts in understanding the Bank's financial position, objectives and priorities, and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. Except as required by law, the Bank, any Dealer or any other person does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.

## TABLE OF CONTENTS

	Page
CAUTION REGARDING FORWARD-LOOKING STATEMENTS.....	9
RISK FACTORS .....	11
DOCUMENTS INCORPORATED BY REFERENCE.....	34
ISSUE OF SENIOR NOTES.....	35
SUPPLEMENTARY PROSPECTUSES.....	35
OVERVIEW OF THE PROGRAMME.....	36
FORM OF SENIOR NOTES.....	43
THE BANK OF NOVA SCOTIA .....	45
TERMS AND CONDITIONS OF THE SENIOR NOTES.....	55
SUMMARY OF PROVISIONS RELATING TO THE SENIOR NOTES WHILE IN GLOBAL FORM.....	89
USE OF PROCEEDS .....	94
CERTAIN TAX LEGISLATION AFFECTING THE SENIOR NOTES.....	95
PLAN OF DISTRIBUTION.....	100
GENERAL INFORMATION.....	108
PRO FORMA FINAL TERMS.....	110
PRO FORMA PRICING SUPPLEMENT.....	124

## RISK FACTORS

THE ISSUER BELIEVES THAT THE FOLLOWING FACTORS MAY AFFECT ITS ABILITY TO FULFIL ITS OBLIGATIONS UNDER SENIOR NOTES ISSUED UNDER THE PROGRAMME. ALL OF THESE FACTORS ARE CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCY OCCURRING. IN ADDITION, FACTORS, ALTHOUGH NOT EXHAUSTIVE, WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH SENIOR NOTES ISSUED UNDER THE PROGRAMME ARE ALSO DESCRIBED BELOW.

THE ISSUER BELIEVES THAT THE FACTORS DESCRIBED BELOW REPRESENT THE PRINCIPAL RISKS INHERENT IN INVESTING IN SENIOR NOTES ISSUED UNDER THE PROGRAMME, BUT THE INABILITY OF THE ISSUER TO PAY INTEREST, PRINCIPAL OR OTHER AMOUNTS ON OR IN CONNECTION WITH ANY SENIOR NOTES MAY OCCUR FOR OTHER REASONS WHICH MAY NOT BE CONSIDERED SIGNIFICANT RISKS BY THE ISSUER BASED ON INFORMATION CURRENTLY AVAILABLE TO IT OR WHICH IT MAY NOT CURRENTLY BE ABLE TO ANTICIPATE AND THE ISSUER DOES NOT REPRESENT THAT THE STATEMENTS BELOW REGARDING THE RISKS OF HOLDING ANY SENIOR NOTES ARE EXHAUSTIVE. PROSPECTIVE INVESTORS SHOULD ALSO READ THE DETAILED INFORMATION SET OUT ELSEWHERE IN THIS PROSPECTUS AND REACH THEIR OWN VIEWS PRIOR TO MAKING ANY INVESTMENT DECISION.

THE RISKS DESCRIBED BELOW ARE NOT THE ONLY RISKS THE ISSUER FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE NOT PRESENTLY KNOWN TO THE ISSUER, OR THOSE IT CURRENTLY BELIEVES TO BE IMMATERIAL, COULD ALSO ADVERSELY AFFECT THE ISSUER'S FINANCIAL CONDITION, RESULTS AND BUSINESS AND THEREFORE ITS ABILITY TO MEET ITS COMMITMENTS UNDER THE TERMS OF ANY SENIOR NOTES ISSUED UNDER THE PROGRAMME.

PROSPECTIVE INVESTORS MAY WISH TO CONSIDER CONSULTING THEIR OWN FINANCIAL AND LEGAL ADVISERS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN ANY SENIOR NOTES.

CERTAIN ISSUES OF SENIOR NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

**Terms used but not defined herein have the meanings given to them in the “*Terms and Conditions of the Senior Notes*” (the “*Conditions*”).**

**Factors that may affect the ability of the Issuer to fulfil its obligations under the Senior Notes issued under the Programme:**

As a large, international financial services company, the Bank faces risks that are inherent in the business and market places in which it operates. Material factors that could affect the Issuer's businesses, results of operations and financial condition and the Issuer's ability to fulfil its obligations include those listed below, as well as the following risks described on pages 72 to 109 of the Issuer's 2018 MD&A incorporated by reference into this Prospectus: credit risk, market risk, liquidity risk, insurance risk, operational risk, information technology and cybersecurity risk, data risk, compliance risk, money laundering and terrorist financing risk, reputational risk, environmental risk, strategic risk and the top and emerging risks including geopolitical risk, legal and regulatory compliance risk, anti-money laundering, technology, information and cyber security risk, technology innovation and disruption, third party service providers and Canadian household indebtedness.

## **Industry and non-company factors**

*As international financial services companies, the Issuer's revenues and earnings are affected by the general economic conditions in each of the countries in which the Issuer conducts business.*

Factors such as interest rates, foreign exchange rates, consumer spending, business investment, government spending, the health of the capital markets, inflation and terrorism impact the business and economic environments in which the Issuer operates and, ultimately, the amount of business, revenue and earnings the Issuer conducts in a specific geographic region.

*The relationship of the UK with the European Union may have an impact on the business of the Bank*

On June 23, 2016 the United Kingdom held a referendum to decide on its membership in the European Union. The resulting vote was to leave the European Union. On March 29, 2017 the United Kingdom gave notice under Article 50 of the Treaty on European Union to commence the legal process to end its membership in the European Union, initiating a two year period of negotiations which will determine the terms on which it will formally exit the European Union on October 31, 2019. There are a number of uncertainties in connection with the future of the United Kingdom and the resulting terms of its relationship with the European Union. Concluding negotiations on the terms of exit within this time frame could be challenging. As of the date of this Prospectus, although the United Kingdom and the European Union provisionally agreed the terms of a withdrawal agreement, this has not been accepted by the United Kingdom parliament and therefore the terms of the United Kingdom's withdrawal, and the terms of any continuing political and economic relationship between the United Kingdom and the European Union following the United Kingdom leaving the European Union remain uncertain. Uncertainty therefore continues which could have a material adverse effect on economic growth or business activity in the United Kingdom and/ or the European Union increasing the risk of significant market volatility which may impact the stability of financial markets and the general monetary system. Therefore, until the terms and timing of the United Kingdom's exit (and potential transition) from the European Union are clearer, it is not possible to determine the impact that the referendum, the United Kingdom's departure from the European Union and/or any related matters may have on the Issuer or any of the Issuer's debt and derivative securities, including the market value or the liquidity thereof in the secondary market, or on the other parties to the transaction documents.

*The movement of the Canadian dollar relative to other currencies may affect the Bank's revenues, expenses and earnings.*

The Bank's revenues, expenses and income denominated in currencies other than the Canadian dollar are subject to fluctuations in the movement of the Canadian dollar relative to such currencies. Such fluctuations may affect the Bank's overall business and financial results.

*The Bank's earnings are affected by the monetary policies of the Bank of Canada.*

Bond and money market expectations about inflation and central bank monetary policy decisions are beyond the Bank's control, are difficult to predict or anticipate and have an impact on the level of interest rates, fluctuation of which can have an impact on the Bank's earnings.

*The Issuer's performance can be influenced by the degree of competition in the markets in which it operates.*

The competition for customers among financial services companies in the consumer and business markets in which the Issuer operates is intense. Competition for market share is dependent upon a number of factors, including service levels, product pricing and attributes, the Issuer's reputation and actions of competitors. Competition from non-financial companies could also reduce fee revenues and adversely affect the Issuer's earnings.

*Changes in the statutes, regulations and regulatory policies that govern activities in the Issuer's various business lines could affect the Issuer's results.*

Regulations are in place to protect the financial and other interests of the Issuer's clients. Changes to statutes, regulations or regulatory policies, including changes in the interpretation, implementation or enforcement of statutes, regulations or regulatory policies, could adversely affect the Issuer by increasing the ability of competitors to compete with the products and services the Issuer provides and increasing the Issuer's cost of compliance. In addition, the Issuer's failure to comply with applicable statutes, regulations or regulatory policies could result in sanctions and financial penalties by regulatory agencies that could adversely impact the Issuer's reputation and earnings.

*Judicial or regulatory judgments and legal proceedings against the Issuer may adversely affect the Issuer's results.*

Although the Issuer takes what it believes to be reasonable measures designed to ensure compliance with governing statutes, laws, regulations and regulatory policies in the jurisdictions in which they conduct business, there is no assurance that the Issuer will always be in compliance or deemed to be in compliance. Accordingly, it is possible that the Issuer could receive a judicial or regulatory judgment or decision that results in fines, damages and other costs that would damage its reputation and have a negative impact on the Issuer's earnings. The Issuer is also subject to litigation arising in the ordinary course of its business. The adverse resolution of any litigation could have a material adverse effect on the Issuer's results or could give rise to significant reputational damage, which could impact the Issuer's future business prospects.

*Failure to obtain accurate and complete information from or on behalf of the Issuer's customers and counterparties could adversely affect the Issuer's results.*

When deciding to extend credit or enter into other transactions with customers and counterparties, the Issuer may rely on information provided to it by or on behalf of customers and counterparties, including audited financial statements and other financial information. The Issuer also may rely on representations of customers and counterparties as to the completeness and accuracy of the information. The Issuer's financial results could be adversely impacted if the financial statements and other financial information relating to customers and counterparties on which it relies do not comply with the relevant generally accepted accounting practices or are materially misleading.

### ***Bank specific factors***

*Management of the Bank choose certain accounting policies and methods for reporting the Bank's financial condition and results of operations. The policies and methods chosen may require management to make estimates or rely on assumptions that impact the reported results. Subsequent to reporting, such estimates and assumptions may require revision, which may materially adversely affect the Bank results of operations and financial condition.*

From November 1, 2011, the Bank's financial condition and results of operations for interim and annual reports have been reported using accounting policies and methods prescribed by the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. For previous years, the Bank's financial condition and results of operations have been reported using accounting policies and methods prescribed by Part V of the Handbook of the Chartered Professional Accountants – Canada – Pre-Changeover Accounting Standards ("Canadian GAAP"). Effective November 1, 2017, the Bank early adopted the International Financial Reporting Standard (IFRS) 9, Financial Instruments, but did not restate comparative periods, as provided by IFRS 9

As detailed in the section entitled "Controls and Accounting Policies – Critical Accounting Estimates" on pages 110 to 114 of the Bank's 2018 Annual Report, which pages are contained in the section of the 2018 Annual Report incorporated herein by reference and which section is updated from time to time in the unaudited interim condensed financial statements and management's discussion and analysis, certain accounting policies have been identified as being "critical" to the presentation of the

Bank's financial condition and results of operations as they (i) require management to make particularly subjective and/or complex judgments and estimates about matters that are inherently uncertain and (ii) carry the likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates. The reporting of such materially different amounts could materially and adversely affect the Bank's results of operations or reported financial condition. These critical accounting policies and estimates relate to the determination of the Bank's allowance for credit losses, the determination of the fair value of financial instruments and impairment of investment securities, the cost of employee benefits, the provision for corporate income taxes, whether or not structured entities should be consolidated, assessment of impairment of goodwill, indefinite life intangible assets and equity provisions, litigation and other off-balance sheet credit risks.

*As a large organization, the Issuer is exposed to operational risks.*

Similar to all large organizations, the Issuer is exposed to many types of operational risk, including the risk of fraud by employees or outsiders, unauthorized transactions by employees, or operational errors, including clerical or record keeping errors or errors resulting from faulty or disabled computer or telecommunications systems. Given the high volume of transactions the Issuer processes on a daily basis, certain errors may be repeated or compounded before they are discovered and successfully rectified. Shortcomings or failures in the Issuer's internal processes, people or systems, including any of the Issuer's financial, accounting or other data processing systems, could lead to, among other consequences, financial loss and reputational damage. In addition, despite the contingency plans the Issuer has in place, the Issuer's ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the Issuer's businesses and the communities in which they are located. This may include a disruption involving electrical, communications, transportation or other services used by the Issuer or third parties with which the Issuer conducts business.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List or as an authorised firm regulated by the Financial Conduct Authority.

*Other factors*

See also risks from the Issuer's 2018 MD&A referenced in the first paragraph under "Factors that may affect the ability of the Issuer to fulfil its obligations under the Senior Notes issued under the Programme".

### ***Risks applicable to Bail-inable Notes***

*Bail-inable Notes will be subject to risks, including non-payment in full or conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates, under Canadian bank resolution powers.*

Senior Notes that are Bail-inable Notes (as defined below) are subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the *Canada Deposit Insurance Corporation Act* (the "CDIC Act") and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. Notwithstanding any other terms of the Bank's liability, any other law that governs the Bank's liability and any other agreement, arrangement or understanding between the parties with respect to the Bank's liability, each holder or beneficial owner of an interest in the Bail-inable Notes is deemed to be bound by the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes and is deemed to attorn to the jurisdiction of the courts in the Province of Ontario in Canada.

Certain provisions of and regulations under the *Bank Act* (Canada) (the "Bank Act"), the CDIC Act and certain other Canadian federal statutes pertaining to banks (collectively, the "Bail-in Regime"),

provide for a bank recapitalization regime for banks designated by the Superintendent of Financial Institutions (Canada) (the “Superintendent”) as domestic systemically important banks (“D-SIBs”), which include the Bank.

The expressed objectives of the Bail-in Regime include reducing government and taxpayer exposure in the unlikely event of a failure of a D-SIB, reducing the likelihood of such a failure by increasing market discipline and reinforcing that bank shareholders and creditors are responsible for the D-SIBs’ risks and not taxpayers, and preserving financial stability by empowering the *Canada Deposit Insurance Corporation* (“CDIC”), Canada’s resolution authority, to quickly restore a failed D-SIB to viability and allow it to remain open and operating, even where the D-SIB has experienced severe losses.

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent’s powers under the Bank Act, the Superintendent, after providing the Bank with a reasonable opportunity to make representations, is required to provide a report to CDIC. Following receipt of the Superintendent’s report, CDIC may request the Minister of Finance for Canada (the “Minister of Finance”) to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more Orders including a Conversion Order (see “*Risks related to the Senior Notes generally – Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Bank where a determination is made that the Bank has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Senior Notes being exposed to losses*”).

Upon the making of a Conversion Order, prescribed shares and liabilities under the Bail-in Regime that are subject to that Conversion Order will, to the extent converted, be converted into common shares of the Bank or any of its affiliates, as determined by CDIC (a “Bail-in Conversion”). Subject to certain exceptions discussed below, the Bail-in Regime provides that senior debt issued on or after 23 September 2018, with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and that has been assigned a CUSIP or ISIN or similar identification number are subject to a Bail-in Conversion. Shares, other than common shares, and subordinated debt of the Bank will also be subject to a Bail-in Conversion, unless they are non-viability contingent capital. All Senior Notes that are subject to Bail-in Conversion will be identified as Bail-inable Notes in the applicable Final Terms or, in the case of Exempt Notes, any applicable Pricing Supplement (“Bail-inable Notes”).

Covered bonds, derivatives and certain structured notes (as such term is used under the Bail-in Regime) are expressly excluded from a Bail-in Conversion. To the extent that any Senior Notes constitute structured notes (as such term is used under the Bail-in Regime) they will not be Bail-inable Notes and will not be identified as Bail-inable Notes in the applicable Final Terms or, in the case of Exempt Notes, any applicable Pricing Supplement. As a result, claims of some creditors whose claims would otherwise rank equally with those of the holders of Bail-inable Notes would be excluded from a Bail-in Conversion and thus the holders and beneficial owners of Bail-inable Notes will have to absorb losses ahead of these other creditors as a result of the Bail-in Conversion while other creditors may not be exposed to losses.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Bank, this could result in holders or beneficial owners of Bail-inable Notes being exposed to conversion of the Bail-inable Notes in whole or in part. Upon a Bail-in Conversion, the holders of Bail-inable Notes that are converted will be obligated to accept the common shares of the Bank or any of its affiliates into which such Bail-inable Notes, or any portion thereof, are converted even if such holders do not at the time consider such common shares to be an appropriate investment for them, and despite any change in the Bank or any of its affiliates or the fact that such common shares are issued by an affiliate of the Bank or any disruption to or lack of a market for such common shares or disruption to capital markets generally. The terms and conditions of the Bail-in Conversion will be determined by CDIC in accordance with and subject to certain requirements discussed below (see “*The number of common shares to be issued in*

*connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Bank or one of its affiliates” below). See also “Risks related to Senior Notes generally - Investors who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Senior Notes and may be adversely affected if definitive Senior Notes are subsequently required to be issued” below for a risk of partial conversions.*

As a result, holders of Bail-inable Notes should consider the risk that they may lose all or part of their investment, plus any accrued interest or additional amounts, if CDIC were to take action under the Canadian bank resolution powers, including the Bail-in Regime, and that any remaining outstanding Senior Notes, or common shares of the Bank or any of its affiliates into which Bail-inable Notes are converted, may be of little value at the time of a Bail-in Conversion and thereafter.

*Bail-inable Notes will provide only limited acceleration and enforcement rights, and will include other provisions intended to qualify such Senior Notes as TLAC.*

In connection with the Bail-in Regime, the Office of the Superintendent of Financial Institutions’ (“OSFI”) guideline as interpreted by the Superintendent (the “TLAC Guideline”) on Total Loss Absorbing Capacity (“TLAC”) applies to and establishes standards for D-SIBs, including the Bank. Under the TLAC Guideline, beginning November 1, 2021, the Bank is required to maintain a minimum capacity to absorb losses composed of unsecured external long-term debt that meets the prescribed criteria or regulatory capital instruments to support recapitalization in the event of a failure. Bail-inable Notes and regulatory capital instruments that meet the prescribed criteria will constitute TLAC of the Bank.

In order to comply with the TLAC Guideline, Bail-inable Notes must provide for terms and conditions necessary to meet the prescribed criteria and qualify at their issuance as TLAC instruments of the Bank under the TLAC Guideline. Those criteria include the following:

- the Bank cannot directly or indirectly have provided financing to any person for the express purpose of investing in the Bail-inable Notes;
- the Bail-inable Notes are not subject to set-off or netting rights;
- the Bail-inable Notes must not provide rights to accelerate repayment of principal or interest payments outside of bankruptcy, insolvency, wind-up or liquidation, except that events of default relating to the non-payment of scheduled principal and/or interest payments will be permitted where they are subject to a cure period of no less than 30 business days and clearly disclose to investors that: (i) acceleration is only permitted where an Order (as defined below) has not been made in respect of the Bank; and (ii) notwithstanding any acceleration, the instrument could still be subject to a Bail-in Conversion prior to its repayment;
- the Bail-inable Notes may be redeemed or purchased for cancellation (as applicable) only at the initiative of the Bank and, where the redemption or purchase would lead to a breach of the Bank’s minimum TLAC requirements, that redemption or purchase would be subject to the prior approval of the Superintendent;
- the Bail-inable Notes do not have credit-sensitive dividend or coupon features that are reset periodically based in whole or in part on the Bank’s credit standing; and
- where an amendment or variance of the Bail-inable Notes’ terms and conditions would affect their recognition as TLAC, such amendment or variance will only be permitted with the prior approval of the Superintendent.

As a result, the terms of the Bail-inable Notes provide that acceleration will only be permitted (i) if the Bank defaults in the payment of the principal or interest for a period of more than 30 business days, or (ii) certain bankruptcy, insolvency or reorganization events occur. Holders and beneficial owners of Bail-inable Notes may only exercise, or direct the exercise of, such rights in respect of Bail-inable Notes where



an Order has not been made under Canadian bank resolution powers pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank. Notwithstanding the exercise of those rights, Bail-inable Notes will continue to be subject to Bail-in Conversion until paid in full.

The terms of the Bail-inable Notes also provide that holders or beneficial owners of Bail-inable Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to Bail-inable Notes. In addition, where an amendment, modification or other variance that can be made to the Bail-inable Notes would affect the recognition of the Bail-inable Notes by the Superintendent as TLAC, that amendment, modification or variance will require the prior approval of the Superintendent.

*The circumstances surrounding a Bail-in Conversion are unpredictable and can be expected to have an adverse effect on the market price of Bail-inable Notes.*

The decision as to whether the Bank has ceased, or is about to cease, to be viable is a subjective determination by the Superintendent that is outside the control of the Bank. Upon a Bail-in Conversion, the interests of depositors and holders of liabilities and securities of the Bank that are not converted will effectively all rank in priority to the portion of Bail-inable Notes that are converted. In addition, except as provided for under the compensation process, the rights of holders in respect of the Bail-inable Notes that have been converted will rank on parity with other holders of common shares of the Bank (or, as applicable, common shares of the affiliate whose common shares are issued on the Bail-in Conversion).

There is no limitation on the type of Order that may be made where it has been determined that the Bank has ceased, or is about to cease, to be viable. As a result, holders of Bail-inable Notes may be exposed to losses through the use of Canadian bank resolution powers other than a Conversion Order or in liquidation.

Because of the uncertainty regarding when and whether an Order will be made and the type of Order that may be made, it will be difficult to predict when, if at all, Bail-inable Notes could be converted into common shares of the Bank or any of its affiliates and there is not likely to be any advance notice of an Order. As a result of this uncertainty, trading behaviour in respect of the Bail-inable Notes may not follow trading behaviour associated with convertible or exchangeable securities or, in circumstances where the Bank is trending towards ceasing to be viable, other senior debt. Any indication, whether real or perceived, that the Bank is trending towards ceasing to be viable can be expected to have an adverse effect on the market price of the Bail-inable Notes. Therefore, in those circumstances, holders of Bail-inable Notes may not be able to sell their Bail-inable Notes easily or at prices comparable to those of senior debt securities not subject to Bail-in Conversion.

*The number of common shares to be issued in connection with, and the number of common shares that will be outstanding following, a Bail-in Conversion are unknown. It is also unknown whether the shares to be issued will be those of the Bank or one of its affiliates.*

Under the Bail-in Regime there is no fixed and pre-determined contractual conversion ratio for the conversion of the Bail-inable Notes, or other shares or liabilities of the Bank that are subject to a Bail-in Conversion, into common shares of the Bank or any of its affiliates nor are there specific requirements regarding whether liabilities subject to a Bail-in Conversion are converted into common shares of the Bank or any of its affiliates. CDIC determines the timing of the Bail-in Conversion, the portion of bail-inable shares and liabilities to be converted and the terms and conditions of the Bail-in Conversion, subject to parameters set out in the Bail-in Regime. Those parameters, include that:

- in carrying out a Bail-in Conversion, CDIC must take into consideration the requirement in the Bank Act for banks to maintain adequate capital;
- CDIC must use its best efforts to ensure that shares and liabilities subject to a Bail-in Conversion are only converted after all subordinate ranking shares and liabilities that are subject to a Bail-in Conversion and any subordinate non-viability contingent capital instruments have been previously converted or are converted during the same restructuring period;

- CDIC must use its best efforts to ensure that the converted part of the liquidation entitlement of a share subject to a Bail-in Conversion, or the converted part of the principal amount and accrued and unpaid interest of a liability subject to a Bail-in Conversion, is converted on a pro rata basis for all shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period;
- holders of shares and liabilities that are subject to a Bail-in Conversion must receive a greater number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, than holders of any subordinate shares or liabilities subject to a Bail-in Conversion that are converted during the same restructuring period or of any subordinate non-viability contingent capital that is converted during the same restructuring period;
- holders of shares or liabilities subject to a Bail-in Conversion of equal rank that are converted during the same restructuring period must receive the same number of common shares per dollar of the converted part of the liquidation entitlement of their shares or the converted part of the principal amount and accrued and unpaid interest of their liabilities; and
- holders of shares or liabilities subject to a Bail-in Conversion must receive, if any non-viability contingent capital of equal rank to the shares or liabilities is converted during the same restructuring period, a number of common shares per dollar of the converted part of the liquidation entitlement of their shares, or the converted part of the principal amount and accrued and unpaid interest of their liabilities, that is equal to the largest number of common shares received by any holder of the non-viability contingent capital per dollar of that capital.

As a result, it is not possible to anticipate the potential number of common shares of the Bank or its affiliates that would be issued in respect of any Bail-inable Notes converted on a Bail-in Conversion, the aggregate number of such common shares that will be outstanding following the Bail-in Conversion, the effect of dilution on the common shares received in respect of any Bail-inable Notes converted on a Bail-in Conversion from other issuances of common shares of the same issuer under or in connection with an Order or related actions in respect of the Bank or its affiliates or the value of any common shares received by the holders of converted Bail-inable Notes, which could be significantly less than the amount which may otherwise have been due under the converted Bail-inable Notes. It is also not possible to anticipate whether shares of the Bank or shares of its affiliates would be issued in a Bail-in Conversion. There may be an illiquid market, or no market at all, in the common shares issued upon a Bail-in Conversion and such holders may not be able to sell those common shares at a price equal to the value of the converted Bail-inable Notes and as a result may suffer significant losses that may not be offset by compensation, if any, received as part of the compensation process. Fluctuations in exchange rates may exacerbate such losses.

*By acquiring Bail-inable Notes, each holder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion other than those provided under the Bail-in Regime. Any potential compensation to be provided through the compensation process under the CDIC Act is unknown.*

The CDIC Act provides for a compensation process for holders of Bail-inable Notes who immediately prior to the making of an Order, directly or through an intermediary, own Bail-inable Notes that are converted in a Bail-in Conversion. While this process applies to successors of such holders it does not apply to assignees or transferees of the holder following the making of the Order and does not apply if the amounts owing under the relevant Bail-inable Notes are paid in full.

Under the compensation process, the compensation to which such holders are entitled is the difference, to the extent it is positive, between the estimated liquidation value and the estimated resolution value of the relevant Bail-inable Notes. The liquidation value is the estimated value the Bail-inable Notes holders would have received if an order under the *Winding-up and Restructuring Act* (Canada) had been made in respect of the Bank, as if no Order had been made and without taking into consideration any

assistance, financial or otherwise, that is or may be provided to the Bank, directly or indirectly, by CDIC, the Bank of Canada, the Government of Canada or a province of Canada, after any order to wind up the Bank has been made.

The resolution value in respect of relevant Bail-inable Notes is the aggregate estimated value of the following: (a) the relevant Bail-inable Notes, if they are not held by CDIC and they are not converted, after the making of an Order, into common shares under a Bail-in Conversion; (b) common shares that are the result of a Bail-in Conversion after the making of an Order; (c) any dividend or interest payments made, after the making of the Order, with respect to the relevant Bail-inable Notes to any person other than CDIC; and (d) any other cash, securities or other rights or interests that are received or to be received with respect to the relevant Bail-inable Notes as a direct or indirect result of the making of the Order and any actions taken in furtherance of the Order, including from CDIC, the Bank, the liquidator of the Bank, if the Bank is wound up, the liquidator of a CDIC subsidiary incorporated or acquired by order of the Governor in Council for the purposes of facilitating the acquisition, management or disposal of real property or other assets of the Bank that CDIC may acquire as the result of its operations that is liquidated or the liquidator of a bridge institution if the bridge institution is wound up.

In connection with the compensation process, CDIC is required to estimate the liquidation value and the resolution value in respect of the portion of converted Bail-inable Notes and is required to consider the difference between the estimated day on which the liquidation value would be received and the estimated day on which the resolution value is, or would be, received.

CDIC must, within a reasonable period following a Bail-in Conversion, make an offer of compensation by notice to the relevant holders that held Bail-inable Notes equal to, or in value estimated to be equal to, the amount of compensation to which such holders are entitled or provide a notice stating that such holders are not entitled to any compensation. In either case such notice is required to include certain prescribed information, including important information regarding the rights of such holders to seek to object and have the compensation to which they are entitled determined by an assessor (a Canadian Federal Court judge) where holders of liabilities representing at least 10 per cent. of the principal amount and accrued and unpaid interest of the liabilities of the same class object to the offer or absence of compensation. The period for objecting is limited (45 days following the day on which a summary of the notice is published in the *Canada Gazette*) and failure by holders holding a sufficient principal amount plus accrued and unpaid interest of affected Bail-inable Notes to object within the prescribed period will result in the loss of any ability to object to the offered compensation or absence of compensation, as applicable. CDIC will pay each relevant holder the offered compensation within 135 days after the date on which a summary of the notice is published in the *Canada Gazette* if the offer of compensation is accepted by the holder, the holder does not notify CDIC of acceptance or objection to the offer within the aforementioned 45-day period or the holder objects to the offer but the 10 per cent. threshold described above is not met within the aforementioned 45-day period.

Where an assessor is appointed, the assessor could determine a different amount of compensation payable, which could either be higher or lower than the original amount. The assessor is required to provide holders, whose compensation it determines, notice of its determination. The assessor's determination is final and there are no further opportunities for review or appeal. CDIC will pay the relevant holders the compensation amount determined by the assessor within 90 days of the assessor's notice.

By its acquisition of an interest in any Bail-inable Note, each holder or beneficial owner of those Bail-inable Notes is deemed to agree to be bound by a Bail-in Conversion and so will have no further rights in respect of its Bail-inable Notes to the extent those Bail-inable Notes are converted in a Bail-in Conversion, other than those provided under the Bail-in Regime.

A similar compensation process to the one set out above applies, in certain circumstances, where as a result of CDIC's exercise of bank resolution powers, Senior Notes are assigned to an entity which is then wound-up.

*Following a Bail-in Conversion, holders that held Bail-inable Notes that have been converted will no longer have rights against the Bank as creditors.*

Upon a Bail-in Conversion, the rights, terms and conditions of the portion of Bail-inable Notes that are converted, including with respect to priority and rights on liquidation, will no longer apply as the portion of converted Bail-inable Notes will have been converted on a full and permanent basis into common shares of the Bank or any of its affiliates ranking on parity with all other outstanding common shares of that entity. If a Bail-in Conversion occurs, then the interest of the depositors, other creditors and holders of liabilities of the Bank not bailed-in as a result of the Bail-in Conversion will all rank in priority to those common shares.

Given the nature of the Bail-in Conversion, holders or beneficial owners of Bail-inable Notes that are converted will become holders or beneficial owners of common shares at a time when the Bank's and potentially its affiliates' financial condition has deteriorated. They may also become holders or beneficial owners of common shares at a time when the relevant entity may have received or may receive a capital injection or equivalent support with terms that may rank in priority to the common shares issued in a Bail-in Conversion with respect to the payment of dividends, rights on liquidation or other terms although there is no certainty that any such capital injection or support will be forthcoming.

*Bail-inable Notes may be redeemed after the occurrence of a TLAC Disqualification Event.*

If the applicable Final Terms or, in the case of Exempt Notes, any applicable Pricing Supplement, for the Senior Notes of such Series specify that a TLAC Disqualification Event Call is applicable, the Bank may, at its option with the prior approval of the Superintendent, redeem all, but not less than all of the outstanding Bail-inable Notes of that Series within 90 days of the occurrence of the TLAC Disqualification Event (as defined in the Conditions) at the Early Redemption Amount specified in the applicable Final Terms or, in the case of Exempt Notes, any applicable Pricing Supplement, together (if applicable) with any accrued but unpaid interest to (but excluding) the date fixed for redemption. If the Bank redeems the outstanding Bail-inable Notes of that Series, holders of such Bail-inable Notes may not be able to reinvest the proceeds from such redemption in securities offering a comparable anticipated rate of return. Additionally, although the terms of each Series of Bail-inable Notes are anticipated to be established to satisfy the TLAC criteria within the meaning of the TLAC Guideline to which the Bank is subject, it is possible that any Series of Bail-inable Notes may not satisfy the criteria in future rulemaking or interpretations.

#### ***United Kingdom resolution risks applicable to the Senior Notes***

*The United Kingdom's Banking Act 2009 (as amended, the "UK Banking Act") confers substantial powers on a number of United Kingdom authorities designed to enable them to take a range of actions in relation to United Kingdom banks, United Kingdom building societies, United Kingdom investment firms and United Kingdom recognized central counterparties which are considered to be at risk of failing. In certain circumstances such actions may also be taken with modifications, against a third country institution or investment firm. The exercise of any of these actions in relation to the Bank could materially adversely affect the value of any Senior Notes.*

Under the UK Banking Act, substantial powers are granted to HM Treasury, the Bank of England, the United Kingdom Financial Conduct Authority (the "FCA") and the United Kingdom Prudential Regulation Authority (the "PRA") (together, the "Authorities") as part of a special resolution regime (the "SRR").

These SRR powers can be exercised, as applicable, by the Authorities in respect of a third country incorporated credit institution (such as the Bank) or a third country incorporated investment firm ("third country entity") or third country parent undertaking, either where that third country entity is subject to resolution in its jurisdiction of incorporation (a "third country resolution action") or where no third country resolution actions have been taken, but the Authorities consider that the commencement of resolution proceedings meet certain conditions including that it is in the public interest. The Authorities' powers (such as those to bail-in liabilities) are subject to additional conditions where they are used in respect of branches of third-country entities (such as the Bank) as compared with their use in respect of United Kingdom banks.

### *Risks related to Senior Notes issued by the Bank's London branch*

Notes are issued by the Bank's London Branch if the Branch of Account specified in the (or Pricing Supplement in the case of a series of Exempt Notes) is London.

The Authorities can choose to recognise a third country resolution action, either in whole or in part. Alternatively, under the European Bank Recovery and Resolution Directive (which has been implemented in the UK through the UK Banking Act), the Authorities can independently resolve a London branch of a third country entity (such as the Bank's London branch) even if it is not subject to third country resolution action (including resolution proceedings of the Canadian authorities), or where the Authorities have refused to recognise or enforce third country resolution action.

Under the SRR, the Authorities can make a statutory instrument that provides for the exercise of the stabilisation options. The stabilisation options include: (i) private sector purchaser option; (ii) bridge bank option; (iii) asset management vehicle option; (iv) bail-in option; and (v) temporary public sector ownership option. Exercise of the SRR options is possible where the relevant Authorities are acting to support or give full effect to a resolution carried out by the Canadian resolution authority and the Authorities' actions may include actions such as transferring assets located in the UK to a purchaser under the Canadian equivalent of a sale of business tool, or to a bridge bank in Canada.

If the Authorities independently resolved the London branch of a third country entity, their stabilisation options are limited to the 'business of the UK branch' and are: (i) to transfer some or all of the assets, rights and liabilities to a private sector purchaser, bridge bank or asset management vehicle; and (ii) to bail-in liabilities (including the Senior Notes) in connection with the transfer to the private-sector purchaser, bridge bank or asset management vehicle (the "IRUKBPs").

The concept of the 'business of the UK branch' is defined as: (i) any rights and liabilities of the third-country institution arising as a result of the operations of the UK branch; and (ii) any other property in the UK of the third-country institution. The Senior Notes will be considered to be within the business of the branch where they arise 'as a result of the operations of the Bank's London branch'. Where the Senior Notes are issued in the name of the Bank's London branch and/or are otherwise part of the business of the branch, for example, through being included within the London branch's return form (a type of semi-annual account for the branch) to the PRA it is likely that such Senior Notes will be considered by the Authorities to be within the business of the branch. However, these powers are untested, and if there is an adequate degree of operational involvement by the Bank's London branch in the issuance, there is a risk that the Authorities may consider that the Senior Notes issued by the Bank in Canada to be within the business of the branch due to the broad definition of this term.

### *Risks for Senior Noteholders*

Holders of Senior Notes may be subject to the relevant powers listed above, which may result in such Noteholders losing some or all of their investment. As at the date of this Prospectus, the Authorities have not exercised any powers under the SRR in respect of either the Bank or the Bank's London branch and there has been no indication that they will do so. However, there can be no assurance that this will not change and any exercise of any power under the SRR or any suggestion of such exercise could, therefore, adversely affect the rights of the Noteholders, the price or value of their investment in the Senior Notes and/or the ability of the Bank to satisfy its obligations under the relevant Senior Notes.

The paragraphs below set out some of the possible consequences of the exercise of the powers under the SRR.

#### *The SRR may be triggered prior to insolvency of the Bank*

The purpose of the SRR is to address the situation where all or part of the business of a third country entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns in the UK, and so to provide the Authorities with the appropriate powers to transfer (and then write down where necessary) those rights and liabilities of the branch of the third country entity. Where support is

given to third country resolution actions, under the UK Banking Act the Authorities must have regard to the Special Resolution Objectives including Special Resolution Objective 8 which applies when using or considering the use of their powers. Alternatively, the Authorities may exercise the IRUKBPs if at least one of the following apply: (a) the PRA is satisfied that Condition 1 is met, and the Bank of England is satisfied that Conditions 2, 4 and 5 are met; or (b) the Bank of England is satisfied that Conditions 3 and 4 are met; or (c) the Bank of England is satisfied that Condition 4 is met and Condition 5 is met by virtue of its first limb (Condition 5 (a)).

The Conditions referred to above are as follows: Condition 1: The Bank is failing or likely to fail (i.e. failing to satisfy the threshold conditions or the Bank or its London branch being unable or unwilling to pay debts or liabilities owed to EEA creditors or otherwise arising from the business of the branch as they fall due); Condition 2: It is not reasonably likely that action will be taken by or in respect of the Bank that will result in Condition 1 above ceasing to be met; Condition 3: Either: (a) the third-country entity is unable or unwilling, or is likely in the near future to be unable or unwilling, to pay its debts or other liabilities owed to EEA creditors or otherwise arising from the business of the branch as they fall due; and (b) no Canadian resolution action has been taken, or other normal insolvency proceedings initiated, and it is not likely in the near future that resolution action will be taken or proceedings initiated; Condition 4: Making a property transfer instrument is necessary having regard to public interest in the advancement of one or more resolution objectives; and Condition 5: Either: (a) Canadian resolution action has been taken (or the Authorities have been notified that action will be taken) and the Authorities have refused or propose to refuse to recognise such action; or (b) Canadian resolution action has not been, and is not likely to be, taken in relation to the Bank. It is therefore possible that the IRUKBPs could be exercised prior to the point at which any insolvency proceedings with respect to the relevant entity could be initiated.

*A partial transfer of business of the Bank's London branch may result in a deterioration of the Bank's creditworthiness*

If the Bank's London branch were made subject to the IRUKBPs, and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with the Bank's London branch (which may include the Senior Notes) will result in a deterioration in the creditworthiness of the Bank and, as a result, increase the risk that it will be unable to meet its obligations in respect of the Senior Notes and/or eventually become subject to administration or insolvency proceedings. In such circumstances, Noteholders may have a claim for compensation under compensation schemes in Canada, but there can be no assurance that the Noteholders would thereby recover compensation promptly or equal to any loss actually incurred.

*Depositor preference*

In addition, amendments to the UK Insolvency Act 1986 have introduced changes to the treatment and ranking of certain preferential debts with the result that certain eligible deposits will rank in priority to the claims of ordinary (i.e. non-preferred) unsecured creditors in the event of an insolvency. This means that if the Senior Notes are transferred to another entity subject to the UK Banking Act in the UK under the IRUKBPs, the claims of Noteholders would rank junior to the claims in respect of liabilities afforded preferred status and accordingly, in the event of insolvency or resolution of that UK entity, Senior Notes would be available to absorb losses ahead of liabilities which benefit from such preference.

As at the date of this Prospectus, the relevant Authorities have not made an instrument or order under the UK Banking Act in respect of the Bank or the Bank's London branch and there has been no indication that they will make any such instrument or order. However, there can be no assurance that this will not change and/or that the Noteholders will not be adversely affected by any such order or instrument if made.

The UK Banking Act may be subject to change as a result of the proposed changes to the European Bank Recovery and Resolution Directive. There may also be significant revisions to the UK Banking Act as a result of Brexit. For example, in certain circumstances, references to EEA creditors may be amended to refer to only UK creditors. The nature of such changes is currently uncertain but may have a material impact on the nature of the risks outlined in this Prospectus.

## **Factors that are material for the purpose of assessing the market risks associated with Senior Notes issued under the Programme.**

Each of the risks highlighted below could adversely affect the trading price of any Senior Notes or the rights of Investors under any Senior Notes and, as a result, Investors could lose some or all of their investment. The Issuer believes that the factors described below represent the principal risks inherent in investing in Senior Notes issued under the Programme, but the Issuer may be unable to pay amounts on or in connection with Senior Notes for other reasons.

### ***Risks related to the structure of a particular issue of Senior Notes***

A wide range of Senior Notes may be issued under the Programme. A number of these Senior Notes may have features which contain particular risks for potential Investors. Set out below is a description of the most common such features, distinguishing between factors which may occur in relation to any Senior Notes and those which might occur in relation to certain types of Exempt Notes.

#### *Senior Notes subject to optional redemption by the Issuer*

An optional redemption feature of Senior Notes is likely to limit their market value and could reduce secondary market liquidity. During any period when the Issuer may elect to redeem Senior Notes, the market value of those Senior Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Senior Notes when its cost of borrowing is lower than the interest rate on the Senior Notes. At those times, an Investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Senior Notes being redeemed and may only be able to do so at a significantly lower rate. Potential Investors should consider reinvestment risk in light of other investments available at that time.

#### *The secondary market price of the Senior Notes may be less than the Issue Price*

Investors should note that, in certain circumstances immediately following the issue of the Senior Notes, the secondary market price of the Senior Notes may be less than the Issue Price in the event that the Issue Price included the fees to be paid to distributor(s).

#### *Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Senior Notes over time due to fluctuations in market interest rates and the effects of inflation*

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on the Senior Notes might become less attractive and the price the investors get if they sell such Senior Notes could fall (however, the market price of the Senior Notes has no effect on the interest amounts due on the Senior Notes or what investors will be due to be repaid on the Maturity Date if the Senior Notes are held by the investor from issue until they expire) and (ii) inflation will reduce the real value of the Senior Notes over time which may affect what investors can buy with the investments in the future and which may make the fixed interest rate on the Senior Notes less attractive in the future.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. If the rate converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on the other Senior Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Senior Notes.

*Senior Notes issued at a substantial discount or premium may experience significant price volatility in response to changes in interest rates*

The prices at which Zero Coupon Notes, as well as other Senior Notes issued at a substantial discount or premium from their principal amount payable at maturity, trade in the secondary market tend to fluctuate more in relation to general changes in interest rates than do the prices for conventional interest-bearing securities of comparable maturities. Generally, the longer the remaining term of the Senior Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

*Senior Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factors are likely to have more volatile market values than more standard securities.*

Senior Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market value may be even more volatile than those for securities that do not include those features.

*The market continues to develop in relation to SONIA as a reference rate for Floating Rate Notes*

Where the applicable Final Terms (or Pricing Supplement in the case of a series of Exempt Notes) for a Series of Floating Rate Notes specifies that the Benchmark for such Senior Notes is SONIA, the Interest Rate will be determined on the basis of Compounded Daily SONIA (as defined in the Conditions of the Senior Notes). Compounded Daily SONIA differs from Sterling LIBOR in a number of material respects, including (without limitation) that Compounded Daily SONIA is a backwards-looking, compounded, risk-free overnight rate, whereas Sterling LIBOR is expressed on the basis of a forward-looking term and includes a credit risk-element based on inter-bank lending. As such, investors should be aware that Sterling LIBOR and SONIA may behave materially differently as interest reference rates for Floating Rate Notes. The use of Compounded Daily SONIA as a reference rate for Eurobonds is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of notes referencing Compounded Daily SONIA.

Accordingly, prospective investors in any Floating Rate Notes referencing Compounded Daily SONIA should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. For example, in the context of backwards-looking SONIA rates, market participants and relevant working groups are currently assessing the differences between compounded rates and weighted average rates, and such groups are also exploring forward-looking 'term' SONIA Reference Rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The adoption of SONIA may also see component inputs into swap rates or other composite rates transferring from Sterling LIBOR or another reference rate to SONIA.

The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Terms and Conditions as applicable to Floating Rate Notes referencing a SONIA rate that are issued under this Prospectus. Furthermore, the Issuer may in the future issue Floating Rate Notes referencing SONIA that differ materially in terms of interest determination when compared with any previous SONIA referenced Floating Rate Notes issued by it under the Programme. The development of Compounded Daily SONIA as an interest reference rate for the Eurobond markets, as well as continued development of SONIA-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA-referenced Senior Notes issued under the Programme from time to time.

Furthermore, the Interest Rate on Floating Rate Notes which reference Compounded Daily SONIA is only capable of being determined at the end of the relevant Observation Period and immediately or shortly prior to the relevant Interest Payment Date. It may be difficult for investors in the Floating Rate



Notes which reference Compounded Daily SONIA to estimate reliably the amount of interest which will be payable on such Senior Notes, and some investors may be unable or unwilling to trade such Senior Notes without changes to their information technology systems, both of which factors could adversely impact the liquidity of such Floating Rate Notes. Further, in contrast to LIBOR-based Senior Notes, if Senior Notes referencing Compounded Daily SONIA become due and payable under Condition 9 (Events of Default), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Interest Rate payable in respect of such Floating Rate Notes shall only be determined immediately prior to the date on which the Floating Rate Notes become due and payable and shall not be reset thereafter.

In addition, the manner of adoption or application of SONIA Reference Rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA Reference Rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Notes referencing Compounded Daily SONIA.

### ***Risks applicable to certain types of Exempt Notes***

*Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes.*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London interbank lending rate (“LIBOR”). The market value of those Senior Notes typically are more volatile than the market value of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). The price volatility of such Senior Notes is higher than the price volatility of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms).

### **Additional Risk Factors**

#### *Senior Notes not in physical form*

Unless the Bearer Global Notes or Global Certificates are exchanged for definitive Senior Notes, which exchange will only occur in the limited circumstances described below in “Summary of Provisions Relating to the Senior Notes While in Global Form”, the beneficial ownership of the Senior Notes will be recorded in book-entry only form with Euroclear and Clearstream, Luxembourg or another agreed clearing system. The fact that the Senior Notes are not represented in physical form could, among other things:

- result in payment delays on the Senior Notes because distributions on the Senior Notes will be sent by, or on behalf of, the applicable Issuer to Euroclear or Clearstream, Luxembourg or another agreed clearing system instead of directly to Noteholders;
- make it difficult for Noteholders to pledge the Senior Notes as security if Senior Notes in physical form are required or necessary for such purposes; and
- hinder the ability of Noteholders to resell the Senior Notes because some Investors may be unwilling to buy Senior Notes that are not in physical form.

#### *Canadian Usury Laws*

All Senior Notes issued under the Programme are governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The *Criminal Code* (Canada) prohibits the receipt of “interest” at a “criminal rate” (namely, an effective annual rate of interest of 60 per cent.). Accordingly, the provisions for the payment of interest or a Redemption Amount in excess of the aggregate principal amount of the Senior Notes may not be enforceable if the provision provides for the payment of “interest” in excess of an effective annual rate of interest of 60 per cent.

### ***Risks related to the Senior Notes generally***

Set out below is a brief description of certain risks relating to the Senior Notes generally:

#### *No obligation to maintain listing*

The Issuer is not under any obligation to Holders to maintain any listing of Senior Notes. If at any time the Issuer after exhausting of all reasonable endeavours, is unable to comply with the requirements for maintaining the listing of the Senior Notes on any such stock exchange on which the Senior Notes are listed or if the Issuer acting reasonably, have determined that the maintenance of such listing has become unduly onerous, the Issuer will use its best endeavours to obtain and maintain a listing of the Senior Notes on some other major stock exchange or exchanges in the EEA agreed between Issuer provided such other stock exchange shall be commonly used for the listing and trading of debt securities in the international bond markets.

In addition, in certain circumstances, the Issuer may elect, without the consent of the Noteholder, to terminate its listing of the Senior Notes on the London Stock Exchange or such other regulated market and use its best endeavours to obtain and maintain an alternative listing for the Senior Notes on a stock exchange that is not a regulated market or on a stock exchange outside the EEA.

Although there is no assurance as to the liquidity of any Senior Notes as a result of the listing on a regulated market for the purposes of MiFID II in the EEA or any other market, de-listing such Senior Notes may have a material effect on an investor's ability to (i) continue to hold such Senior Notes, (ii) resell the Senior Notes in the secondary market or (iii) use the Senior Notes as eligible collateral.

#### *Modification and waivers*

The Amended and Restated Agency Agreement dated June 18, 2019 between the Issuer, The Bank of Nova Scotia, London Branch as Fiscal Agent, Principal Paying Agent, Registrar, Calculation Agent and Transfer Agent and The Bank of Nova Scotia, Global Wholesale Operations as Paying Agent and Transfer Agent (as amended or supplemented from time to time, the "Agency Agreement") contains provisions for calling meetings of Noteholders to consider matters affecting their interest generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who do not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Senior Notes also provide that the Agency Agreement, the Senior Notes and any Receipts and Coupons attached to the Senior Notes may be amended by the Issuer and the Fiscal Agent without the consent of the holder of any Senior Note, Receipt or Coupon (i) for the purpose of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (ii) to make any further modifications of the terms of the Agency Agreement necessary or desirable to allow for the issuance of any additional Senior Notes (which modifications shall not be materially adverse to holders of outstanding Senior Notes) or (iii) in any manner which the Issuer and the Fiscal Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Senior Notes, Receipts and Coupons, provided that an amendment or variance that may affect the eligibility of the Bail-inable Notes to continue to be treated as TLAC under TLAC Guidelines shall be of no effect unless the prior approval of the Superintendent has been obtained.

*Canadian bank resolution powers confer substantial powers on Canadian authorities designed to enable them to take a range of actions in relation to the Bank where a determination is made that the Bank has ceased, or is about to cease, to be viable and such viability cannot be restored or preserved, which if taken could result in holders or beneficial owners of Senior Notes being exposed to losses*

Under the CDIC Act, in circumstances where the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and viability cannot be restored or preserved by exercise of the Superintendent's powers under the Bank Act, the Superintendent, after providing the Bank with a reasonable opportunity to make representations, is required to provide a report to CDIC, Canada's resolution authority. Following receipt of the Superintendent's report, CDIC may request the Minister of

Finance for Canada (the “Minister of Finance”) to recommend that the Governor in Council (Canada) make an Order (as defined below) and, if the Minister of Finance is of the opinion that it is in the public interest to do so, the Minister of Finance may recommend that the Governor in Council (Canada) make, and on such recommendation, the Governor in Council (Canada) may make, one or more of the following orders (each an “Order”):

- vesting in CDIC, the shares and subordinated debt of the Bank specified in the Order (a “Vesting Order”);
- appointing CDIC as receiver in respect of the Bank (a “Receivership Order”);
- if a Receivership Order has been made, directing the Minister of Finance to incorporate a federal institution designated in the Order as a bridge institution wholly-owned by CDIC and specifying the date and time as of which the Bank’s deposit liabilities are assumed (a “Bridge Bank Order”); or
- if a Vesting Order or Receivership Order has been made, directing CDIC to carry out a conversion, by converting or causing the Bank to convert, in whole or in part – by means of a transaction or series of transactions and in one or more steps – the shares and liabilities of the Bank that are subject to the Bail-in Regime into common shares of the Bank or any of its affiliates (a “Conversion Order”).

Following a Vesting Order or a Receivership Order, CDIC will assume temporary control or ownership of the Bank and will be granted broad powers under that Order, including the power to sell or dispose of all or a part of the assets of the Bank, and the power to carry out or cause the Bank to carry out a transaction or a series of transactions the purpose of which is to restructure the business of the Bank.

Under a Bridge Bank Order, CDIC has the power to transfer the Bank’s insured deposit liabilities and certain assets and other liabilities of the Bank to a bridge institution. Upon the exercise of that power, any assets and liabilities of the Bank that are not transferred to the bridge institution would remain with the Bank, which would then be wound up. In such a scenario, any liabilities of the Bank, including any outstanding Notes, that are not assumed by the bridge institution could receive only partial or no payment in the ensuing wind-up of the Bank.

If the CDIC were to take action under the Canadian bank resolution powers with respect to the Bank, this could result in holders or beneficial owners of Senior Notes being exposed to losses.

*Senior Notes may be subject to write-off, write down or conversion under the resolution powers of authorities outside of Canada*

The Bank has operations in a number of countries outside of Canada, including in particular the United States and the United Kingdom. In accordance with the Financial Stability Board’s “Key attributes of effective Resolution Regimes for Financial Institutions” dated October 15, 2014, local resolution authorities should have resolution powers over local branches of foreign firms and the capacity to use their powers either to support a resolution carried out by a foreign home authority (for example, by ordering a transfer of property located in its jurisdiction to a bridge institution established by the foreign home authority) or, in exceptional cases, to take measures on its own initiative where the foreign home authority is not taking action or acts in a manner that does not take sufficient account of the need to preserve the local jurisdiction’s financial stability or where other relevant conditions are met.

The UK has implemented such powers and, as such, they may apply to the Bank’s London branch. It is therefore possible that resolution authorities in countries where the Bank has branches or assets, including the United States and the United Kingdom, may adversely affect the rights of holders of the Senior Notes, including by using any powers they may have to write down or convert the Senior Notes (particularly those governed by local law where the Branch of Account specified in the applicable Final Terms or (in the case of Exempt Notes) Pricing Supplement, as applicable, is in the relevant local jurisdiction). For further information on the risks related to the use of resolution powers by authorities in the United Kingdom, please see “*United Kingdom resolution risks applicable to the Senior Notes*” above.

### *Notes are Structurally Subordinated to the Liabilities of Subsidiaries*

If the Bank becomes insolvent, its governing legislation provides that priorities among payments of its deposit liabilities and payments of all of its other liabilities (including payments in respect of Notes) are to be determined in accordance with the laws governing priorities and, where applicable, by the terms of the indebtedness and liabilities. Because the Bank has subsidiaries, a Noteholder's right to participate in any distribution of the assets of the Bank's banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up, liquidation or reorganisation or otherwise, and thus a Noteholder's ability to benefit indirectly from such distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that the Bank may be a creditor of that subsidiary and its claims are recognised. There are legal limitations on the extent to which some of the Bank's subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, the Bank or some of the Bank's other subsidiaries. Accordingly, Notes will be structurally subordinated to all existing and future liabilities of the Bank's subsidiaries, and holders of Notes should look only to the assets of the Bank and not those of its subsidiaries for payments on the Notes.

### *Tax treatment*

The tax treatment of any amount to be paid in relation to the Senior Notes to a holder may reduce such Holder's effective yield on the Senior Notes. Prospective Investors should consult their tax advisers about their own tax situation.

### *Insolvency procedures*

In the event that the Issuer becomes insolvent, proceedings will be generally governed by the insolvency laws of the Issuer's jurisdiction (the "Relevant Insolvency Jurisdiction"). The insolvency laws of the Relevant Insolvency Jurisdiction may be different from the insolvency laws of an Investor's home jurisdiction and the treatment and ranking of holders of Senior Notes issued by the Issuer and the Issuer's other creditors and shareholders under the insolvency laws of a Relevant Jurisdiction may be different from the treatment and ranking of holders of those Senior Notes and the Issuer's other creditors and shareholders if the Issuer was subject to the insolvency laws of the Investor's home jurisdiction.

### *Changing Regulatory Landscape*

While the Bank actively monitors global regulatory developments, such as capital and liquidity requirements under the Basel Committee on Banking Supervision global standards, over-the-counter derivatives reform, consumer protection measures and specific financial reforms, including the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, no assurance can be given as to the impact of any possible future regulatory development on the financial performance of the Bank or the pricing of Senior Notes issued under the Programme.

### *Change of law*

The terms and conditions of the Senior Notes are based on the laws of the Province of Ontario and the federal laws of Canada applicable therein in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Province of Ontario or the federal laws of Canada applicable therein or elsewhere globally, or administrative practice after the date of this Prospectus and before the date on which the relevant Senior Notes are issued. Such changes in law may include, but are not limited to, changes in statutory, tax and regulatory regimes during the life of the Senior Notes.

### *Senior Notes in New Global Note form or held under the New Safekeeping System*

The New Global Note form and Registered Notes which are registered in the name of a nominee of one of the ICSDs acting as common safekeeper and held under the new safekeeping structure ("NSS") have been introduced to allow for the possibility of Senior Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system

for the euro (the “Eurosysteem”) and intra-day credit operations by the Eurosysteem either upon issue or at any or all times during their life. However, in any particular case such recognition will depend upon satisfaction of the Eurosysteem eligibility criteria at the relevant time.

As at the date of this Prospectus (and since April 16, 2018) Senior Notes do not meet the Eurosysteem eligibility criteria and so would not currently be recognised as eligible collateral. Investors who wish to use interests in New Global Notes or Registered Notes in NSS form as eligible collateral with the Eurosysteem should make their own assessment as to whether the Senior Notes meet such Eurosysteem eligibility criteria at the relevant time.

*Investors in Bearer Notes who hold less than the minimum Specified Denomination (including after a partial Bail-in Conversion or any other resolution action) may be unable to sell their Bearer Notes and may be adversely affected if definitive Senior Notes are subsequently to be issued*

In relation to any issue of Bearer Notes which has denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in the clearing systems in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In addition, in the case of a partial Bail-in Conversion of Bail-inable Notes or any resolution action in respect of Senior Notes generally, a holder may as a result of such partial Bail-in Conversion and any other resolution action end up with an amount that is less than a Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversion and any other resolution action, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a Noteholder who, as a result of trading such amounts or such partial Bail-in Conversions and any other resolution action, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Bearer Note in respect of such holding (should definitive Bearer Notes be provided) and would need to purchase a principal amount of Bearer Notes at or in excess of the minimum Specified Denominated such that its holding amounts to a Specified Denomination before definitive Bearer Notes are issued to such Noteholder.

If such Bearer Notes are issued in definitive form, Noteholders should be aware that definitive Bearer Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

*The return on an investment in Senior Notes will be affected by charges incurred by Investors*

An Investor’s total return on an investment in Senior Notes will be affected by the level of fees charged to the Investor, including fees charged to the Investor as a result of the Senior Notes being held in a clearing system. Such fees may include charges for opening accounts, transfers of securities, custody services and fees for payment of principal, interest or other sums due under the terms of the Senior Notes. Investors should carefully investigate these fees before making their investment decision.

*Regulation and reform of LIBOR and EURIBOR and any other benchmark could adversely affect any Senior Notes linked to such “benchmarks”*

LIBOR, Euro Interbank Offered Rate (“EURIBOR”) and other rates and indices which are deemed to be “benchmarks” are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Senior Notes linked to such a “benchmark”.

Regulation (EU) 2016/1011 (as amended from time to time) (the “Benchmarks Regulation”) was published in the Official Journal of the European Union on June 29, 2016 and has applied from January 1,

2018 (subject to certain transitional provisions) that have applied since June 30, 2016). The Benchmarks Regulation could have a material impact on any Senior Notes linked to LIBOR or EURIBOR, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. In addition, the Benchmarks Regulation stipulates that each administrator of a "benchmark" regulated thereunder must be licensed by the competent authority of the Member State where such administrator is located. There is a risk that administrators of certain "benchmarks" will fail to obtain a necessary licence, preventing them from continuing to provide such "benchmarks". Other administrators may cease to administer certain "benchmarks" because of the additional costs of compliance with the Benchmarks Regulation and other applicable regulations, and the risks associated therewith. There is also a risk that certain benchmarks may continue to be administered but may in time become obsolete.

As an example of such benchmark reforms, on July 27, 2017 and in a subsequent speech by the Chief Executive on July 12, 2018, the UK Financial Conduct Authority ("FCA") announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "FCA Announcement"). The FCA Announcement indicates that the continuation of LIBOR on the current basis (or at all) cannot and will not be guaranteed after 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest provisions of the Conditions (as further described in Condition 4.(1) (*Benchmark Discontinuation*)), or result in other consequences, in respect of any Senior Notes linked to such benchmark (including but not limited to Senior Notes whose interest rates are linked to LIBOR or any other such benchmark which is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Senior Notes, the return on the relevant Senior Notes and the trading market for securities based on the same benchmark.

In addition, on November 29, 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("SONIA") over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Alternative risk free rates have been identified in a number of other markets. For example, In the United States of America, the Alternative Reference Rate Committee ("ARRC") recommended the Secured Overnight Financing Rate ("SOFR") as the replacement rate for USD-LIBOR and has a paced transition plan for developing SOFR markets.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On September 13, 2018, the working group on euro risk-free rates recommended Euro Short-term Rate ("€STR") as the new risk free rate. €STR is expected to be published by the ECB by October 2019. In addition, on January 21, 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

The Conditions provide for certain fallback arrangements in the event of a Benchmark Event (including where a published benchmark such as LIBOR or EURIBOR, or any page on which such benchmark may be published (or any successor service) becomes unavailable, or where the Bank, the Fiscal Agent or the Calculation Agent are no longer permitted lawfully to calculate interest on any Notes by reference to such an Original Reference Rate under the Benchmarks Regulation or otherwise), including the possibility that the rate of interest could be determined by the Issuer in consultation with an Independent Adviser, or if the Bank is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Bank itself and set by reference a successor rate or an alternative reference rate and that such successor rate or alternative

reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. However, it may not be possible to determine or apply any such adjustment and even if an adjustment is applied, such adjustment may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment can be determined, a successor rate or alternative rate may nonetheless be used to determine the rate of interest. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser or the Issuer, the relevant fallback provisions may not operate as intended at the relevant time.

Any of the above consequences could have a material adverse effect on the value of and return on any such Senior Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Bank to meet its obligations under the Floating Rate Notes and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes.

### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### *The secondary market generally; current lack of liquidity*

Senior Notes may have no established trading market when issued, and one may never develop. If a market for the Senior Notes does develop, it may not be very liquid. Therefore, Investors may not be able to sell their Senior Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Senior Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of Investors. These types of Senior Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Illiquidity may have a severely adverse effect on the market value of Senior Notes and Investors may suffer losses on the Senior Notes in secondary market transactions even if there is no decline in the performance of the Issuer. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

#### *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Senior Notes in the Specified Currency as set out in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). This presents certain risks relating to currency conversions if an Investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Senior Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Senior Notes and (iii) the Investor's Currency-equivalent market value of the Senior Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Investors may receive less interest or principal than expected, or no interest or principal or receive payments in a significantly devalued Specified Currency.

*Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Senior Notes over time due to fluctuations in market interest rates and the effects of inflation*

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on Fixed Rate Notes might become less attractive and the price the investors may get if they sell such Fixed Rate Notes could fall (however, the market price of the Fixed Rate Notes has no effect on the interest amounts due on the Fixed Rate Notes or what investors will be due to be repaid on the Maturity Date if the Fixed Rate Notes are held by the investor until they mature) and (ii) inflation will reduce the real value of the Fixed Rate Note over time which may affect what investors can buy with the investments in the future and which may make the fixed interest rate on the Fixed Rate Notes less attractive in the future.

*Credit ratings might not reflect all risks and are subject to change*

One or more independent credit rating agencies may assign credit ratings to the Senior Notes. The ratings might not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Senior Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Investors may suffer losses if a credit rating assigned to the Senior Notes does not reflect the then creditworthiness of such Senior Note.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by the ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the ratings will be disclosed in the Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).

There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. In the event that a rating assigned to the Senior Notes or the Issuer is subsequently suspended, lowered or withdrawn for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Senior Notes, the Issuer may be adversely affected, the market value of the Senior Notes is likely to be adversely affected and the ability of the Issuer to make payments under the Senior Notes may be adversely affected.

*Interest of Dealers*

Certain Dealers and their affiliates have engaged, and may in the future engage, in investment bank and/or commercial banking transactions with, and may perform services for, the Issuer in the ordinary course of business. Certain of the dealers and their affiliates may also have positions, deal or make markets in the Senior Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its



affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge its credit exposure to the Issuer consistent with its customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Senior Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Senior Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Issuer may sell Senior Notes to one or more of the Dealers including Scotiabank Europe plc. The terms of the Programme were negotiated at arms-length between the Issuer and the Dealers. In addition to any proceeds from any offering of the Senior Notes under the Programme being applied, directly or indirectly for the benefit of Scotiabank Europe plc in its capacity as a wholly-owned direct subsidiary of the Bank, it will receive a portion of any fees and commissions payable in connection with any such offering of Senior Notes in its capacity as a Dealer.

#### *Common Reporting Standard*

Similar to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, under the Organization for Economic Co-operation and Development's ("OECD") initiative for the automatic exchange of information, many countries have committed to automatic exchange of information relating to accounts held by tax residents of signatory countries, using a common reporting standard.

Canada is one of over 90 countries that has signed the OECD's Multilateral Competent Authority Agreement and Common Reporting Standard ("CRS"), which provides for the implementation of the automatic exchange of tax information. On December 15, 2016, legislation to implement the CRS in Canada was enacted, which, effective as of July 1, 2017, requires Canadian financial institutions to report certain information concerning certain investors resident in participating countries to the Canada Revenue Agency and to follow certain due diligence procedures. The Canada Revenue Agency then provides such information to the tax authorities in the applicable investors' countries of residence, where required under CRS. The UK Government has enacted legislation giving effect to the EU's implementation of CRS (contained in certain EU Council Directives) from January 1, 2016. Similar implementing legislation is expected to be introduced by other signatory countries to the CRS.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and as of the date of this Prospectus have been filed with the FCA shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (1) the Bank's Annual Information Form dated November 27, 2018 for the year ended October 31, 2018 excluding all information incorporated therein by reference;
- (2) the Bank's audited consolidated financial statements, comprised of the consolidated statements of financial position as at October 31, 2018 and October 31, 2017 and the consolidated statements of income, changes in shareholders' equity, comprehensive income and cash flows for each of the years ended in the three-year period ended October 31, 2018, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board together with the auditors' report thereon and Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended October 31, 2018 (the "2018 MD&A"), all as set out on pages 16 to 236 of the Bank's Annual Report for the year ended October 31, 2018, and the Independent Auditors' Report of Registered Public Accounting Firm on the Bank's internal control over financial reporting as of October 31, 2018;
- (3) the Bank's unaudited interim consolidated financial statements for the three and six month periods ended April 30, 2019 prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34) as issued by the International Accounting Standards Board together with management's discussion and analysis for the three and six month period ended April 30, 2019 (the "2019 Second Quarter Report to Shareholders"), set out on pages 3 through 71 of the Bank's 2019 Second Quarter Report to Shareholders; and
- (4) the section entitled "Terms and Conditions of the Notes" sets out in the Issuer's base prospectus (where applicable) dated July 6, 2018; and for the avoidance of doubt, the applicable Final Terms for a Tranche of Notes (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate the Terms and Conditions applicable to such Tranche of Notes and, unless otherwise indicated in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), the Terms and Conditions of all Notes issued after the date hereof shall be those set out in this Prospectus,

provided that any statement contained in a document all or the relative portion of which is incorporated by reference shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein or in any supplement hereto, including any document incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Information, documents or statements expressed to be incorporated by reference into or form part of the documents noted above shall not form part of the base prospectus approved by the FCA for the purposes of the Prospectus Directive. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

Copies of this Prospectus and the documents incorporated by reference in this Prospectus can be obtained on written request and without charge from (i) the principal executive offices of the Bank from the Executive Vice-President and General Counsel, The Bank of Nova Scotia, Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1, Canada, Telephone: +1 (416) 866-3672; (ii) and (ii) from the offices of the Principal Paying Agent, Registrar, Calculation Agent and Transfer Agent, The Bank of Nova Scotia, London Branch, 201 Bishopsgate, 6th Floor, London EC2M 3NS, United Kingdom; Telephone: +44 (0)20 7638 5644 and may also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer.

Except for certain supplementary financial information in respect of the years ending October 31, 2010 and earlier (which has been prepared in accordance with Canadian generally accepted accounting

standards) and for non-GAAP measures (whose basis of preparation is specified therein) included in the Eleven-Year Statistical Revised section of Bank's 2018 MD&A incorporated by reference herein or otherwise contained in this Prospectus has been prepared in accordance with IFRS as issued by the International Accounting Standards Board and IFRS as adopted by the EU, respectively.

### **ISSUE OF SENIOR NOTES**

Senior Notes issued by the Issuer will be issued on a continuous basis in series (each a "Series") having one or more issue dates. All Senior Notes of the same Series shall have identical terms (or identical other than in respect of the issue date, the issue price and the first payment of interest), it being intended that each Senior Note of a Series will be interchangeable with all other Senior Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on different issue dates and at different issue prices. The specific terms of each Tranche will be set forth in the applicable final terms to this Prospectus (each a "Final Terms") (or, in the case of Exempt Notes, the applicable pricing supplement (each a "Pricing Supplement")). The Final Terms or, in the case of Exempt Notes, the Pricing Supplement, relating to each Tranche of Senior Notes will be in, or substantially in, the form attached as Schedule A or Schedule B, respectively to this Prospectus.

### **SUPPLEMENTARY PROSPECTUSES**

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus (as amended and supplemented by any prior Supplementary Prospectus) which is capable of affecting the assessment of any Senior Notes, prepare or procure the preparation of a Supplementary Prospectus which shall amend and/or supplement this Prospectus (as amended and supplemented from time to time) or publish a new Prospectus in compliance with Section 87G of the Financial Services and Markets Act 2000 ("FSMA") prior to completing any subsequent offering by such Issuer of Senior Notes to be listed on the Regulated Market.

## OVERVIEW OF THE PROGRAMME

*THE FOLLOWING OVERVIEW DOES NOT PURPORT TO BE COMPLETE AND IS TAKEN FROM, AND IS QUALIFIED IN ITS ENTIRETY BY, THE REMAINDER OF THIS PROSPECTUS AND, IN RELATION TO THE TERMS AND CONDITIONS OF ANY PARTICULAR SERIES OF SENIOR NOTES, THE APPLICABLE FINAL TERMS (OR, IN THE CASE OF EXEMPT NOTES, THE APPLICABLE PRICING SUPPLEMENT). THE ISSUER AND ANY RELEVANT DEALER MAY AGREE THAT SENIOR NOTES SHALL BE ISSUED IN A FORM OTHER THAN THAT CONTEMPLATED IN THE TERMS AND CONDITIONS, IN WHICH EVENT, IN THE CASE OF SENIOR NOTES OTHER THAN EXEMPT NOTES, AND IF APPROPRIATE, A NEW PROSPECTUS WILL BE PUBLISHED.*

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing Directive 2003/71/EC (as amended or superseded).

*Words and expressions defined in “Terms and Conditions of the Senior Notes” below shall have the same meanings in this summary.*

<b>Issuer:</b>	The Bank of Nova Scotia (the “Bank” or the “Issuer”)
<b>Branch of Account:</b>	The Bank will initially issue Senior Notes through its London branch or its head office, Toronto or any other branch as may be specified in the applicable Final Terms. The relevant branch is the branch of account for the purposes of the <i>Bank Act</i> (Canada).
<b>Issuer Legal Entity Identifiers (LEI):</b>	The Bank: L319ZG2KFGXZ61BMYR72
<b>Description:</b>	Euro Medium Term Note Programme (the “Programme”)
<b>Arrangers:</b>	Barclays Bank PLC and Scotiabank Europe plc
<b>Dealers:</b>	Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, NatWest Markets Plc, Scotiabank Europe plc, The Bank of Nova Scotia, Hong Kong Branch, UBS AG London Branch and Wells Fargo Securities International Limited.
<b>Fiscal Agent, Principal Paying Agent, Registrar, Calculation Agent and Transfer Agent:</b>	The Bank of Nova Scotia, London Branch
<b>Paying Agent and Transfer Agent:</b>	The Bank of Nova Scotia, Global Wholesale Operations
<b>Size:</b>	Up to U.S.\$20,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate principal amount of Senior Notes outstanding at any one time.
<b>Risk Factors:</b>	There are certain factors which may affect the Issuer’s ability to fulfil its obligations under the Senior Notes. Economic changes, movement of the Canadian dollar, inflation and Bank of Canada monetary policy decisions, competition, changes in law, legal proceedings, failure to obtain accurate and complete information from customers and counterparties may impact

the Bank's earnings, reputation and business.

Accounting policies and methods chosen by management could affect the Bank's reported financial condition. Operational and infrastructure risks may lead to financial and reputational loss.

There are certain factors which are material for the purpose of assessing the risks associated with investing in a particular issue of Senior Notes. Senior Notes may be subject to optional or early redemption by the Issuer. Senior Notes will be subject to Canadian bank resolution powers, including in the case of Bail-inable Notes conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under the Bail-in Regime. The application of the Banking Act and BRRD in respect of the Bank may adversely affect the Senior Notes. Fixed Rate Notes are subject to interest rate risk. The secondary market price of the Senior Notes may be less than the Issue Price immediately after issue. The *Criminal Code* (Canada) prohibits the receipt of “interest” at an effective annual rate in excess of 60 per cent.

There are risks relating to the Senior Notes generally, including no obligation to maintain listing, modifications and waivers, tax treatment, governing law of any insolvency proceedings, law and regulatory changes, Euro-zone instability, Eurosystem eligibility of Senior Notes, Senior Notes traded in integral multiples of less than €100,000, change or uncertainty in respect of LIBOR and/or EURIBOR or any other relevant benchmark and the return on an investment in Senior Notes will be affected by charges incurred by investors.

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Senior Notes which may impact the value of Senior Notes, amongst other things. These risks include liquidity, exchange rates, Dealers' interest in the Issuer and credit ratings.

See “*Risk Factors*”.

- Specified Currencies:** As agreed by the Issuer and the relevant Dealers.
- Maturities:** Senior Notes may be issued with any maturity between one month and 99 years.
- Specified Denomination:** As specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), provided that the minimum denomination of each Senior Note (other than an Exempt Note) shall be €100,000 (or the equivalent of such amounts in another currency as at the date of issue of the Senior Notes), and the minimum denomination of each Senior Note will in each case comply with all applicable legal, regulatory and central bank requirements.
- Method of Issue:** Syndicated or non-syndicated basis. Senior Notes issued by the Issuer will be issued in one or more Series. Senior Notes may be issued in Tranches on a continuous basis with no minimum issue size. Further Senior Notes may be issued as part of an existing Series.

<b>Form of Senior Notes:</b>	Senior Notes may be issued in bearer form only (“Bearer Notes”), in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) or in registered form only (“Registered Notes”). See “Form of Senior Notes” herein.
<b>Issue Price:</b>	Senior Notes may be issued at their principal amount or at a discount or premium to their principal amount.
<b>Terms of Senior Notes:</b>	Senior Notes other than Exempt Notes may bear interest at a fixed or floating rate or may not bear interest as specified in the applicable Final Terms. Exempt Notes may bear interest at a fixed or floating rate, may not bear interest or may bear interest on such other terms as may be specified in the applicable Pricing Supplement.
	The Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Senior Notes may not be redeemed prior to their stated maturity (other than in specified instalments, (if applicable), for taxation reasons or following an Event of Default and acceleration of the Senior Notes) or that such Senior Notes will be redeemable at the option of the Issuer and/or the Noteholders or, in the case of Exempt Notes only, on such other terms as specified in the applicable Pricing Supplement.
<b>Fixed Interest Rate Notes:</b>	Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).
<b>Floating Rate Notes:</b>	Floating Rate Notes will bear interest set separately for each Series by reference to any of (i) the benchmark rate, (ii) the ISDA Floating Rate Option, (iii) the CMS reference rate or (iv) the spread calculated in respect of any two such rates, in each case, as specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), as adjusted for any applicable margin or multiplier. Interest periods will be specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).
<b>Benchmark Discontinuation:</b>	On the occurrence of a Benchmark Event the Issuer may (subject to certain conditions and following consultation with an Independent Adviser (as defined in “ <i>Terms and Conditions of the Senior Notes</i> ”)) determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments (and if the Issuer is unable to appoint an Independent Adviser or unable to make the relevant determination in consultation with an Independent Adviser, determined by the Issuer itself) in accordance with Condition 4(l).
<b>Zero Coupon Notes:</b>	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest except if not redeemed in full on the Maturity Date. In the case of early redemption of Zero Coupon Notes, the Early Redemption Amount shall be determined either on the basis of compounding of the Amortisation Yield or without any compounding of the Amortisation Yield, as specified in the applicable Final Terms or (in the case of Exempt Notes) applicable Pricing Supplement.
<b>Exempt Notes:</b>	The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Senior Notes, in which event the relevant provisions will be included in the applicable

Pricing Supplement.

<b>Interest Periods and Interest Rates:</b>	The length of the interest periods and the applicable interest rate or its method of calculation may differ from time to time or be constant. Senior Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Senior Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes).
<b>Redemption by Instalments:</b>	The Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) issued in respect of each issue of Senior Notes which are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Senior Notes may be redeemed and the other terms applicable to such redemption. Bail-inable Notes will be not subject to redemption in instalments.
<b>Optional Redemption:</b>	The Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) issued in respect of each issue of Senior Notes will state whether such Senior Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so, will specify the terms applicable to such redemption; provided that, where a redemption of Bail-inable Notes by the Bank would lead to a breach of the Bank's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada) (the "Superintendent").
<b>Early Redemption for other reasons:</b>	Except as provided in "Optional Redemption" above or otherwise specified, in the case of Exempt Notes, in the applicable Pricing Supplement, Notes will be redeemable in whole, but not in part only, at the option of the Issuer prior to maturity only for tax reasons as described in " <i>Terms and Conditions of the Notes — Redemption, Purchase and Optional Redemption — Redemption for taxation reasons</i> ", provided that in respect of Bail-inable Notes, where such redemption would lead to a breach of the Bank's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent. If so specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) Bail-inable Notes may be redeemed at the option of the Issuer prior to maturity at any time following the occurrence of a TLAC Disqualification Event, subject to the prior consent of the Superintendent, as described in " <i>Terms and Conditions of the Notes — Redemption, Purchase and Optional Redemption — Redemption due to TLAC Disqualification Event</i> ". Bail-inable Notes will continue to be subject to a Bail-in Conversion prior to their repayment in full.
<b>Redemption of Senior Notes:</b>	Unless otherwise redeemed in accordance with their terms or otherwise specified, in the case of Exempt Notes, in the applicable Pricing Supplement, Notes will be redeemed at maturity at their Final Redemption Amount. Bail-inable Notes will continue to be subject to Bail-in Conversion (as defined below) prior to their repayment in full.
<b>Negative Pledge:</b>	None.
<b>Cross-default:</b>	None.
<b>Status of Senior Notes:</b>	Senior Notes will constitute deposit liabilities of the Bank pursuant to the <i>Bank Act</i> (Canada), will be unsubordinated and unsecured obligations of the

Bank and will rank *pari passu* with all present or future deposit liabilities of the Bank and without any preference amongst themselves (except as otherwise prescribed by law and subject to the exercise of bank resolution powers).

Senior Notes that are Bail-inable Notes (as defined in Condition 3(b)) are subject to a Bail-in Conversion (as defined below) under subsection 39.2(2.3) of the CDIC Act and to variation or extinguishment in consequence and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes (see “*Risk Factors – Risks applicable to Bail-inable Notes*”).

The Senior Notes will not be deposits insured under the CDIC Act.

**Agreement with respect to the exercise of Canadian Bail-in powers in relation to Bail-inable Notes**

By acquiring Bail-inable Notes, each Noteholder (including each beneficial owner) is deemed to:

(i) agree to be bound, in respect of the Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part – by means of a transaction or series of transactions and in one or more steps - into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “**Bail-in Conversion**”);

(ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;

(iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Noteholder for the express purpose of investing in the Bail-inable Notes; and

(iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in these Conditions, any other law that governs such Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes are subject to Bail-in Conversion.

Each holder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such holder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the holders or beneficial owners that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Bail-inable Notes related to the Bail-in Regime.



**Events of Default for Senior Notes that are not Bail-inable Notes:** The terms of the Senior Notes that are not Bail-inable Notes contain events of default covering (a) non-payment for more than 30 days (in the case of interest) or five days (in the case of principal); and (b) if the Bank becomes insolvent or bankrupt or subject to the provisions of the *Winding-up and Restructuring Act* (Canada) (“WURA”) or any statute hereafter enacted in substitution therefor, as WURA, or any such substituted statute, may be amended from time to time, or if the Bank goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency.

**Events of Default Bail-inable Notes:** The terms of the Bail-inable Notes provide for events of default which are limited to (a) non-payment for more than 30 business days of interest or principal; and (b) if the Bank becomes insolvent or bankrupt or subject to the provisions of WURA or any statute hereafter enacted in substitution therefor, as WURA, or any such substituted statute, may be amended from time to time, or if the Bank goes into liquidation, either voluntarily or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency; provided that Noteholders may only exercise or direct the exercise of, those rights to accelerate the Bail-inable Notes upon such an event where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank and, notwithstanding the exercise of any right to accelerate the Bail-inable Notes, Bail-inable Notes will continue to be subject to a Bail-in Conversion until repaid full. A Bail-in Conversion will not be an event of default.

**Waiver of Set-Off – Bail-inable Notes:** Bail-inable Notes are not subject to set-off or netting rights.

**Withholding Tax:** All payments of principal and interest in respect of the Senior Notes will be made free and clear of withholding taxes of Canada, or any province or territory thereof and of the country in which the branch of account for Senior Notes is located and of the United Kingdom subject to certain exceptions, all as described in “*Terms and Conditions of the Senior Notes – Taxation*”.

**Governing Law:** The laws of Province of Ontario and the laws of Canada applicable therein.

**Listing:** Application has been made to the FCA for Senior Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Senior Notes to be admitted to trading on the London Stock Exchange’s regulated market.

Exempt Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Exempt Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Pricing Supplement, in the case of Exempt Notes, will state whether or not the relevant Exempt Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

**Selling Restrictions:**

See “*Plan of Distribution*” or, in the case of Exempt Notes, such other selling restrictions as may be specified in the applicable Pricing Supplement.

## FORM OF SENIOR NOTES

*Any reference in this section to “applicable Final Terms” shall be deemed to include a reference to “applicable Pricing Supplement” where relevant.*

The Senior Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”) and Registered Notes will be issued outside the United States in reliance on the exemption from registration provided by Regulation S.

Each Tranche of Bearer Notes having an original maturity of more than one year will initially be represented by a Temporary Bearer Global Note and each Tranche of Bearer Notes having an original maturity of one year or less will initially be represented by a Permanent Bearer Global Note which, in each case, will (i) if the Bearer Global Notes are intended to be issued in the new global note (“NGN”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream, Luxembourg”); and (ii) if the Bearer Global Notes are not intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the issue date thereof to a common depository (the “Common Depository”) on behalf of Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system as further described in the “Form of Senior Notes” herein.

No interest will be payable in respect of a Temporary Bearer Global Note except as described under “Summary of Provisions Relating to the Senior Notes while in Global Form”. Interests in Temporary Bearer Global Notes will be exchangeable for interests in Permanent Bearer Global Notes or, if so stated in the applicable Final Terms, for definitive Bearer Notes after the date falling not earlier than 40 days after the issue date upon certification as to non-U.S. beneficial ownership or (in the case of Exchangeable Bearer Notes) definitive Registered Notes at any time after the issue date. Interests in Permanent Bearer Global Notes will be exchangeable for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) definitive Registered Notes, if so indicated in the applicable Final Terms, as described under “Summary of Provisions Relating to the Senior Notes while in Global Form”.

Registered Notes will be represented by Note certificates (each a “Certificate”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Registered Notes which are held in Euroclear and Clearstream, Luxembourg will be registered in the name of the nominee for the common depository for Euroclear and Clearstream, Luxembourg or in the name of a nominee of the Common Safekeeper, as specified in the applicable Final Terms, and the relative Certificate(s) will be deposited with a common depository or, as the case may be, a Common Safekeeper or, if held in any other agreed clearing system will be registered in the name of the nominee for such other agreed clearing system, or a common nominee for all such clearing systems and the relative Certificate(s) will be deposited with the appropriate depository or, as the case may be, a common depository.

Bearer Notes will be issued in compliance with the principles of the former U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “TEFRA D Rules”) unless (i) the applicable Final Terms state that the Bearer Notes are issued in compliance with the former U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “TEFRA C Rules”) or (ii) the Bearer Notes are issued other than in compliance with the TEFRA D Rules or the TEFRA C Rules but in circumstances in which the Bearer Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the applicable Final Terms as a transfer to which TEFRA is not applicable.

Bearer Notes will be issued in compliance with subsection 240(2) of the *Income Tax Act* (Canada). Under that provision, where a right to interest on a debt obligation is evidenced by a coupon or other writing that does not form part of, or is capable of being detached from, the evidence of indebtedness, the coupon or other writing is to be marked or identified in prescribed manner by the letters "AX" in the case of a "taxable obligation" (as defined) or the letter "F" in the case of a "non-taxable obligation" (as defined).

The exchange of a Permanent Bearer Global Note for definitive Bearer Notes upon notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder) or at any time at the request of the Issuer should not be expressed to be applicable in the applicable Final Terms if the Senior Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher integral multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Senior Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Senior Notes.

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes), receipts and interest coupons relating to such Senior Notes where TEFRA D is specified in the applicable Final Terms or, in the case of Exempt Notes, applicable Pricing Supplement:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

A Senior Note may be accelerated by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Senior Note is still represented by a Bearer Global Note or Global Certificate and the Bearer Global Note or, as the case may be, Global Certificate (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Senior Notes and payment in full of the amount due has not been made in accordance with the provisions of the Bearer Global Note or, as the case may be, Global Certificate then from 8.00 p.m. (London time) on such day holders of interests in such Bearer Global Note or, as the case may be, Global Certificate credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant executed by the Issuer.

The Issuer may agree with any Dealer that Senior Notes may be issued in a form not contemplated by the Terms and Conditions of the Senior Notes. In such event, other than where such Senior Notes are Exempt Notes, a supplement to this Prospectus or a new Prospectus will be made available which will describe the effect of the agreement reached in relation to such Senior Notes.

## THE BANK OF NOVA SCOTIA

### History and Development of the Bank

The Bank was granted a charter under the laws of the Province of Nova Scotia in 1832 and commenced operations in Halifax, Nova Scotia in that year. Since 1871, the Bank has been a chartered bank under the Bank Act. The Bank is a Schedule I bank under the Bank Act and the Bank Act is its charter. The head office of the Bank is located at 1709 Hollis Street, Halifax, Nova Scotia, B3J 3B7 and its executive offices are at Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1.

The Bank is Canada's international bank and a leading financial services provider in North America, Latin America, the Caribbean and Central America and Asia-Pacific. The Bank is dedicated to helping its 25 million customers become better off through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets.

Certain information regarding the Bank is incorporated by reference into this Prospectus. See "Documents Incorporated by Reference".

### Principal Activities and Markets

A profile of each of the Bank's major business lines is discussed below and additional information on the Bank's business lines is available in the Management's Discussion and Analysis for the year ended October 31, 2018, on pages 38 to 53 inclusive, accompanying the Bank's audited consolidated financial statements for the fiscal year ended October 31, 2018, incorporated by reference herein.

Canadian Banking provides a full suite of financial advice and banking solutions, supported by an excellent customer experience, to over 10 million Retail, Small Business, Commercial Banking, and Wealth Management customers. It serves these customers through its network of 955 branches and more than 3,644 automated banking machines (ABMs), as well as internet, mobile and telephone banking and specialized sales teams. Canadian Banking also provides an alternative self-directed banking solution to over two million Tangerine Bank customers. Canadian Banking is comprised of Retail and Small Business Banking, Commercial Banking, and Wealth Management.

International Banking has a diversified franchise with more than 15 million Retail, Corporate, and Commercial customers. International Banking has almost 58,000 employees and its customers are served by a network of more than 1,800 branches as well as business support and customer contact centres.

Global Banking and Markets (GBM) conducts the Bank's wholesale banking business with corporate, government and institutional investor clients. GBM is a full-service wholesale bank in priority markets of Canada, the United States and Latin America. GBM also offers a range of products and services in select markets in Europe and Asia-Pacific.

See also "Recent Developments" below.

### *Competition*

The Canadian banking system consists of numerous banks and other financial institutions. Certain large Canadian banks are required by law to be widely held because their equity exceeds a threshold of \$12 billion. These banks compete nationwide through extensive branch networks, ABMs, telephone, internet and mobile banking offerings. In total, the Canadian system includes 32 domestic banks, 22 foreign banks and about 300 credit unions and caisses populaires. More broadly, the Canadian financial services industry includes thousands of institutions such as life insurance companies, property and casualty insurers, consumer finance companies, independent investment dealers and independent retail mutual fund management companies.

The Bank provides customers a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. In providing these services and products, the Bank competes with local and international banks and other financial institutions.

Competition is reflected in the range of products and services offered, innovation in features, services, technology and delivery, as well as the various pricing schemes adopted. Canada ranks 7<sup>th</sup> in the world in terms of its financial market development, according to the 2017-18 Global Competitiveness survey of the World Economic Forum. Additionally, a greater number of service providers in the Canadian marketplace are offering alternative channels and competition in the payments space. The increased number of new entrants into the financial services sector in recent years has also underscored an enhanced level of competition.

### **Organizational Structure**

The following table presents the principal subsidiaries<sup>(1)</sup> the Bank owns, directly or indirectly, as at October 31, 2018. All of these subsidiaries are included in the Bank's consolidated financial statements.

As at 31 October (\$ millions)	Principal office	Carrying value of shares	
		2018	2017
<b>Canadian</b>			
1832 Asset Management L.P.	Toronto, Ontario	1,524	2,006
BNS Investments Inc.	Toronto, Ontario	13,870	13,551
Montreal Trust Company of Canada	Montreal, Quebec		
National Trust Company <sup>(2)</sup>	Stratford, Ontario	415	449
RoyNat Inc.	Calgary, Alberta	432	239
Scotia Capital Inc.	Toronto, Ontario	1,391	1,024
Scotia Dealer Advantage Inc.	Burnaby, British Columbia	592	567
Scotia Life Insurance Company	Toronto, Ontario	219	189
Scotia Mortgage Corporation	Toronto, Ontario	588	615
Scotia Securities Inc.	Toronto, Ontario	40	34
Tangerine Bank	Toronto, Ontario	3,515	3,488
Jarislowsky, Fraser Limited	Montreal, Quebec	947	-
MD Financial Management Inc.	Ottawa, Ontario	2,612	-
<b>International</b>			
Scotiabank Colpatría S.A. (formerly Banco Colpatría Multibanca Colpatría S.A.) (51%) <sup>(3)</sup>	Bogota, Colombia	1,221	1,160
The Bank of Nova Scotia Berhad	Kuala Lumpur, Malaysia	318	303
The Bank of Nova Scotia International Limited	Nassau, Bahamas	19,312	18,223
BNS Asia Limited	Singapore		
The Bank of Nova Scotia Trust Company (Bahamas) Limited	Nassau, Bahamas		
Grupo BNS de Costa Rica, S.A.	San Jose, Costa Rica		
Scotiabank & Trust (Cayman) Ltd.	Grand Cayman, Cayman Islands		
Scotiabank (Bahamas) Limited	Nassau, Bahamas		
Scotiabank (British Virgin Islands) Limited	Road Town, Tortola, B.V.I.		
Scotiabank (Hong Kong) Limited	Hong Kong, China		
Scotiabank (Ireland) Designated Activity Company	Dublin, Ireland		
Scotiabank (Turks and Caicos) Ltd.	Providenciales, Turks and Caicos Islands		
BNS International (Panama) S.A.	Panama City, Panama		
Grupo Financiero Scotiabank Inverlat, S.A. de C.V. (97.4%)	Mexico, D.F., Mexico	3,901	3,544
Nova Scotia Inversiones Limitada	Santiago, Chile	5,100	3,325
Scotiabank Chile S.A. (75.5%)	Santiago, Chile		
Scotia Holdings (US) Inc. <sup>(4)</sup>	New York, New York		
Scotiabanc Inc.	Houston, Texas		
Scotia Capital (USA) Inc. <sup>(4)(5)</sup>	New York, New York		
Scotia International Limited	Nassau, Bahamas	635	642
Scotiabank Anguilla Limited	The Valley, Anguilla		
Scotiabank Brasil S.A. Banco Multiplo	Sao Paulo, Brazil	386	223
Scotiabank Caribbean Holdings Ltd.	Bridgetown, Barbados	1,847	1,710
Scotia Group Jamaica Limited (71.8%)	Kingston, Jamaica		
The Bank of Nova Scotia Jamaica Limited	Kingston, Jamaica		
Scotia Investments Jamaica Limited	Kingston, Jamaica		
Scotiabank (Belize) Ltd.	Belize City, Belize		
Scotiabank Trinidad and Tobago Limited (50.9%)	Port of Spain, Trinidad and Tobago		
Scotiabank (Panama) S.A.	Panama City, Panama		
Scotiabank Uruguay S.A.	Montevideo, Uruguay	490	496
Scotiabank de Puerto Rico	San Juan, Puerto Rico	1,555	1,395
Scotiabank El Salvador, S.A. (99.6%)	San Salvador, El Salvador	686	659
Scotiabank Europe plc	London, United Kingdom	2,432	2,400
Scotiabank Peru S.A.A. (98.05%)	Lima, Peru	4,877	4,518

- (1) The Bank (or immediate parent of an entity) owns 100% of the outstanding voting shares of each subsidiary unless otherwise noted.
- (2) Effective October 29, 2018, National Trustco Inc. was dissolved and National Trust Company is held by the Bank.
- (3) Effective June 15, 2018, the name was changed to Scotiabank Colpatría S.A.
- (4) The carrying value of this subsidiary is included with that of its parent, BNS Investments Inc.
- (5) The carrying value of this subsidiary is included with that of its parent, Scotia Holdings (US) Inc.

The Bank also engages in business in its own right. Its assets are therefore comprised of both shares in the above subsidiaries and assets and liabilities acquired in the conduct of its own business. It is part dependent on the members of the Scotiabank Group and the revenues recovered by them.

## Directors and Board Committees of the Bank

The Directors of the Bank as of the date hereof are as follows:

<b>Name</b>	<b>Board Committee Memberships</b>	<b>Principal Occupation/ Outside Activities</b>
Nora A. Aufreiter	CGC - Chair HRC	Corporate Director and a former senior partner of McKinsey and Company, an international consulting firm
Guillermo E. Babatz	RC HRC	Managing Partner of Atik Capital, S.C., an advisory firm that specializes in structuring financial solutions for its clients
Scott B. Bonham	ACRC CGC	Corporate Director and the co-founder of Intentional Capital, a privately-held real estate asset management company
Charles H. Dallara, Ph.D.	ACRC RC	Advisory Partner of Partners Group and Chairman of Partners Group Board of Directors, USA, a private market investment and asset management group, based in Switzerland. He has 43 years of industry experience. Dr. Dallara was Chairman of the Americas and a member of the Board of Directors of Partners Group Holding AG until 2019
Tiff Macklem, Ph.D.	ACRC RC - Chair	Dean of the Rotman School of Management at the University of Toronto
Michael D. Penner	ACRC CGC	Corporate Director and the former Chairman of the Board of Directors of Hydro-Québec
Brian J. Porter	N/A	President and Chief Executive Officer of the Bank



<b>Name</b>	<b>Board Committee Memberships</b>	<b>Principal Occupation/ Outside Activities</b>
Una M. Power	ACRC – Chair HRC	Corporate Director and the former Chief Financial Officer of Nexen Energy ULC, a former publicly-traded energy company that is a wholly-owned subsidiary of CNOOC Limited
Aaron W. Regent	ACRC CGC HRC RC	Chairman of the Bank. He is the Founding Partner of Magris Resources Inc. and Chairman and Chief Executive Officer of Niobec Inc., companies involved with the acquisition, development and operation of mining assets on a global basis
Indira V. Samarasekera, O.C., PH.D.	CGC HRC	Senior Advisor at Bennet Jones LLP, a law firm, and a Corporate Director
Susan L. Segal	ACRC RC	President and Chief Executive Officer of the Americas Society, an organization dedicated to education, debate and dialogue in the Americas and Council of the Americas, a business organization whose members share a common interest in the western hemisphere, in August 2003
Barbara S. Thomas	CGC HRC	Corporate Director, following retirement from a broad career in brand management and consumer goods
L. Scott Thomson	RC HRC-Chair	President and Chief Executive Officer of Finning International Inc., the world's largest Caterpillar equipment dealer
Benita M. Warmbold	ACRC HRC	Corporate Director and the former Senior Managing Director and Chief Financial Officer of Canada Pension Plan (CPP) Investment Board having retired in July 2017

**Notes:**

ACRC—Audit and Conduct Review Committee

CGC—Corporate Governance Committee

HRC—Human Resources Committee

RC—Risk Committee

The business address of the Directors of the Bank is The Bank of Nova Scotia, Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1, which is the executive office of the Bank.

There are no potential conflicts of interest between any duties owed to the Bank by the Directors and the private interests and/or other external duties owed by these individuals.

**Major Shareholders**

Without Minister of Finance of Canada (the “Minister”) approval, no person or group of associated persons may own more than 10 per cent. of any class of shares of the Bank. No person may be a major shareholder of a bank if the bank has equity of \$12 billion or more (which includes the Bank). A person is a major shareholder of a bank if: (a) the aggregate of shares of any class of voting shares beneficially owned by that person and that are beneficially owned by any entities controlled by that person is more than 20 per cent. of that class of voting shares; or (b) the aggregate of shares of any class of non-voting shares beneficially owned by that person and that are beneficially owned by any entities controlled by that person is more than 30 per cent. of that class of non-voting shares. Ownership of the Bank’s shares by Canadian or foreign governments is prohibited under the Bank Act. However, in 2009 certain amendments were made to the Bank Act that provide for limited circumstances in which the Canadian federal government may be permitted to acquire shares of a bank, including the Bank, if the Minister and Governor in Council were to conclude that to do so would promote stability in the financial system. While the government holds any shares of a bank, including the Bank, the Minister may impose certain terms and conditions, including conditions on the payment by the Bank of dividends on any of its shares.

**Selected Financial Information*****Financial Summary***

The financial data in the tables below has been extracted or calculated without material adjustment from information contained within the audited consolidated statement of financial position and consolidated statement of income, or financial records of the Bank for the years ended October 31, 2018 and October 31, 2017 contained in the Bank's 2018 Annual Report.

**Condensed Consolidated Statement of Financial Position**

<b>(Amounts in millions of Canadian dollars)</b>	<b>As at October 31,</b>	
	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Cash and deposits with financial institutions and precious metals .....	\$65,460	\$65,380
Trading assets.....	100,262	98,464
Securities purchased under resale agreements and securities borrowed .....	104,018	95,319
Investment securities.....	78,396	69,269
Loans.....	551,834	504,369
Other .....	98,523	82,472
Total assets.....	<u>\$998,493</u>	<u>\$915,273</u>
<b>Liabilities</b>		
Deposits .....	\$676,534	\$625,367

<b>(Amounts in millions of Canadian dollars)</b>	<b>As at October 31,</b>	
	<b>2018</b>	<b>2017</b>
Obligations related to securities sold under repurchase agreements and securities lent.....	101,257	95,843
Other liabilities.....	147,324	126,503
Subordinated debentures .....	5,698	5,935
Total liabilities .....	<u>\$930,813</u>	<u>\$853,648</u>
<b>Equity</b>		
Common equity.....	\$61,044	\$55,454
Preferred shares and other equity instruments .....	4,184	4,579
Non-controlling interests in subsidiaries.....	2,452	1,592
Total equity .....	<u>\$67,680</u>	<u>\$61,625</u>
Total liabilities and equity.....	<u>\$998,493</u>	<u>\$915,273</u>

### Condensed Consolidated Statement of Income

<b>(Amounts in millions of Canadian dollars)</b>	<b>For the Year ended</b>	
	<b>2018</b>	<b>2017</b>
Net interest income .....	\$16,191	\$15,035
Non-interest income.....	12,584	12,120
Total revenue .....	<u>28,775</u>	<u>27,155</u>
Provision for credit losses.....	2,611	2,249
Non-interest expenses .....	15,058	14,630
Income tax expense.....	2,382	2,033
Net income .....	<u>\$8,724</u>	<u>\$8,243</u>
Net income attributable to non-controlling interests in subsidiaries....	176	238
Net income attributable to equity holders of the Bank .....	<u>\$8,548</u>	<u>\$8,005</u>
Preferred shareholders and other equity instruments holders ....	187	129
Common shareholders.....	<u>\$8,361</u>	<u>\$7,876</u>

### Consolidated Earnings Ratio

	<b>For the Year ended</b>	
	<b>2018</b>	<b>2017</b>
Consolidated Ratios of Earnings to Fixed Charges		
Excluding interest on deposits .....	8.15	9.60
Including interest on deposits .....	1.88	2.09
Consolidated Ratios of Earnings to Combined Fixed Charges and Preferred Dividends		
Excluding interest on deposits .....	7.02	8.42
Including interest on deposits .....	1.84	2.06

For the purpose of computing these ratios:

- earnings represent income from continuing operations plus income taxes and fixed charges (excluding capitalized interest and net income from investments in associated corporations);
- fixed charges, excluding interest on deposits, represent interest (including capitalized interest), estimated interest within rent, and amortization of debt issuance costs; and
- fixed charges, including interest on deposits, represent all interest.

### **Material Contracts**

The Bank has not entered into any contracts outside the ordinary course of the Bank's business which could materially affect the Bank's obligations in respect of any Senior Notes to be issued by the Bank.

### **Auditors**

KPMG LLP, Chartered Professional Accountants, Toronto, Canada, is the external auditor who prepared the Independent Auditors' Report of Registered Public Accounting Firm To the Shareholders of The Bank of Nova Scotia with respect to the consolidated statements of financial position of the Bank as at October 31, 2018 and October 31, 2017 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the years in the three-year period ended October 31, 2018 and notes, comprising a summary of significant accounting policies and other explanatory information, and who prepared the Independent Auditors' Report of Registered Public Accounting Firm To the Shareholders of The Bank of Nova Scotia on the Bank's internal control over financial reporting as of October 31, 2018. These financial statements and management's assessment of the effectiveness of the internal control over financial reporting as of October 31, 2018 have been incorporated by reference in reliance on their reports given on their authority as experts in auditing and accounting.

KPMG LLP is independent with respect to the Bank within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation. Further, KPMG LLP is an independent accountant with respect to the Bank under all relevant U.S. professional and regulatory Standards.

### **Legal and Arbitration Proceedings**

Save as disclosed in the Bank's Annual Information Form dated November 27, 2018, note 27 (Corporate income taxes \ Reassessment of dividend deductions) on pages 213 to 214 of the Bank's consolidated financial statements for the year ended October 31, 2018 contained in the Annual Report and note 21 (Corporate income taxes) on pages 70 of the Bank's 2019 Second Quarter Report to Shareholders, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), during the 12 month period preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Bank and the Bank's subsidiaries' (taken as a whole) financial position or profitability.

## Issuer and Programme Ratings

Each of Moody's, S&P, Fitch and DBRS has provided the following ratings for the Bank:

	<b>Moody's</b>	<b>S&amp;P</b>	<b>Fitch</b>	<b>DBRS</b>
Legacy Senior debt <sup>(1)</sup>	Aa2	A+	AA-	AA
Senior debt <sup>(2)</sup>	A2	A-	AA-	AA (low)
Short-term deposits/commercial paper	P-1	A-1	F1+	R-1 (high)
Subordinated debt	Baa1	A-	A+	A (high)
Subordinated debt (NVCC) <sup>(3)</sup>	Baa1	BBB+	N/A	A (low)
Subordinated additional tier 1 capital notes (NVCC) <sup>(3)</sup>	Baa3	BBB-	N/A	BBB(high)
Non-cumulative Preferred Shares	Baa3	BBB/P-2 <sup>(4)</sup>	N/A	Pfd-2 (high)
Non-cumulative Preferred Shares (NVCC) <sup>(3)</sup>	Baa3	BBB-/P-2(L) <sup>(4)</sup>	N/A	Pfd-2
Outlook	Stable	Stable	Stable	Stable
Counterparty Rating <sup>(5)</sup>	Aa2(cr)/P-1(cr)	N/A	AA-	N/A

<sup>(1)</sup> Includes Senior debt issued prior to September 23, 2018 and Senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization “bail-in” regime

<sup>(2)</sup> Subject to conversion under the bank recapitalization “bail-in” regime

<sup>(3)</sup> Non-Viability Contingent Capital (NVCC)

<sup>(4)</sup> Canadian Scale

<sup>(5)</sup> Counterparty Rating: Moody's - Counterparty Risk Assessment / S&P - Counterparty Resolution Rating / Fitch - Derivative Counterparty Rating / DBRS: - Critical Obligation Rating

None of S&P, Moody's, Fitch or DBRS (the “non-EU CRAs”) is established in the European Union or has applied for registration under the CRA Regulation. The ratings have been endorsed by each of S&P Global Ratings Europe Limited, Moody's Investors Service Ltd., DBRS Ratings Limited and Fitch Ratings Limited (the “EU CRAs”), as applicable, which are affiliates of S&P, Moody's, Fitch and DBRS, respectively, in accordance with the CRA Regulation. Each EU CRA is established in the European Union and registered under the CRA Regulation. As such each EU CRA is included in the list of credit rating agencies published by ESMA on its website in accordance with the CRA Regulation. ESMA has indicated that ratings issued in Canada which have been endorsed by an EU CRA may be used in the EU by the relevant market participants. Investors may suffer losses if the credit rating assigned to the Senior Notes does not reflect the then creditworthiness of such Senior Notes.

In addition, Senior Notes to be issued under the Programme have been rated Aa2 (Legacy Senior debt), A2 (Senior debt) and P-1 (Short term debt) by Moody's, A+ (Legacy Senior debt), A- (Senior debt) and A-1 (short term debt) by S&P, AA- (Legacy Senior debt) and AA- (Senior debt) by Fitch and AA (Legacy Senior Debt) and AA (low) (Senior debt) by DBRS. Senior Notes issued under the Programme may be rated or unrated. The ratings of a series of Senior Notes to be issued under the Programme may be specified in the applicable Final Terms. Where a Series of Senior Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. The rating of the Senior Notes is not a recommendation to purchase, hold or sell the Senior Notes, and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agencies. There is no assurance that the rating of the Senior Notes will remain for any given period of time or that the rating will not be lowered or withdrawn by the rating agencies if in their judgment circumstances so warrant. Investors are cautioned to evaluate each rating independently of any other rating. Investors may suffer losses if the credit rating assigned to the Senior Notes does not reflect the then creditworthiness of such Senior Notes.

## **Recent Developments**

The Bank confirmed on May 7, 2019 plans to create a Global Wealth Management business line, effective November 1, 2019.

On June 4, 2019, following its semi-annual review, OSFI set the Domestic Stability Buffer for Canadian D-SIBs, including the Issuer, at 2.00 per cent. of total risk-weighted assets, effective October 31, 2019 (up from 1.75 per cent. of total risk-weighted assets, effective April 30, 2019). This reflects OSFI's assessment that, on balance, the identified systemic vulnerabilities remain elevated while economic conditions continue to be accommodative. Specific vulnerabilities covered by the buffer continue to include: (i) Canadian consumer indebtedness; (ii) asset imbalances in the Canadian market; and (iii) Canadian institutional indebtedness.

## TERMS AND CONDITIONS OF THE SENIOR NOTES

*The following is the text of the terms and conditions of the Senior Notes (the “Conditions”) which, subject to completion in accordance with the provisions of the applicable Final Terms or applicable Pricing Supplement, as the case may be, will be applicable to the Senior Notes and, subject further to simplification by deletion of non-applicable provisions, will be endorsed on Senior Notes in definitive form (if any). Details of the Issuer and the relevant Series will be set out in Part A of the applicable Final Terms or applicable Pricing Supplement, as the case may be, and, in the case of the issue of Senior Notes in definitive form, the relevant portions will be endorsed on the definitive form of Senior Note. References in the Conditions to “Senior Notes” are to the Senior Notes of one Series only, not to all Senior Notes which may be issued under the Programme. In addition, the Conditions applicable to Bearer Global Notes and Global Certificates are modified or supplemented by additional provisions; see “Summary of Provisions Relating to the Senior Notes while in Global Form” below. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purpose of such Senior Notes. Capitalised terms not defined in the Conditions but which are defined in the applicable Final Terms will have the meanings given them in Part A of such Final Terms or Pricing Supplement, as the case may be, and “herein”, “hereof” or “hereon” when used in the Conditions shall include a reference to such Final Terms where appropriate.*

This Senior Note is one of a Series of notes (the “Senior Notes”), which expression shall mean (i) in regard to any Senior Notes represented by a Senior Note in temporary global form or in permanent global form (each a “Bearer Global Note”) or a Senior Note in registered form, units of the lowest Specified Denomination in the Currency specified hereon of the relevant Senior Notes, (ii) any Senior Note in definitive form issued in exchange for a Bearer Global Note, and (iii) any Bearer Global Note. The Senior Notes are issued pursuant to an Amended and Restated Agency Agreement dated June 18, 2019 (as amended or supplemented from time to time, the “Agency Agreement”), between The Bank of Nova Scotia as issuer (the “Bank” or the “Issuer”), The Bank of Nova Scotia, London Branch as fiscal agent (the “Fiscal Agent”) and principal paying agent, transfer agent, calculation agent and registrar (the “Registrar”), The Bank of Nova Scotia, Global Wholesale Operations as paying agent (together with the Fiscal Agent and any additional or other paying agents in respect of the Senior Notes from time to time appointed, the “Paying Agents”) and transfer agent (together with the Fiscal Agent and any additional or other transfer agents in respect of the Senior Notes from time to time appointed, the “Transfer Agents”), and with the benefit of the Deed of Covenant executed by the Bank dated June 18, 2019 (the “Deed of Covenant”). The initial Calculation Agent(s) (if any) is specified in the applicable Final Terms. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) appertaining to interest bearing Senior Notes in bearer form and, where applicable in the case of such Senior Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the instalment receipts (the “Receipts”) appertaining to the payment of principal by instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used herein, “Series” means all Senior Notes which are denominated in the same currency, which have the same Maturity Date and the same Interest Basis and Redemption/Payment Basis, if any, all as indicated in the applicable Final Terms, and the terms of which, save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated as aforesaid) are otherwise identical (including whether or not the Senior Notes are listed). As used herein, “Tranche” means all Senior Notes of the same Series with the same Issue Date and Interest Commencement Date. The final terms applicable to a Tranche of Senior Notes are set out in Part A of the Final Terms attached to or endorsed on the Senior Note which complete these Terms and Conditions (the “Conditions”) or, if this Senior Note is a Senior Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (an “Exempt Note”), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on the Senior Note and shall complete, and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify, the Conditions. References to “the applicable Final Terms” are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on the Senior Notes. Any reference in the Conditions to “applicable Final Terms” shall be deemed to include a

reference to “applicable Pricing Supplement” where relevant. The expression “Prospectus Directive” means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents. Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## **1. Form, Denomination and Title**

The Senior Notes are issued in the form specified in the applicable Final Terms. Senior Notes issued in bearer form are referred to herein as “Bearer Notes”, which expression includes Senior Notes which are specified to be Exchangeable Bearer Notes. Senior Notes issued in registered form are referred to herein as “Registered Notes”. Senior Notes issued in bearer form exchangeable for Registered Notes are referred to herein as “Exchangeable Bearer Notes”. Bearer Notes in definitive form will be serially numbered, in the Specified Currency and in the Specified Denomination(s). Senior Notes will be in such denominations as may be specified in the applicable Final Terms, save that the minimum denomination of each Senior Note shall in each case comply with all applicable legal, regulatory and central bank requirements.

*So long as the Bearer Notes are represented by a Temporary Bearer Global Note or Permanent Bearer Global Note and the relevant clearing system(s) so permit, the Senior Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in the applicable Final Terms and, if so provided in the applicable Final Terms, higher integral multiples of at least 1,000 in the relevant currency (the “Integral Amount”), notwithstanding that no definitive Notes will be issued with a denomination above the Definitive Amount in such currency. For purposes of these conditions, the “Definitive Amount” shall be equal to two times the lowest Specified Denomination minus the Integral Amount.*

Bearer Notes shall be issued in the new global note form if so specified in the applicable Final Terms.

The Senior Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, or a combination of any of the foregoing, in each case depending on the Interest Basis specified in the applicable Final Terms.

Senior Notes may be redeemable in full at maturity or Senior Notes may be Instalment Notes, depending on the Redemption/Payment basis specified in the applicable Final Terms. Bail-inable Notes (as defined below) will not be Instalment Notes.

If this Senior Note is an Exempt Note, this Senior Note may include terms and conditions not contemplated by the Conditions; in such event the relevant provisions will be included in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons (and, where appropriate, a Talon for further Coupons) attached, save in the case of Senior Notes which do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. The expression “Coupons” shall, where the context so requires, include Talons. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Title to Bearer Notes, Receipts or Coupons shall pass by delivery. The holder of each Coupon, whether or not such Coupon is attached to a Bearer Note, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Bearer Note. The holder of any Bearer Note, the



holder of any Receipt (a “Receipholder”) and any Coupon holder may, to the fullest extent permitted by applicable laws be treated at all times, by all persons and for all purposes as the absolute owner of such Senior Note, Receipt or Coupon, as the case may be, regardless of any notice of ownership, theft or loss or of any writing thereon.

Registered Notes are represented by certificates (“Certificates”), each Certificate representing one or more Senior Notes registered in the name of the recorded holder of such Certificate. Certificates for Registered Notes shall be issued in the lowest Specified Denomination or an integral multiple thereof.

Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the registered holder of any Registered Note, Receipt or Coupon shall be deemed to be and may be treated as the absolute owner of such Registered Note, Receipt or Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Registered Note, Receipt or Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions, “Noteholder” means the bearer of any Bearer Note in definitive form and the Coupons, Talons and Receipts relating to it, the person in whose name a Registered Note in definitive form is registered and unless otherwise specifically provided herein, in the case of a Bearer Global Note or a Global Certificate, a person that beneficially owns one or more Senior Notes represented thereby as defined below. In addition, “holder” (in relation to a Note, Receipt or Coupon) has the corresponding meaning and capitalised terms have the meanings given to them herein; the absence of any such meaning indicating that such term is not applicable to the Senior Notes.

## **2. Exchange of Exchangeable Bearer Notes and Transfers of Registered Notes**

### **(a) *Exchange of Exchangeable Bearer Notes:***

Subject as provided in Condition 2(e), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts and Coupons relating to it, at the specified office of the Registrar or any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 6(b)) for any payment of interest or Instalment Amount, the Coupon in respect of that payment of interest or Receipt in respect of that Instalment Amount need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one denomination may not be exchanged for Bearer Notes of another denomination. Bearer Notes which are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

### **(b) *Transfer of Registered Notes:***

Subject as provided in Condition 2(e), one or more Registered Notes may be transferred upon the surrender of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate in respect of the balance not transferred will be issued to the transferor.

### **(c) *Delivery of new Certificates:***

Each new Certificate to be issued upon exchange of Exchangeable Bearer Notes or transfer of Registered Notes will, within three business days (being a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Transfer Agent or the Registrar to whom such request for exchange or form of transfer shall have been delivered, as the case may be) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of

the Transfer Agent or of the Registrar (as the case may be) to whom such delivery shall have been made or, at the option of the holder making such delivery as aforesaid and as specified in the relevant request for exchange or form of transfer, be mailed at the risk of the holder entitled to the new Certificate to such address as may be specified in such request for exchange or form of transfer.

(d) ***Exchange free of charge:***

Exchange of Senior Notes on registration or transfer will be effected without charge by or on behalf of the Issuer thereof, the Registrar or the Transfer Agents, but on payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(e) ***Closed periods:***

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for a Registered Note (i) during the period of 15 days ending on the due date for redemption of that Senior Note, (ii) during the period of 15 days prior to any date on which Senior Notes may be redeemed by the Issuer thereof at its option pursuant to Condition 5(f) or (iii) after any such Senior Note has been drawn for redemption in whole or in part. An Exchangeable Bearer Note called for redemption may, however, be exchanged for a Registered Note in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

### **3. Status**

(a) ***Status of Senior Notes:***

The Senior Notes constitute deposit liabilities of the Bank for purposes of the *Bank Act* (Canada) and, together with the Receipts and Coupons relating to them, will rank *pari passu* with all present or future deposit liabilities of the Bank (except as otherwise prescribed by law and subject to the exercise of bank resolution powers), and without any preference amongst themselves. See “*Status – Bail-inable Notes*” below.

The Senior Notes will not be deposits insured under the *Canada Deposit Insurance Corporation Act* (the “CDIC Act”). Senior Notes issued by the Bank are not covered by the depositor protection provisions contained in section 13A of the *Banking Act 1959* of the Commonwealth of Australia (“Banking Act”), and will not entitle holders of Senior Notes to claim under Division 2AA – Financial claims scheme for account-holders with insolvent ADIs in the Banking Act.

(b) ***Bail-inable Notes:***

This Condition 3(b) will apply in respect of all Senior Notes issued by the Bank that are identified as Bail-inable Notes in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement (“Bail-inable Notes”). All Senior Notes that (i) have an original or amended term to maturity of more than 400 days, have one or more explicit or embedded options, that if exercised by or on behalf of the Bank, could result in a maturity date that is more than 400 days from the date of issuance of the Senior Note or that have an explicit or embedded option that, if exercised by or on behalf of the Noteholder, could by itself result in a maturity date that is more than 400 days from the maturity date that would apply if the option were not exercised; and (ii) are not otherwise excluded (e.g. structured notes (as such term is used under the Canadian bank recapitalization regime for banks designated by the Superintendent of Financial Institutions (Canada) (the “Superintendent”) as domestic systemically important banks (the “Bail-in Regime”)) under the Bail-in Regime, will be identified as Bail-inable Notes in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). Senior Notes that constitute structured notes (as such term is used under the Bail-in Regime) or are otherwise excluded under the Bail-in Regime will not be identified as Bail-inable Notes in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).

By its acquisition of an interest in Bail-inable Notes, each Noteholder (which, for the purposes of this Condition 3(b), includes each holder of a beneficial interest in such Bail-inable Notes) is deemed to:

- (i) agree to be bound, in respect of such Bail-inable Notes, by the CDIC Act, including the conversion of the Bail-inable Notes, in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the Bail-inable Notes in consequence, and by the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to such Bail-inable Notes (a “Bail-in Conversion”);
- (ii) attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes;
- (iii) have represented and warranted to the Bank that the Bank has not directly or indirectly provided financing to the Noteholder of the Bail-inable Notes for the express purpose of investing in Bail-inable Notes; and
- (iv) acknowledge and agree that the terms referred to in paragraphs (i) and (ii), above, are binding on such Noteholder despite any provisions in these Conditions, any other law that governs the Bail-inable Notes and any other agreement, arrangement or understanding between such Noteholder and the Bank with respect to such Bail-inable Notes.

The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate whether Senior Notes are Bail-inable Notes. All Bail-inable Notes will be subject to Bail-in Conversion.

Noteholders and beneficial owners of a Bail-inable Note will have no further rights in respect of a Bail-inable Note to the extent such Bail-inable Note is converted in a Bail-in Conversion, other than those provided under the Bail-in Regime, and by its acquisition of an interest in the Bail-inable Note, each Noteholder or beneficial owner of the Bail-inable Note is deemed to irrevocably consent to the converted portion of the principal amount of the Bail-inable Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of common shares of the Bank (or, if applicable, any of its affiliates) upon the occurrence of a Bail-in Conversion, which Bail-in Conversion shall occur without any further action on the part of that Noteholder or beneficial owner or the Paying Agents; provided that, for the avoidance of doubt, this consent shall not limit or otherwise affect any rights of that Noteholder or beneficial owner provided for under the Bail-in Regime.

Each Noteholder or beneficial owner of the Bail-inable Notes that acquires an interest in the Bail-inable Notes in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any such Noteholder or beneficial owner shall be deemed to acknowledge, accept, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders or beneficial owners that acquire an interest in the Bail-inable Notes upon their initial issuance, including, without limitation, with respect to the terms of the Bail-inable Notes related to the Bail-in Regime.

#### **4. Interest and Other Calculations**

- (a) *Senior Notes may be interest bearing or non-interest bearing as specified in the applicable Final Terms. Interest on Fixed Rate Notes:*

Each Fixed Rate Note bears interest on its outstanding Principal Amount from and including the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Interest Rate, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be calculated in accordance with Condition 4(f).

Where a Fixed Coupon Amount is specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on, but excluding such date, will amount to the Fixed Coupon Amount. Payment of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

(b) ***Business Day Convention:***

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Relevant Business Day, then, if the Business Day Convention specified is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Relevant Business Day and (B) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Relevant Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day.

(c) ***Interest Rate on Floating Rate Notes:***

Each Floating Rate Note bears interest on its outstanding Principal Amount from and including the Interest Commencement Date, such interest being payable in arrear on the Interest Payment Date(s).

Such interest will be payable in respect of each Interest Period. The amount of interest payable shall be determined in accordance with Condition 4(f).

The Interest Rate for each Interest Accrual Period or Interest Period will be determined by the Calculation Agent in respect of such Interest Accrual Period or Interest Period in the manner specified in the applicable Final Terms:

(i) **Screen Rate Determination for Floating Rate Notes**

(A) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and if the Primary Source is specified in the applicable Final Terms to be Screen Rate and the Benchmark is other than SONIA, the Interest Rate for each Interest Accrual Period or Interest Period, subject to Condition 4(l) will be:

- (x) the Relevant Rate (where such Relevant Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or
- (y) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on the Relevant Screen Page,

in each case appearing on such Relevant Screen Page (or such replacement page on that service which displays the information) at the Relevant Time on the Interest Determination Date;

(B) if the Primary Source is specified in the applicable Final Terms to be Reference Banks or if sub-paragraph (i)(A)(x) applies and no Relevant Rate appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(A)(y) above applies and fewer than two Relevant Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below,

the Interest Rate shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to major banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;

(C) if paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) which the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency which at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is euro in the principal financial centre of those member states that are participating in the European economic and monetary union whose lawful currency is the euro (the “Eurozone”) as selected by the Calculation Agent (either of such centres to be referred to herein as the “Principal Financial Centre”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration to leading banks carrying on business in Europe, or, if the Calculation Agent determines that fewer than two of such banks are so quoting, in the Principal Financial Centre, except that, if fewer than two of the banks in the Principal Financial Centre so selected by the Calculation Agent are quoting as aforesaid, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Interest Rate or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

Unless otherwise stated in the applicable Final Terms the Minimum Interest Rate shall be deemed to be zero.

(D) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined and the Benchmark in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA” (in which case this Condition 4(c)(i)(D) shall apply, and Conditions 4(c)(i)(A) to (C) shall not apply), the Interest Rate for each Interest Accrual Period will, subject to Condition 4(l) and as provided below, be Compounded Daily SONIA (as determined by the Calculation Agent).

“**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent, on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 per cent. being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_{t-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Accrual Period;

“**d<sub>0</sub>**” is the number of London Banking Days in the relevant Interest Accrual Period;

“*i*” is a series of whole numbers from one to  $d_0$ , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period to, but excluding the last London Banking Day in such Interest Accrual Period;

“**London Banking Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“ $n_i$ ”, for any London Banking Day “*i*”, means the number of calendar days from and including such London Banking Day “*i*” up to but excluding the following London Banking Day;

“**Observation Look-Back Period**” is as specified in the applicable Final Terms;

“**Observation Period**” means in respect of an Interest Accrual Period the period from and including the date falling “*p*” London Banking Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling “*p*” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which Senior Notes become due and payable;

“*p*”, for any Interest Accrual Period, the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Final Terms and which shall not be specified in the applicable Final Terms as less than five without the prior agreement of the Calculation Agent;

“**SONIA Reference Rate**”, in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such London Banking Day as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors, in each case, on the London Banking Day immediately following such London Banking Day; and

“**SONIA<sub>i-pLBD</sub>**” means, in respect of any London Banking Day falling in the relevant Interest Accrual Period, the SONIA Reference Rate for the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*”.

If, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, then unless the Calculation Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread or Benchmark Amendments) pursuant to Condition 4(l), if applicable, the SONIA Reference Rate in respect of such London Banking Day shall be:

- (a) (i) the Bank of England’s Bank Rate (the “Bank Rate”) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; and
- (b) if the Bank Rate is not published by the Bank of England as set out in subparagraph (a) above on the relevant London Banking Day, the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorized distributors).

Notwithstanding the paragraph above, and subject to Condition 4(l), in the event the Bank of England publishes guidance as to (i) how the SONIA Reference Rate is to be determined or (ii) any rate that is to replace the SONIA Reference Rate, the Calculation Agent shall, to the extent that it is reasonably practical, follow such guidance in order to determine the SONIA Reference Rate for any London Banking Day "i", for the purpose of the relevant series of the Floating Rate Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorized distributors.

If the relevant Series of Senior Notes become due and payable in accordance with Condition 9, the final Interest Rate shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Senior Note becomes so due and payable, and such Interest Rate shall continue to apply to the Senior Notes for so long as interest continue to accrue thereon as provided in Condition 4(h).

(ii) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be the relevant ISDA Rate. For the purposes of this sub-paragraph (ii), "ISDA Rate" for an Interest Accrual Period or Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as ISDA Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Senior Notes (the "ISDA Definitions") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph 4(c)(ii), "Floating Rate", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions and the term "ISDA Calculation Agent" has the meaning given to "Calculation Agent" in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Interest Rate shall be deemed to be zero.

(iii) CMS Rate for Floating Rate Notes

Where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be the CMS Reference Rate.

For the purposes of this sub-paragraph (iii), the "CMS Reference Rate" for an Interest Accrual Period or Interest Period means the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the CMS Maturity commencing on the first day of the relevant Interest Accrual Period or Interest Period (expressed as a percentage rate per annum) which appears on the Relevant Screen Page as at the Relevant Time on the relevant Interest Determination Date, all as determined by the Calculation Agent.

Subject to Condition 4(l):

- (A) if the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the CMS Reference Banks provide the Calculation Agent such quotations, the CMS Reference Rate for such Interest Accrual Period or Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) in the case of five quotations; and
- (B) If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Reference Rate shall be determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

(iv) Floating Rate Spread Notes

- (A) Where Floating Rate Spread is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Accrual Period or Interest Period will be calculated in accordance with the following formula:

Floating Rate Spread Rate 1 minus Floating Rate Spread Rate 2.

- (B) Floating Rate Spread Rate 1 and Floating Rate Spread Rate 2 will each be determined in accordance with the provisions of this Condition 4(c) and, in each case, Screen Rate Determination, ISDA Determination or CMS Rate will apply if specified in the applicable Final Terms, provided that, for such purposes, each reference to “Interest Rate” within Conditions 4(c)(i), 4(c)(ii) and 4(c)(iii) will be deemed to be a reference to “Floating Rate Spread Rate 1” or “Floating Rate Spread Rate 2”, as the case may be.
- (C) The applicable Final Terms will specify in respect of each Floating Rate Spread Rate the relevant terms for determining such Floating Rate Spread Rate, and may specify in respect of such Floating Rate Spread Rate, a Floating Rate Spread Rate Margin, a Floating Rate Spread Rate Multiplier, a Maximum Floating Rate Spread Rate or a Minimum Floating Rate Spread Rate.
- (D) If any Floating Rate Spread Rate Margin or Floating Rate Spread Rate Multiplier is specified in the applicable Final Terms in respect of a Floating Rate Spread Rate (either (x) generally, or (y) in relation to one or more Interest Accrual Periods or Interest Periods), an adjustment shall be made to such Floating Rate Spread Rate, in the case of (x), or to such Floating Rate Spread Rate for the specified Interest Accrual Periods or Interest Periods, in the case of (y), calculated by adding (if a positive number) or subtracting (if a negative number) the absolute value of the relevant Floating Rate Spread Rate Margin or multiplying by the relevant Floating Rate Spread Rate Multiplier to such Floating Rate Spread Rate, subject always to the next paragraph. If both a Floating Rate Spread Rate Margin and a Floating Rate Spread Rate Multiplier are specified to apply to a Floating Rate Spread Rate, the Floating Rate Spread Rate Multiplier will be applied first.

If any Maximum Floating Rate Spread Rate or Minimum Floating Rate Spread Rate is such relevant Floating Rate Spread Rate shall be subject to such maximum or minimum, as the case may be.



(d) ***Interest Rate on Zero Coupon Notes***

Where a Senior Note, the Interest Rate of which is specified to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due and payable, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Senior Note. As from the Maturity Date, the Interest Rate for any overdue principal of such a Senior Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

(e) ***Margin, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:***

(i) If any Margin or Rate Multiplier is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods or Interest Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods or Interest Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph. If both a Margin and a Rate Multiplier are specified to apply to an Interest Rate, the Rate Multiplier will be applied first.

(ii) If any Maximum Interest Rate, Minimum Interest Rate, Maximum Redemption Amount, Minimum Redemption Amount, Maximum Instalment Amount or Minimum Instalment Amount is specified in the applicable Final Terms, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(f) ***Calculations:***

The amount of interest payable per Calculation Amount in respect of any Senior Note for any Interest Period or Interest Accrual Period or such other period shall be equal to the product of the Interest Rate (adjusted as required by Condition 4(e)), the Calculation Amount specified in the applicable Final Terms and the Day Count Fraction for such Interest Period or Interest Accrual Period or such other period, unless an Interest Amount (or a formula for its calculation) is specified in respect of such Interest Period or Interest Accrual Period or other period, in which case the amount of interest payable per Calculation Amount in respect of such Senior Note for such period will equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, as specified in the applicable Final Terms, the amount of interest payable per Calculation Amount in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts which fall due and payable will be rounded to the nearest sub-unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen.

For these purposes “sub-unit” means with respect to any currency other than the euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(g) ***Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts:***

The Calculation Agent shall, as soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Interest Rate, Interest Amount, Redemption Amount or Instalment Amount, obtain any quote or make any determination or calculation, it will determine the Interest Rate and calculate the Interest Amount in respect of each Calculation Amount of the Senior Notes for the relevant Interest Accrual Period or Interest Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Accrual Period or Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Senior Notes which is to make a further calculation upon receipt of such information and, if the Senior Notes are listed on a stock exchange or other relevant authority and such exchange or other relevant authority so requires, such exchange or other relevant authority as soon as practicable after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Relevant Business Day (or, in the case of Senior Notes where SONIA is the Benchmark, two London Banking Days (as defined in Condition 4(c)(i)(D))) after such determination. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Senior Notes become due and payable under under Condition 9, the accrued interest and the Interest Rate payable in respect of the Senior Notes shall, save in the case of Senior Notes where SONIA is the Benchmark, nevertheless continue to be calculated in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(h) ***Interest Accrual:***

Interest will cease to accrue on each such Senior Note (or in the case of partial redemption of a Senior Note, that part only of such Senior Note) on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Senior Note have been paid; and
- (ii) five days after the date on which full payment of the moneys payable in respect of such Senior Note has been received by the Fiscal Agent.

(i) ***Exempt Notes:***

The rate or amount of interest payable in respect of Exempt Notes shall be determined in the manner specified in the applicable Pricing Supplement, provided that the Calculation Agent, if applicable, will notify the Agent of the Interest Rate or Interest Amount for the relevant Interest Period as soon as practicable after calculating the same.

(j) ***Definitions:***

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Benchmark” means the benchmark specified in the applicable Final Terms.

“Calculation Agent” means the Fiscal Agent or such other entity specified as the Calculation Agent in the applicable Final Terms;

“CMS Reference Banks” means (i) where the Reference Currency is euro, the principal office of five leading swap dealers in the interbank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London interbank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City interbank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre interbank market, in each case as selected by the Calculation Agent.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Senior Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the “Calculation Period”):

(i) If “Actual/365” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;

(iii) if “Actual/Actual — ICMA” is specified in the applicable Final Terms;

(A) in the case of Senior Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Senior Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

“Determination Period” means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

(iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;

(v) if “Actual/365 Sterling” is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365, or in the case of an Interest Payment Date falling in a leap year, 366;

(vi) if “30/360” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30; and

(vii) if “30E/360” or “Eurobond Basis” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30.

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the applicable Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Floating Rate Spread Rate” means each of Floating Rate Spread Rate 1 and Floating Rate Spread Rate 2 and, together the “Floating Rate Spread Rates”.

“Floating Rate Spread Rate 1” means the rate determined in accordance with these Conditions and in the manner specified in the applicable Final Terms.

“Floating Rate Spread Rate 2” means the rate determined in accordance with these Conditions and in the manner specified in the applicable Final Terms.

“Floating Rate Spread Rate Margin” means, (i) in respect of Floating Rate Spread Rate 1, Floating Rate Spread Margin 1 and in respect of Floating Rate Spread Rate 2, Floating Rate Spread Margin 2, in each case, as specified in the applicable Final Terms.

“Floating Rate Spread Rate Multiplier” means, (i) in respect of Floating Rate Spread Rate 1, Floating Rate Spread Multiplier 1 and in respect of Floating Rate Spread Rate 2, Floating Rate Spread Multiplier 2, in each case, as specified in the applicable Final Terms.

“Interest Accrual Period” means (i) the period beginning on, and including, the Interest Commencement Date and ending on, but excluding, the first Interest Period Date and each successive period beginning on, and including, an Interest Period Date and ending on, but excluding, the next succeeding Interest Period Date or (ii) such other period (if any) in respect of which interest is to be calculated being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, in the case of the scheduled final or early redemption of any Notes, shall be such redemption date, and in other cases where the relevant Notes become due and payable in accordance with Condition 9, shall be the date on which such Notes become due and payable).

“Interest Amount” means the amount of interest payable per Calculation Amount calculated in accordance with Condition 4(f) or as specified in the applicable Final Terms and in the case of Fixed Rate Notes, if so specified in the applicable Final Terms, shall mean the Fixed Coupon Amount(s) or Broken Amount(s).

“Interest Commencement Date” means the date of issue of the Senior Notes (the “Issue Date”) or such other date as may be specified in the applicable Final Terms.

“Interest Determination Date” means, with respect to an Interest Rate and Interest Period or Interest Accrual Period, the date specified as such in the applicable Final Terms or, if none is so specified, (i) the first day of such Interest Period or Interest Accrual Period if the Relevant Currency is Sterling or (ii) the day falling two Relevant Business Days in London prior to the first day of such Interest Period or Interest Accrual Period if the Relevant Currency is neither Sterling nor euro or (iii) the day falling two TARGET2 Settlement Days prior to the first day of such Interest Period or Interest Accrual Period if the Relevant Currency is the euro.

“Interest Payment Date” means either the Interest Payment Dates specified in the applicable Final Terms or, if no Interest Payment Dates are specified in the applicable Final Terms, each date which falls the number of months or other period specified in the applicable Final Terms as the Interest Period after the preceding Interest Payment Date, or in the case of the first Interest Payment Date, after the Interest Commencement Date, subject to adjustment in accordance with the applicable Business Day Convention.

“Interest Period” means the period beginning on, and including, the Interest Commencement Date and ending on, but excluding, the first Interest Payment Date and each successive period beginning on, and including, an Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified in the applicable Final Terms.

“Interest Rate” means the rate of interest payable from time to time in respect of the Senior Notes of a Series and which is either specified in or calculated in accordance with the provisions of the applicable Final Terms and in accordance with these Conditions.

“Maximum Floating Rate Spread Rate” means, (i) in respect of Floating Rate Spread Rate 1, Maximum Floating Rate Spread 1 and in respect of Floating Rate Spread Rate 2, Maximum Floating Rate Spread 2, in each case, as specified in the applicable Final Terms.

“Minimum Floating Rate Spread Rate” means, (i) in respect of Floating Rate Spread Rate 1, Minimum Floating Rate Spread 1 and in respect of Floating Rate Spread Rate 2, Minimum Floating Rate Spread 2, in each case, as specified in the applicable Final Terms.

“Redemption Amount” means the Final Redemption Amount, the Optional Redemption Amount or the Early Redemption Amount, as the case may be, specified in the applicable Final Terms.

“Reference Banks” means four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money market) which is most closely connected with the Benchmark.

“Reference Currency” means the Currency specified in the applicable Final Terms.

“Relevant Business Day” means:

(i) in the case of a Specified Currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre for that currency and/or each Business Centre (if any) specified in the applicable Final Terms; and/or

(ii) in the case of euro, a TARGET2 Settlement Day and a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each Business Centre (if any) specified in the applicable Final Terms.

“Relevant Currency” means the Currency specified in the applicable Final Terms or, if none is specified, the currency in which the Senior Notes are denominated.

“Relevant Financial Centre” means, with respect to any Floating Rate or CMS Rate to be determined on an Interest Determination Date, the financial centre as may be specified as such in the applicable Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark or CMS Rate is most closely connected (which in the case of the Euro Interbank Offered Rate (“EURIBOR”) shall be the Eurozone) or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Money 3000 Service (“Reuters”)) as may be specified for the purpose of providing a Relevant Rate or CMS Reference Rate, as the case may be, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organization providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate or CMS Reference Rate, as the case may be.

“Relevant Swap Rate” means:

(i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the CMS Maturity commencing on the first day of the relevant Interest Accrual Period or Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;

(ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the CMS Maturity commencing on the first day of the relevant Interest Accrual Period or Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the CMS Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the CMS Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;

(iii) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the CMS Maturity commencing on the first day of the relevant Interest Accrual Period or Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and

(iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

“Relevant Time” (i) where Screen Date Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre and, where the Primary Source for the Floating Rate is a Relevant Screen Page, the time as of which the Relevant Rate(s) appearing on such Relevant Screen Page is or are set and posted on such Relevant Screen Page and for this purpose “local time” means, with respect to Europe and the Eurozone as a Relevant Financial Centre, Central European Time or (ii) where CMS Rate is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, has the meaning specified in the Final Terms.

“Representative Amount” means, with respect to any Floating Rate or CMS Reference Rate to be determined on an Interest Determination Date, the amount specified in the applicable Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“Specified Duration” means, with respect to any Floating Rate to be determined on an Interest Determination Date, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 4(b).

“TARGET2” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on November 19, 2007 or any successor thereto.

“TARGET2 Settlement Day” means any day on which TARGET2 is open for the settlement of payments in euro.

(k) ***Calculation Agent and Reference Banks:***

The Issuer will procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the Conditions applicable to the Senior Notes and for so long as any Senior Notes are outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Senior Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or Interest Accrual Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint the London office of a leading bank engaged in the interbank market that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as calculation agent in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(l) ***Benchmark Discontinuation:***

(i) ***Independent Adviser***

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(l)(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(l)(iii)) and any Benchmark Amendments (in accordance with Condition 4(l)(iv)).

An Independent Adviser appointed pursuant to this Condition 4(l) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Calculation Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(l).

In making any determination pursuant to this Condition 4(l), the Issuer shall act in good faith and in a commercially reasonable manner and, in the absence of bad faith or fraud, the Issuer shall have no liability whatsoever to the Calculation Agent, the Issuing and Paying Agent or the Noteholders or the Couponholders for any such determination made by it.

If the Issuer is unable to appoint an Independent Adviser or unable to make the determination set out in Condition 4(l) (i), (ii), (iii) and (iv) in consultation with an Independent Adviser, the Issuer, acting in good faith and in a commercially reasonable manner, may make such determinations itself in accordance with the provisions of this Condition 4(l) and taking into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets, and subject always to any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms.



**(ii) Successor Rate or Alternative Rate**

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(l)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Senior Notes (subject to the further operation of this Condition 4(l)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(l)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Senior Notes (subject to the further operation of this Condition 4(l)).

**(iii) Adjustment Spread**

If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the relevant Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

**(iv) Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(l) and the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "Benchmark Amendments") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(l)(v), vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

No consent of Noteholders shall be required in connection with effecting the relevant Successor Rate or Alternative Rate (as may be applicable), Adjustment Spread and/or any Benchmark Amendments, or varying these Conditions and/or the Agency Agreement to give effect to such changes pursuant to this Condition 4(l), including the execution of any documents or the taking of any steps by the Issuer or any parties to any relevant documents (if required).

In connection with any such variation in accordance with this Condition 4(l)(iv), the Issuer shall comply with the rules of any stock exchange on which the Senior Notes are for the time being listed or admitted to trading.

**(v) Notices, etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(l) will be notified promptly by the Issuer to the Fiscal Agent and the Calculation Agent and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date(s) for such Successor Rate or Alternative Rate (as applicable), the Adjustment Spread (if any) and for the Benchmark Amendments, if any.

No later than one Business Day following the date of notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(l); and
- (B) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

**(vi) *Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 4(l) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 4(c)(i) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with Condition 4(l)(v). For the avoidance of doubt, this subparagraph 4(l)(vi) shall apply to the determination of the Interest Rate on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the operation of, and to adjustment as provided in, this Condition 4(l).

**(vii) *Definitions:***

As used in this Condition 4(l):

“Adjustment Spread” means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to provide an industry-accepted replacement rate for the Original Reference Rate; or
- (C) (if the Issuer determines there is no such spread, formula or methodology customarily applied) the Issuer determines, following consultation with the Independent Adviser (if any) and acting in good faith, is recognised or acknowledged as being the industry standard for

over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative to the Relevant Rate which the Issuer determines in accordance with Condition 4(l)(ii) as customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Senior Notes.

“Benchmark Amendments” has the meaning given to it in Condition 4(l)(iv).

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or it will cease publishing the Original Reference Rate permanently or indefinitely and no successor administrator has been appointed that will continue publication of the Original Reference Rate; or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (E) an official announcement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of its underlying relevant markets; or
- (F) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, as applicable),

provided that, in the case of paragraphs (B) to (D) above, the Benchmark Event shall occur on the date of the cessation of the Original Reference Rate, the discontinuation of the Original Reference Rate or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(l)(i).

“Original Reference Rate” means either (i) the Relevant Rate originally specified for the purposes of determining the Rate of Interest (or any component part(s) thereof) on the Senior Notes, or (ii) any Successor Rate or Alternative Rate which replaces the Original Reference Rate pursuant to the operation of this Condition 4(l).

“Relevant Nominating Body” means, in respect of a Relevant Rate:

- (A) the central bank, reserve bank, monetary authority or similar institution for the currency to which the Relevant Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Relevant Rate; or

- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (w) the central bank, reserve bank, monetary authority or similar institution for the currency to which the Relevant Rate relates, (x) any central bank or similar institution or other supervisory authority which is responsible for supervising the administrator of the Relevant Rate, (y) a group of the aforementioned central banks or other supervisory authorities or (z) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

## **5. Redemption, Purchase and Optional Redemption**

### **(a) *Final Redemption:***

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to the Issuer’s or Noteholder’s option in accordance with Condition 5(f) or (g), each Senior Note will be redeemed at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### **(b) *Redemption for taxation reasons:***

The Senior Notes may be redeemed at the option of the Issuer thereof in whole, but not in part, on any Interest Payment Date (if the Senior Note is a Floating Rate Note) or, if so specified herein, at any time (if the Senior Note is not a Floating Rate Note), on giving not less than 30 days’ nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount, (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer thereof has or would become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Canada or any province or territory thereof or, in the case of Senior Notes issued by a branch of the Bank outside Canada, of the country in which such branch is located or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, or any announced prospective change to the *Income Tax Act* (Canada) or the regulations thereunder or in the application or official interpretation thereof that, if enacted in the form proposed, would apply retroactively to and from a date prior to the date of its enactment (an “Announced Prospective Change”) which change (including any Announced Prospective Change) or amendment becomes (or in the case of an Announced Prospective Change, would become) effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which such Issuer would be obliged to pay such additional amounts were a payment in respect of the Senior Notes then due and provided further that in respect of Bail-inable Notes, where the redemption would lead to a breach of the Bank’s minimum total loss absorbing capacity (“TLAC”) requirements such redemption will be subject to the prior approval of the Superintendent. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two senior officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of such Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that such Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

### **(c) *Redemption due to TLAC Disqualification Event:***

This Condition 5(c) applies to Bail-inable Notes only.

Where a TLAC Disqualification Event Call is specified as being applicable in the relevant Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) relating to a Series of Bail-inable Notes, the Bank may, at its option, on giving not less than 30 days’ nor more than 60 days’ notice in accordance with Condition 13, redeem all but not less than all of the outstanding Senior Notes of the Series within 90 days after a TLAC Disqualification Event (as defined below) at the Early Redemption Amount,

together (if applicable) with any accrued but unpaid interest up to (but excluding) the date fixed for redemption. Such redemption will be subject to the prior approval of the Superintendent.

A “TLAC Disqualification Event” means the Office of the Superintendent of Financial Institutions (“OSFI”) has advised the Bank in writing that the Series of Bail-inable Notes will no longer be recognized in full as TLAC under the guideline for TLAC for banks in Canada in effect from time to time, as interpreted by the Superintendent, provided that a TLAC Disqualification Event shall not occur where the exclusion of the Series of Bail-inable Notes from the Bank’s TLAC requirements is due to the remaining term to maturity of such Series of Bail-inable Notes being less than any period prescribed by any relevant TLAC eligibility criteria applicable as of the Issue Date of the first Tranche of such Series of Bail-inable Notes.

(d) ***Purchases:***

The Issuer and any of its subsidiaries, if applicable, may at any time purchase Senior Notes issued by such Issuer (provided that all unmatured Receipts (if any) and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price, provided that in respect of Bail-inable Notes where the purchase would lead to a breach of the Bank’s minimum TLAC requirements, such purchase will be subject to the prior approval of the Superintendent. .

(e) ***Early Redemption of Zero Coupon Notes:***

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note prior to the Maturity Date, upon redemption of such Senior Note pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Senior Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Zero Coupon Note shall be the scheduled Early Redemption Amount of such Senior Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield applied on a compounded or non-compounded basis as specified in the applicable Final Terms (which, if none is specified in the applicable Final Terms, shall be such rate (compounded annually) as would produce an Amortised Face Amount equal to the issue price of the Senior Notes if they were discounted back to their issue price on the Issue Date). Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Final Terms.

(iii) If the Early Redemption Amount payable in respect of any such Senior Note upon its redemption pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Senior Note shall be the Amortised Face Amount of such Senior Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein to the Maturity Date were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment), until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Early Redemption Amount of such Senior Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(c)(ii).

(f) ***Redemption at the Option of the Issuer and Exercise of Issuer’s Options:***

If the Issuer’s Option is specified as applicable in the applicable Final Terms, the Issuer may, on giving not less than the minimum period nor more than the maximum period of irrevocable notice (in each case, as specified in the applicable Final Terms) to the Noteholders falling within the Issuer’s Option Period, redeem or exercise any Issuer’s Option in relation to, all or, if so provided in the applicable Final Terms, some of the Senior Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Senior Notes shall be at their Optional Redemption Amount

together with interest accrued to the date fixed for redemption, provided that in respect of Bail-inable Notes where the redemption would lead to a breach of the Bank's minimum TLAC requirements, such redemption will be subject to the prior approval of the Superintendent.

All Senior Notes in respect of which any such notice is given shall be redeemed, or the Issuer's Option shall be exercised by the Issuer, on the date specified in such notice in accordance with this Condition.

If so provided in the applicable Final Terms, the Issuer shall redeem a specified number of the Senior Notes on the date or dates so provided. Any such redemption of Senior Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption which may, if so specified in the applicable Final Terms, be payable in instalments or otherwise. Notice of such redemption shall be irrevocably given to the Noteholders in accordance with Condition 13, provided that Bail-inable Notes continue to be subject to a Bail-in Conversion prior to their repayment in full.

In the case of a partial redemption or a partial exercise of the Issuer's Option, the notice to Noteholders shall also contain the serial numbers of the Senior Notes to be redeemed, which shall have been drawn in such place as the Fiscal Agent may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and the requirements of any relevant stock exchange or other relevant authority.

**(g) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options:***

This Condition 5(g) is not applicable to Bail-inable Notes.

If the Noteholders' Option is specified as applicable in the applicable Final Terms, the Issuer shall, at the option of the holder of any such Senior Note, redeem such Senior Note on the date or dates so provided at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option, the holder must deposit such Senior Note with any Paying Agent (in the case of Bearer Notes) or the Certificate representing such Senior Note(s) with the Registrar or any Transfer Agent (in the case of Registered Notes) at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Option Period. No Senior Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. The Exercise Notice must be delivered to the Paying Agent not less than the minimum period of notice nor more than the maximum period of notice (in each case, as specified in the applicable Final Terms) prior to the relevant date for redemption.

**(h) *Redemption by Instalments:***

This Condition 5(h) is not applicable to Bail-inable Notes.

Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or the relevant Instalment Date (being one of the dates so specified in the applicable Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(f) or (g), each Senior Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified on it, whereupon the outstanding principal amount of such Senior Note shall be reduced by the Instalment Amount for all purposes.

**(i) *Cancellation:***

All Senior Notes purchased by or on behalf of the Issuer thereof or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Senior Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Senior Notes to the Registrar and, in

each case, if so surrendered, will, together with all Senior Notes redeemed by such Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Senior Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Senior Notes shall be discharged.

(j) ***Specific redemption provisions applicable to Exempt Notes:***

The Final Redemption Amount, the Optional Redemption Amount (if any) and the Early Redemption Amount (if any) in respect of Exempt Notes may be specified in, or determined in the manner specified in, the applicable Pricing Supplement.

**6. Payments and Talons**

(a) ***Bearer Notes:***

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Senior Note), Senior Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by credit or transfer to an account denominated in that currency maintained by or as directed by the holder with, a bank in the principal financial centre of that currency, provided that (i) in the case of euro, payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) or by a euro cheque; (ii) in the case of Japanese yen, the credit or transfer will be made to a non-resident Japanese yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan); and (iii) in the case of U.S. dollars, payments will be made by credit or transfer to a U.S. dollar account maintained by the holder outside the United States.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Senior Note to which they relate will not represent any obligation of the Issuer. Accordingly, the presentation of a Senior Note without the relevant Receipt or the presentation of a Receipt without the Senior Note to which it appertains shall not entitle the holder to any payment in respect of the relevant Instalment Amount.

(b) ***Registered Notes:***

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts or Optional Redemption Amounts) in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) in relation to (i) Registered Notes in global form, will be paid to the person shown on the Register at the close of business before the due date for payment thereof or (ii) in relation to Registered Notes in definitive form will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Senior Note at its address appearing in the Register maintained by the Registrar. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.

(c) ***Payments in the United States:***

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Senior Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts, and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to such Issuer.

(d) ***Payments subject to Fiscal and other laws:***

Payments will be subject in all cases, but without prejudice to the provisions of Condition 7, to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto. Any such amounts withheld or deducted as required pursuant to an agreement described in the Code will be treated as paid for all purposes under the Senior Notes, and no additional amounts will be paid on the Senior Notes with respect to any such withholding or deduction.

(e) ***Appointment of Agents:***

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and its respective specified office is listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and does not assume any obligation or relationship of agency or trust for or with any holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar or any Transfer Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Calculation Agent where the Conditions so require one, (v) a Paying Agent having a specified office in a European city which, so long as the Senior Notes are listed on the Official List and admitted to trading on the London Stock Exchange plc's Regulated Market, shall be London, and (vi) such other agents as may be required by any other stock exchange or other relevant authority on which the Senior Notes may be listed or as may be agreed between the Issuer and the relevant Dealer.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York in respect of any Senior Notes denominated in U.S. dollars in the circumstances described in Condition 6(c).

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 13.

(f) ***Unmatured Coupons and Receipts and unexchanged Talons:***

(i) Unless the applicable Final Terms provide that the unmaturing Coupons are to become void upon the due date for redemption of those Senior Notes, Bearer Notes should be surrendered for payment together with all unmaturing Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of two years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).



(ii) If the applicable Final Terms so provides, upon the due date for redemption of any Bearer Note, unexpired Coupons relating to such Senior Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Senior Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Senior Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note which provides that the unexpired Coupons are to become void upon the due date for redemption of those Senior Notes is presented for redemption without all unexpired Coupons and any unexpired Talon relating to it, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Senior Note is not an Interest Payment Date, interest accrued from the preceding Interest Payment Date or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Senior Note which only bears interest after its Maturity Date shall be payable on redemption of such Senior Note against presentation of the relevant Senior Note or Certificate representing it, as the case may be.

(g) ***Talons:***

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet), but excluding any Coupons which may have become void pursuant to Condition 8.

(h) ***Non-Business Days:***

Unless otherwise specified in the applicable Final Terms, if any date for payment in respect of any Senior Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation (if presentation is required), in each other place (if any) specified in the applicable Final Terms as a Financial Centre and:

(i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in such currency, a day on which foreign exchange transactions may be carried on in such currency in the principal financial centre of the country of such currency; or

(ii) in the case of a payment in euro, a day which is a TARGET2 Settlement Day.

(i) ***Redenomination:***

As may be indicated in the applicable Final Terms, the Issuer may, but shall not be obligated to, with respect to Senior Notes originally denominated in the national currency of a Member State of the European Union ("EU") that adopts the single Currency in accordance with the Treaty establishing the

European Community, as amended (the “Treaty”), without the consent of the holders of the Senior Notes, Certificates, Receipts, Coupons or Talons by giving at least 30 days’ notice in accordance with Condition 13, redenominate all, but not some only, of the Senior Notes into euro with effect from any Interest Payment Date or, in the case of Zero Coupon Notes, any date (the “Redenomination Date”) falling on or after the date on which such Member State of the EU has adopted the euro.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

- (a) such Senior Notes shall be deemed to be redenominated in euro with a principal amount for each Senior Note equal to the principal amount of that Senior Note in the currency of the participating Member State, converted into euro to the nearest euro 0.01 at the rate for conversion of the national currency of the participating Member State into euro established by the Council of the EU pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer determines, with the agreement of the Fiscal Agent, that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from the provision specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange or other relevant authority (if any) on which the Senior Notes may be listed and the Paying Agents of such deemed amendments;
- (b) if definitive Senior Notes are required to be issued, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 or such other denominations as the Fiscal Agent shall determine and notify to the Noteholders (the smallest such denomination being hereinafter referred to as the “Minimum Euro Denomination”);
- (c) if definitive Senior Notes have been issued, all unmatured Coupons denominated in the national currency of the participating Member State (whether or not attached to the Senior Notes) will become void with effect from the date on which the Issuer gives the notice (the “Exchange Notice”) that replacement euro-denominated Senior Notes and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Senior Notes so issued will also become void on that date although those Senior Notes will continue to constitute valid exchange obligations of the Issuer. New certificates in respect of euro-denominated Senior Notes and Coupons will be issued in exchange for Senior Notes and Coupons denominated in the national currency of the participating Member State in such manner as the Fiscal Agent may specify and as shall be notified to Noteholders in the Exchange Notice;
- (d) any balance remaining from the redenomination that is less than the Minimum Euro Denomination and greater than or equal to euro 0.01 shall be paid by way of cash adjustment rounded to the nearest euro 0.01 (with euro 0.005 being rounded upwards). Such cash adjustment will be payable in euro on the Redenomination Date in the manner notified to the Noteholders by the Issuer;
- (e) all payments in respect of such Senior Notes (other than, unless the Redenomination Date is on or after such date as the national currency of the participating Member State ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro;
- (f) Senior Notes, Certificates, Receipts, Coupons or Talons may only be presented for payment on a day on which commercial banks and foreign exchange markets are open for general business in the place of presentation and which is a TARGET2 Settlement Day;

- (g) the amount of interest in respect of such Senior Notes will be calculated by reference to the aggregate principal amount of Senior Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (h) if interest is required to be calculated for a period of less than 1 year, the Day Count Fraction will be “Actual/Actual”; provided, however, in relation to floating rate notes denominated in euro the Day Count Fraction will be “Actual/360”; and
- (i) upon any such redenomination of the Senior Notes, any reference in these Conditions and the applicable Final Terms to the relevant national currency shall, where the context so admits, be construed as a reference to euro.

## 7. Taxation

All payments of principal and interest in respect of the Senior Notes, the Receipts and the Coupons by or on behalf of the Issuer thereof will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of (i) Canada, any province or territory or political subdivision thereof or any authority therein or thereof having power to tax, or (ii) in the case of Senior Notes issued by a branch of the Bank located outside Canada, the country in which such branch is located or any subdivision thereof or any authority therein or thereof having power to tax, unless (in each case) the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law or the administration thereof. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and the Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Senior Notes, Receipts or (as the case may be) Coupons, in the absence of such withholding or deduction; except that no additional amounts shall be payable with respect to any payment in respect of any Senior Note, Receipt or Coupon:

(1) to, or to a third party on behalf of, a holder who is liable or subject to such taxes, duties, assessments or governmental charges in respect of such Senior Note, Receipt or Coupon for any reason other than the mere holding, or ownership or deemed holding, or ownership of such Senior Note, Receipt or Coupon as a non-resident or deemed non-resident of the jurisdiction imposing such tax, duty, assessment or governmental charge or who would not be liable or subject to such withholding or deduction by making a declaration of non-residence or other similar claim for exemption (including an application for relief under any applicable double tax treaty) to the relevant tax authority; or

(2) where payments are made by the Bank, to, or to a third party on behalf of, a holder in respect of whom such tax, duty, assessment or governmental charge is required to be withheld or deducted by reason of the holder being a person with whom the Bank is not dealing at arm’s length (within the meaning of the *Income Tax Act* (Canada)); or

(3) on account of any such taxes, duties, assessments or governmental charges required to be withheld or deducted by any paying agent, collecting agent or other intermediary from a payment on a Senior Note, Receipt or Coupon if such payment can be made without such deduction or withholding by another paying agent, collecting agent or other intermediary; or

(4) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day, assuming that day to have been a Payment Date.

As used in these Conditions, “Relevant Date” in respect of any Senior Note, Receipt or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 13 that, upon further presentation of the Senior Note (or relative Certificate), Receipt or Coupon being

made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to “principal” shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7;
- (b) the Final Redemption Amount of the Senior Notes;
- (c) the Early Redemption Amount of the Senior Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Senior Notes;
- (e) in relation to Senior Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount; and
- (g) any premium and any other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it which may be payable by the Issuer under or in respect of the Senior Notes.

Any reference in these Terms and Conditions to interest in respect of the Senior Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under this Condition 7.

## **8. Prescription**

Claims against the Issuer for payment in respect of the Senior Notes, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within two years from the appropriate Relevant Date in respect thereof.

## **9. Events of Default**

If any of the following events (“Events of Default”) occurs and is continuing, the holder of any Senior Note may give written notice to the Fiscal Agent at its specified office that such Senior Note is immediately repayable, whereupon the Redemption Amount of such Senior Note together with accrued interest to the date of payment shall become immediately due and payable:

- (i) in relation to Senior Notes that are not Bail-inable Notes:
  - (a) if default is made for more than 30 days (in the case of interest) or five days (in the case of principal) in the payment on the due date of interest or principal in respect of any such Senior Notes; or
  - (b) if the Bank shall become insolvent or bankrupt or subject to the provisions of the *Winding-up and Restructuring Act* (Canada) (“WURA”), or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, as may be amended from time to time, or if the Bank goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency.
- (ii) in relation to Bail-inable Notes:
  - (a) if default is made for more than 30 Relevant Business Days (as defined in Condition 4(j)) in the payment on the due date of interest or principal in respect of any such Senior Notes; or

- (b) if the Bank shall become insolvent or bankrupt or subject to the provisions of WURA, or any statute hereafter enacted in substitution therefor, as such Act, or substituted Act, may be amended from time to time, or if the Bank goes into liquidation, either voluntary or under an order of a court of competent jurisdiction, passes a resolution for the winding-up, liquidation or dissolution of the Bank, is ordered wound-up or otherwise acknowledges its insolvency.

Noteholders may only exercise rights under this Condition 9 in respect of Bail-inable Notes where an order has not been made pursuant to subsection 39.13(1) of the CDIC Act in respect of the Bank. Notwithstanding the exercise of any rights by Noteholders under this Condition 9 in respect of Bail-inable Notes, Bail-inable Notes will continue to be subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares under subsection 39.2(2.3) of the CDIC Act until their repayment in full. A conversion of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act will not be an Event of Default. By its acquisition of the Bail-inable Notes, each holder (including each holder of a beneficial interest in any Bail-inable Note), to the extent permitted by law, waives any and all claims, in law and/or in equity, against the Fiscal Agent (in each case solely in its capacity as Fiscal Agent), for, agrees not to initiate a suit against the Fiscal Agent in respect of, and agrees that the Fiscal Agent shall not be liable for, any action that the Fiscal Agent takes, or abstains from taking, in either case in accordance with the conversion of Bail-inable Notes into common shares under subsection 39.2(2.3) of the CDIC Act.

## **10. Meeting of Noteholders and Modifications**

### **(a) *Meetings of Noteholders:***

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Senior Notes (including these Conditions insofar as the same may apply to such Senior Notes). An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether present or not at any meeting and whether or not they voted on the resolution, and on all relevant Receiptholders and Couponholders.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Senior Notes for the time being outstanding, or at any adjourned meeting two or more persons holding or representing Noteholders whatever the nominal amount of the Senior Notes so represented, unless the business of such meeting includes consideration of proposals, *inter alia*, to: (i) amend the dates of maturity or redemption of the Senior Notes, any Instalment Date or any date for payment of interest thereon, (ii) reduce or cancel the principal amount or any Instalment Amount of, or any premium payable on redemption of, the Senior Notes, (iii) reduce the rate or rates of interest in respect of the Senior Notes or vary the method or basis of calculating the Interest Amount in respect thereof, (iv) if a Minimum Interest Rate, a Maximum Interest Rate, a Minimum Redemption Amount, a Maximum Redemption Amount, a Minimum Instalment Amount or a Maximum Instalment Amount is specified in the applicable Final Terms, reduce any such Minimum Interest Rate, Maximum Interest Rate, Minimum Redemption Amount, Maximum Redemption Amount, Minimum Instalment Amount or Maximum Instalment Amount, as the case may be, (v) change any method of calculating the Redemption Amount, (vi) save as provided in Condition 6(i), change the currency or currencies of payment or denomination of the Senior Notes, (vii) take any steps which as specified herein may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than seventy-five per cent., or at any adjourned meeting, not less than twenty-five per cent., in nominal amount of the Senior Notes for the time being outstanding.

(b) ***Modification of Agency Agreement:***

The Agency Agreement, the Senior Notes and any Receipts and Coupons attached to the Senior Notes may be amended by the Issuer and the Fiscal Agent without the consent of the holder of any Senior Note, Receipt or Coupon (i) for the purpose of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (ii) to make any further modifications of the terms of the Agency Agreement necessary or desirable to allow for the issuance of any additional Senior Notes (which modifications shall not be materially adverse to holders of outstanding Senior Notes) or (iii) in any manner which the Issuer and the Fiscal Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Senior Notes, Receipts and Coupons.

(c) ***Written Resolutions***

The Agency Agreement provides that a written resolution signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of Senior Notes outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(d) ***Bail-inable Notes***

Notwithstanding anything in this Condition 10, where any amendment, modification or other variance of any Bail-inable Notes may affect their recognition by the Superintendent as TLAC, in addition to such other approvals as may be required under the Conditions, such that amendment, modification or variance will require the prior approval of the Superintendent.

**11. Replacement of Senior Notes, Certificates, Receipts, Coupons and Talons**

If a Senior Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, listing authority and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 13, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Senior Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Senior Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Senior Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

**12. Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Senior Notes except as regards the issue date, the issue price and/or the payment of interest accruing prior to the Issue Date of such additional Senior Notes or the payment of interest following the Issue Date and so that the same shall be consolidated and form a single series with such Senior Notes, and references in these Conditions to "Senior Notes" shall be construed accordingly.

**13. Notices**

Notices to the holders of Registered Notes will be mailed to them at their respective addresses in the Register and will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if published in a daily newspaper of general circulation in the United Kingdom (which is expected to be the Financial Times). If any such publication in such newspaper is not practicable, notice will be validly given if published in another leading daily English language newspaper of general circulation in the United

Kingdom. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange or any other relevant authority on which the Senior Notes are listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Senior Note or Senior Notes, with the Fiscal Agent.

#### **14. Currency Indemnity**

Any amount received or recovered in a currency other than the currency in which payment under the relevant Senior Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction in the winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to the recipient from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Senior Note, Coupon or Receipt which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Senior Note, Coupon or Receipt, the Issuer shall indemnify the recipient against any loss sustained by the recipient as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. If the amount received or recovered is more than the amount expressed to be due to the recipient under any Senior Note, Coupon or Receipt (after taking into account the costs of making any such purchase), the recipient shall pay the amount of such excess to the Issuer thereof. For the purposes of this Condition, it will be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that such Noteholder or Couponholder, as the case may be, would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Senior Note, Coupon or Receipt or any other judgment or order.

#### **15. Waiver of set-off and netting rights**

No Noteholder or beneficial owner of an interest in the Bail-inable Notes may exercise, or direct the exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Bank arising under, or in connection with, the Bail-inable Notes, and each Noteholder or beneficial owner of an interest in the Bail-inable Notes shall, by virtue of its acquisition of any Bail-inable Note (or an interest therein), be deemed to have irrevocably and unconditionally waived all such rights of set-off, netting, compensation or retention. Notwithstanding the foregoing, if any amounts due and payable to any Noteholder or beneficial owner of an interest in the Bail-inable Notes by the Bank in respect of, or arising under, the Bail-inable Notes are purportedly discharged by set-off, netting, compensation or retention, without limitation to any other rights and remedies of the Bank under applicable law, such Noteholder or beneficial owner of an interest in the Bail-inable Notes shall be deemed to receive an amount equal to the amount of such discharge and, until such time as payment of such amount is made, shall hold such amount in trust for the Bank and, accordingly, any such discharge shall be deemed not to have taken place and such set-off, netting, compensation or retention shall be ineffective.

#### **16. Branch of Account**

(a) For the purposes of the *Bank Act* (Canada) the branch of account of the Issuer for the deposit liabilities under the *Bank Act* (Canada) evidenced by the Senior Note shall be either the head office

in Toronto of the Issuer or London branch as specified in the applicable Final Terms (the “Branch of Account”). If not specified in the applicable Final Terms, the Branch of Account will be the head office in Toronto of the Issuer. Senior Notes, irrespective of the Branch of Account specified in the applicable Final Terms, are obligations of the Bank.

(b) Senior Notes will be paid without the necessity of first being presented for payment at the Branch of Account.

(c) If the Branch of Account in respect of Senior Notes is not in Canada, the Issuer may change the Branch of Account for the deposit liabilities under the *Bank Act* (Canada) evidenced by the Senior Note upon not less than seven days’ prior notice to the Noteholders given in accordance with Condition 13 and upon and subject to the following terms and conditions:

- (i) if the Senior Note is denominated in Yen, the Branch of Account shall not be in Japan;
- (ii) the Issuer shall indemnify and hold harmless the holders of the Senior Notes and Coupons relating thereto against any tax, duty, assessment or governmental charge which is imposed or levied upon such holder as a consequence of such change, and shall pay the reasonable costs and expenses of the Fiscal Agent and the Registrar in connection with such change;
- (iii) notwithstanding (ii) above, no change of the Branch of Account may be made unless immediately after giving effect to such change (a) no Event of Default, and no event which, after the giving of notice or lapse of time or both, would become an Event of Default shall have occurred and be continuing and (b) payments of principal, interest or other amounts on Senior Notes of this Series and Coupons relating thereto to holders thereof (other than Excluded Holders, as hereinafter defined) shall not, in the opinion of counsel to the Issuer, be subject to any taxes, as hereinafter defined, to which they would not have been subject had such change not taken place. For the purposes of this section, an “Excluded Holder” means a holder of a Senior Note of this Series or Coupon relating thereto who is subject to taxes by reason of its having some connection with the Relevant Jurisdiction other than the mere holding of a Senior Note of this Series or Coupon as a non- resident of such Relevant Jurisdiction. “Relevant Jurisdiction” means Canada, its provinces or territories and the jurisdiction in which the new Branch of Account is located, and “taxes” means any tax, duty, assessment or other governmental charge imposed or levied in respect of the payment of the principal of the Senior Notes of this Series or interest thereon for or on behalf of a Relevant Jurisdiction or any authority therein or thereof having power to tax;
- (iv) in the case of Bail-inable Notes, if the change is to another Branch of Account outside of Canada, prior approval of the Superintendent shall be required.

## **17. Governing Law; Submission to Jurisdiction**

The Senior Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein. The relevant agreements relating to the Programme are governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The parties have not exclusively submitted in the relevant agreements to the courts in Canada and the choice of Ontario and Canadian law does not limit or restrict (i) legal proceedings to the courts of Ontario or of Canada or (ii) the commencement of legal proceedings in other appropriate jurisdictions. By its acquisition of an interest in any Bail-inable Notes, each Noteholder or beneficial owner of any Bail-inable Notes is deemed to attorn to the jurisdiction of the courts in the Province of Ontario with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Bail-inable Notes. If legal proceedings were commenced in Ontario in relation to the Programme, it is likely that they would be commenced in the Ontario Superior Court of Justice.



## **SUMMARY OF PROVISIONS RELATING TO THE SENIOR NOTES WHILE IN GLOBAL FORM**

*Any reference in this section to “applicable Final Terms” shall be deemed to include a reference to “applicable Pricing Supplement” where relevant.*

### **Initial Issue of Senior Notes**

The Senior Notes may be issued in bearer form only, in bearer form exchangeable for Registered Notes or in registered form only. Each Tranche of Bearer Notes having an original maturity of more than one year will initially be represented by a Temporary Bearer Global Note and each Tranche of Bearer Notes having an original maturity of one year or less will initially be represented by a Permanent Bearer Global Note, in each case, in bearer form without Coupons, Receipts or Talons attached. The relevant Bearer Global Note will (i) if the Bearer Global Notes are intended to be issued in the NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg; and (ii) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the issue date thereof to the Common Depository on behalf of Euroclear and/or Clearstream, Luxembourg or the depository for any other agreed clearing system.

Senior Notes issued in registered form will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series (subject to the provisions of the Agency Agreement). Registered Notes which are held in Euroclear and Clearstream, Luxembourg will be registered in the name of the nominee for the common depository for both systems or in the name of a nominee of a Common Safekeeper or, if held in any other agreed clearing system, in the name of a nominee for such clearing system and the relative Certificate(s) will be deposited with the Common Depository, Common Safekeeper or depository, as the case may be.

If the Bearer Global Note is not an NGN or the Global Certificate is not held under NSS, as the case may be, upon the initial deposit of a Bearer Global Note with the Common Depository, or the initial registration in the name of nominees for Euroclear and/or Clearstream, Luxembourg or such other clearing system as may be agreed between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable), or a common nominee, and delivery of the relative Global Certificate(s) to the appropriate depositories, or a Common Depository, for Euroclear or Clearstream, Luxembourg (or such other clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable) (each an “Approved Intermediary”)) Euroclear and/or Clearstream, Luxembourg will credit each subscriber with a principal amount of Senior Notes equal to the principal amount thereof for which it has subscribed and paid.

If the Bearer Global Note is an NGN or the Global Certificates are held under NSS, as the case may be, the Bearer Global Note or the Global Certificate will be delivered on or prior to the issue date of the Tranche to a Common Safekeeper. The amount of the Senior Notes (if the Bearer Global Note is a NGN) shall be the aggregate principal amount from time to time entered in the records of Euroclear and/or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the principal amount of Senior Notes represented by the Bearer Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time. Any reference to Euroclear or Clearstream, Luxembourg, whenever the context so permits, shall be deemed to include a reference to any additional or alternative clearing system as may be agreed to between the Issuer, the relevant Dealer, the Fiscal Agent and the Registrar (if applicable).

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form or the Global Certificates are held under NSS, as the case may be, the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, will specify whether or not such Bearer Global Notes or Global Certificates are intended to be held in a manner which would allow Eurosystem eligibility. Neither depositing the Bearer Global Notes or the Global Certificates with a Common Safekeeper nor indicating that they are to be held in a manner which would allow Eurosystem eligibility necessarily means that the Senior Notes of the relevant Tranche will be recognized 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 satisfaction of the Eurosystem eligibility criteria. As of April 16, 2018, unsecured bank bonds issued by credit institutions not established in the EU (including the Senior Notes) denominated in any currency are not eligible to be used as collateral in the Eurosystem.

### **Relationship of Accountholders with Clearing Systems**

For so long as any of the Senior Notes is represented by a Bearer Global Note or a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who for the time being is shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of such Senior Note (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Senior Note standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer and any Paying Agent as the holder of such principal amount in accordance with and subject to the terms of the relevant Bearer Global Note or Global Certificate and the expressions “Noteholder” and “holder” and related expressions shall be construed accordingly.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg or such Approved Intermediary as the holder of a Senior Note represented by a Bearer Global Note or a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be) for his or her share of each payment made by the Issuer to the bearer of such Bearer Global Note or the registered holder of the Global Certificate, as the case may be, and in relation to all other rights arising under the Bearer Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg or such Approved Intermediary (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Senior Notes for so long as the Senior Notes are represented by such Bearer Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Bearer Global Note or the registered holder of the Global Certificate, as the case may be, in respect of each amount so paid.

By its acquisition of an interest in a Bail-inable Note, each Noteholder or beneficial owner of an interest in a Bail-inable Note is deemed to have authorised, directed and requested Euroclear and Clearstream, Luxembourg and any direct participant in such clearing system or other intermediary through which it holds the Bail-inable Note to take any and all necessary action, if required, to implement the Bail-in Conversion or any other action pursuant to the Bail-in Regime with respect to the Bail-inable Note, as may be imposed on it, without any further action or direction on the part of that Noteholder or beneficial owner or the Paying Agents, except as required in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or the intermediary, as applicable.

### **Amendment to Conditions**

The Temporary Bearer Global Notes, Permanent Bearer Global Notes and Global Certificates contain provisions which apply to the Senior Notes which they represent, some of which modify the effect of the terms and conditions of the Senior Notes set out in this document. The following is a summary only of certain of those provisions:

*Exchange.* Each Temporary Bearer Global Note will be exchangeable in whole or in part for interests in a Permanent Bearer Global Note or, if so provided in a Temporary Bearer Global Note, for definitive Bearer Notes (as described in the next paragraph) after the date falling not earlier than 40 days after the Issue Date of the Senior Notes upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement in the case of Bearer Notes or, in the case of Exchangeable Bearer Notes, for Certificates any time after the Issue Date in the case of Registered Notes. Each Permanent Bearer Global Note is exchangeable in whole at the request of the holder (i) if so provided in a Permanent Bearer Global Note, or (ii) if a Permanent Bearer Global Note is held on behalf of Euroclear or Clearstream, Luxembourg and either of such clearing systems is closed for business for a continuous period of 14 days

(other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) if an event of default has occurred and continues to occur in relation to the Senior Notes represented thereby, at the cost and expense of the Issuer, for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) Certificates by such holder giving notice to the Fiscal Agent, or by the Issuer giving notice to the Fiscal Agent and the relevant Noteholders of its intention to exchange (at the option, cost and expense of such Issuer) such Permanent Bearer Global Note for definitive Bearer Notes or (in the case of Exchangeable Bearer Notes) Certificates, in each case on or after the Exchange Date specified in the notice.

On or after any Exchange Date (as defined below) the holder of a Permanent Bearer Global Note may surrender such Permanent Bearer Global Note to the Fiscal Agent. In exchange for any Permanent Bearer Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Bearer Notes (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts which have not already been paid on the Permanent Bearer Global Note and a Talon), or, in the case of Exchangeable Bearer Notes, the relevant Certificate security printed in accordance with any applicable legal and stock exchange or regulatory authority requirements and in or substantially in the form set out in Schedule 2 to the Agency Agreement. On exchange in full of each Permanent Bearer Global Note, the Issuer will, if the holder so requests, procure that such Bearer Global Note is cancelled and returned to the holder together with the relevant definitive Bearer Notes or, in the case of Exchangeable Bearer Notes, the relevant Certificate.

If the Bearer Global Note is an NGN, on or after any due date for exchange, the Issuer thereof will procure that details of such exchange be entered pro rata in the records of the relevant clearing system.

“Exchange Date” means a day falling not less than 60 days after that date on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of an exchange pursuant to (ii) above, in the cities in which the relevant clearing system is located.

The exchange of a Permanent Bearer Global Note for definitive Notes at the request of any holder should not be expressed to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement if the Senior Notes are issued with a minimum Specified Denomination of at least €100,000 (or its equivalent in another currency) (or, in the case of Exempt Notes only, such other amount, as provided in the applicable Pricing Supplement) plus one or more higher integral multiples of another smaller amount (such as 1,000) in the relevant currency. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Senior Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Notes.

*Payments.* No payment falling due more than 40 days after the Issue Date will be made on a Temporary Bearer Global Note unless exchange for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes or Certificates is improperly withheld or refused. Payments on any Temporary Bearer Global Note during the period up to 40 days after its Issue Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form required by the clearing systems. All payments in respect of Senior Notes represented by a Bearer Global Note which is not an NGN will be made against presentation for endorsement and, if no further payment is to be made in respect of the Senior Notes, surrender of that Bearer Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. In respect of Bearer Notes not held in NGN form, a record of each payment so made will be endorsed in the appropriate schedule to each Bearer Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Senior Notes. In respect of Bearer Notes held in NGN form, a record of each payment shall be entered *pro rata* in the records of Euroclear or Clearstream, Luxembourg and, upon any such entry being made, the principal amount of the Senior Notes recorded in the records of Euroclear or Clearstream, Luxembourg and represented by the Bearer Global Note shall be reduced by the aggregate principal amount of the Senior Notes so redeemed or purchased and cancelled by the aggregate amount of such instalment so paid. Payments under any Senior Notes in NGN form will be made to the holder of such Senior Note. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

Following redenomination of any Senior Notes pursuant to Condition 6(i), the amount of interest due in respect of such Senior Notes represented by a Bearer Global Note or Global Certificate, as the case may be, will be calculated by reference to the aggregate principal amount of such Senior Notes and the amount of such payment shall be rounded down to the nearest euro 0.01.

*Notices.* So long as any Senior Notes are represented by a Bearer Global Note or Global Certificate and such Bearer Global Note or Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, notices to Noteholders of that Series may be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg for communication by it to entitled accountholders in substitution for publication or mailing, as applicable, as required by the Conditions or by delivery of the relevant notice to the holder of the Bearer Global Note or Global Certificate. Any such notice shall be deemed to have been given to the holders of the Senior Notes on the day on which such notice was given to Euroclear or Clearstream, Luxembourg, as applicable.

Notices to be given by any Noteholder may be given to the Fiscal Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

*Prescription.* Claims against the Issuer for payment in respect of any Senior Notes shall be prescribed and become void unless made within a period of 2 years from the appropriate Relevant Date (as defined in Condition 7).

*Meetings.* The holder of a Bearer Global Note or a Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each minimum denomination of Senior Notes for which such Bearer Global Note or Global Certificate may be exchanged.

*Purchase and Cancellation.* Cancellation of any Senior Note surrendered for cancellation following its purchase will be effected by reduction in the principal amount of the relevant Bearer Global Note or relevant Registered Notes represented by a Global Certificate.

*Default.* Each Bearer Global Note and Global Certificate provides that the holder may cause such Bearer Global Note, or a portion of it, or one or more Registered Notes represented by such Global Certificate to become due and repayable in the circumstances described in, and as limited by the restrictions set forth in, Condition 9 by stating in the notice to the Fiscal Agent the principal amount of such Bearer Global Note or one or more Registered Notes which will become due and repayable. Following the giving of a notice of an event of default by or through a common depository for Euroclear and/or Clearstream, Luxembourg or if the holder of a Bearer Global Note so elects, the holder of the Bearer Global Note or the registered holder of the Global Certificate will cease to have rights to the extent of the specified portion and the persons entitled to such portion as accountholders with Euroclear or Clearstream, Luxembourg will acquire direct enforcement rights against the Issuer under the terms of the relevant Deed of Covenant as if they were holders of definitive Notes.

*Issuer's Option.* No drawing of Senior Notes will be required under Condition 5 in the event that the Issuer thereof exercises any option relating to those Senior Notes while all such Senior Notes which are outstanding are represented by a Permanent Bearer Global Note or Global Certificate. In the event that any option of such Issuer is exercised in respect to some but not all of the Senior Notes of any Series, the rights of accountholders with Euroclear or Clearstream, Luxembourg in respect of the Senior Notes will be governed by the standard procedures of Euroclear or Clearstream, Luxembourg and this shall be reflected in the records of Euroclear or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount at their discretion.

*Noteholders' Option.* Any Noteholders' option may be exercised by the holder of a Senior Note giving notice to the Fiscal Agent or the Registrar, as applicable, of the principal amount of Senior Notes in respect of which the option is exercised within the notice period in accordance with the standard procedures of the clearing systems (which may include notice being given on the holder's instruction by the relevant clearing system or any common depository or common safekeeper, as the case may be, for

them to be delivered to the Fiscal Agent or the Registrar, as the case may be, by electronic means) in a form acceptable to the relevant clearing systems from time to time.

*NGN nominal amount.* Where the Bearer Global Note is a NGN, the Issuer thereof shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Senior Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Senior Notes represented by such Bearer Global Note shall be adjusted accordingly.

*Integral multiples of less than €100,000 (or the equivalent of such amounts in another currency as at the date of issue of the Senior Notes).* So long as the Senior Notes are represented by a Temporary Bearer Global Note or Permanent Bearer Global Note or a Global Certificate and the relevant clearing system(s) so permit, the Senior Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) as provided in the applicable Final Terms and higher integral multiples of at least 1,000 in the relevant currency if specified in the applicable Final Terms (the “Integral Amount”), notwithstanding that no definitive Notes will be issued with a denomination above the Definitive Amount in such currency. The “Definitive Amount” shall be equal to two times the lowest Specified Denomination minus the Integral Amount. If a Bearer Global Note or Global Certificate is exchangeable for definitive Notes at the option of the Noteholder, the Senior Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

*Written Resolution and Electronic Consent.* While any Senior Note is held on behalf of a clearing system, then:

- (i) *Electronic Consent.* Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s), the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Senior Notes outstanding ("**Electronic Consent**") by close of business on the date by which such electronic consents must be received in order of them to be validly given.
- (ii) *Written Resolution:* Where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Fiscal Agent, as the case may be, (a) by accountholders in the clearing system(s) with entitlements to such Senior Note (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held.

## **USE OF PROCEEDS**

The net proceeds from each issue of Senior Notes will be added to the general funds of the Issuer thereof or as may otherwise be disclosed in the applicable Final Terms or applicable Pricing Supplement, in the case of Exempt Notes.

## CERTAIN TAX LEGISLATION AFFECTING THE SENIOR NOTES

### Canada

The following summary describes the principal Canadian federal income tax considerations generally applicable to a holder of Senior Notes who acquires, as beneficial owner, Senior Notes pursuant to this Prospectus or common shares of the Bank or any affiliate of the Bank on a Bail-in Conversion (“Common Shares”), and who, at all relevant times, for the purposes of the application of the *Income Tax Act* (Canada) (the “Tax Act”): (a) is not resident and is not deemed to be resident in Canada; (b) deals at arm’s length with the Bank, any issuer of Common Shares, and any transferee resident (or deemed to be resident) in Canada to whom the holder disposes of Senior Notes; (c) does not use or hold Senior Notes or Common Shares in or in the course of carrying on a business in Canada; (d) is entitled to receive all payments (including any interest and principal) on the Senior Notes as beneficial owner; (e) is not a “specified non-resident shareholder” of the Bank for purposes of the Tax Act or a non-resident person not dealing at arm's length with a “specified shareholder” (within the meaning of Subsection 18(5) of the Tax Act) of the Bank; and (f) is not an insurer that carries on an insurance business in Canada and elsewhere (a “Non-resident Holder”).

This summary is based upon the provisions of the Tax Act and the regulations thereunder (the “Regulations”) in force on the date hereof and an understanding of the current administrative practices and assessing policies of the Canada Revenue Agency. This summary takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Proposed Amendments”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practice, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign income tax legislation. Subsequent developments could have a material effect on the following description.

**This summary is of a general nature only and is not intended to be, legal or tax advice to any particular holder and no representation is made with respect to the Canadian federal income tax consequences to any particular holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective investors should consult their own tax advisors with respect to their particular circumstances.**

The Canadian federal income tax considerations applicable to an Exempt Note may be described more particularly when such Exempt Note is offered (and then only to the extent material) in the Pricing Supplement related thereto if they are not addressed by the comments following and, in that event, the following will be superseded thereby to the extent indicated in such Pricing Supplement.

Interest paid or credited or deemed to be paid or credited by the Bank on a Senior Note (including amounts on account of, or in lieu of, or in satisfaction of interest) to a Non-resident Holder will not be subject to Canadian non-resident withholding tax unless all or any portion of such interest (other than on a “prescribed obligation” described below) is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation. A “prescribed obligation” is an “indexed debt obligation” (defined below) no amount payable in respect of which, other than an amount determined by reference to a change in the purchasing power of money, is contingent or dependent upon any of the criteria described in the preceding sentence. An “indexed debt obligation” is a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding that is determined by reference to a change in the purchasing power of money.

In the event that a Senior Note the interest (or deemed interest) payable on which is not exempt from Canadian withholding tax is redeemed, cancelled or purchased by the Bank or any other person

resident or deemed to be resident in Canada from a Non-resident Holder or is otherwise assigned or transferred by a Non-resident Holder to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof, the excess may be deemed to be interest and may, together with any interest that has accrued on the Senior Note to that time, be subject to non-resident withholding tax. Such excess will not be subject to withholding tax if the Senior Note is considered to be an “excluded obligation” for purposes of the Tax Act. A Senior Note that: (a) is not an indexed debt obligation; (b) was issued for an amount not less than 97 per cent. of the principal amount (as defined in the Tax Act) of the Senior Note, and (c) the yield from which, expressed in terms of an annual rate (determined in accordance with the Tax Act) on the amount for which the Senior Note was issued does not exceed 4/3 of the interest stipulated to be payable on the Senior Note, expressed in terms of an annual rate on the outstanding principal amount from time to time, will be an excluded obligation for this purpose.

Generally, there are no other taxes on income (including taxable capital gains) payable by a Non-resident Holder on interest, discount, or premium on a Senior Note or on the proceeds received by a Non-resident Holder on the disposition of a Senior Note including a redemption, payment on maturity, Bail-in Conversion, cancellation or purchase.

Dividends paid or credited, or deemed under the Tax Act to be paid or credited, on Common Shares of the Bank or of any affiliate of the Bank that is a Canadian resident corporation to a Non-resident Holder will generally be subject to Canadian non-resident withholding tax at the rate of 25 per cent. on the gross amount of such dividends unless the rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and the country of residence of the Non-resident Holder.

A Non-resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share unless the Common Share is or is deemed to be “taxable Canadian property” of the Non-resident Holder for the purposes of the Tax Act and the Non-resident Holder is not entitled to an exemption under an applicable income tax convention between Canada and the country in which the Non-resident Holder is resident.

## **United Kingdom**

The following applies only to persons who are the beneficial owners of Senior Notes and is a general summary of the Issuer’s understanding of current United Kingdom law and published HM Revenue and Customs practice (which may not be binding on HM Revenue & Customs) relating only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of Senior Notes. It does not deal with any other United Kingdom tax implications of acquiring, holding or disposing of Senior Notes. It does not apply to individuals, or where the income is deemed for tax purposes to be the income of any other person. It does not purport to be a complete analysis of all tax considerations relating to the Senior Notes and so should be treated with appropriate caution. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice. Prospective Noteholders should also be aware that the particular terms of issue of any Tranche may affect the tax treatment.

In this section:

“UK Senior Notes” means Senior Notes issued by the Bank’s London branch.

## **Interest on the Senior Notes**

### *1. Payment of Interest on the UK Senior Notes*

Provided that the Issuer is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the “Act”), and provided that the interest on the UK Senior Notes is and continues



to be paid in the ordinary course of its business within the meaning of section 878 of the Act, it will be entitled to make payments of interest on the UK Senior Notes without withholding or deduction for or on account of United Kingdom income tax.

Payments of interest on the UK Senior Notes may be made without deduction of or withholding on account of United Kingdom income tax provided that the UK Senior Notes carry a right to interest and are and continue to be listed on a “recognised stock exchange” within the meaning of section 1005 of the Act. The London Stock Exchange is a recognised stock exchange. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) by the FCA and admitted to trading on the London Stock Exchange. Provided, therefore, that the UK Senior Notes carry a right to interest and are and remain so listed on a “recognised stock exchange”, interest on the UK Senior Notes will be payable without withholding or deduction on account of United Kingdom income tax whether or not the Issuer is a bank carrying on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

Interest on the UK Senior Notes may also be paid without withholding or deduction on account of United Kingdom income tax where interest on the Senior Notes is paid by a company (such as the Issuer) and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the UK Senior Notes is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest, provided that HM Revenue & Customs has not given a direction (in circumstances where it has reasonable grounds to believe that it is likely that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

In other cases, an amount must generally be withheld from payments of interest on the UK Senior Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs. For example, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

## *2. Payment of interest on all other Senior Notes*

Payments of interest on all other Senior Notes may be made without withholding on account of United Kingdom income tax provided that the interest on the Senior Notes is not treated as arising in the UK or otherwise having a UK source.

## **Reporting of information in respect of the UK Senior Notes**

Noteholders may wish to note that, in certain circumstances, HM Revenue & Customs has powers to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder. These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder concerned is resident in the United Kingdom for United Kingdom tax purposes. In certain circumstances, HM Revenue & Customs may communicate this information to the tax authorities of certain other jurisdictions.

If the UK Senior Notes are treated as deeply discounted securities for the purposes of the Income Tax (Trading and other Income) Act 2005, any person in the United Kingdom (including any United Kingdom based paying agent) who pays amounts payable on redemption of the UK Senior Notes to, or receives such amounts for the benefit of, another person, may also be required by HM Revenue & Customs to provide certain information (which may include the name and address of the beneficial owner of the amount payable on redemption) to HM Revenue & Customs. In this regard HM Revenue & Customs published guidance for the years 2018/2019 (equivalent published guidance for the years 2019/2020 has not yet been released by HM Revenue & Customs) indicates that HM Revenue & Customs will not

exercise its power to obtain information in relation to such payments in that year, and will publicise any change to this practice widely prior to making it. Any information obtained may, in certain circumstances, be exchanged by HM Revenue & Customs with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

### **The Proposed Financial Transactions Tax (the “FTT”)**

On February 14, 2013, the European Commission published a proposal (the “Commission's Proposal”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “participating Member States”). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Senior Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

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 the Senior 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 implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective Noteholders are advised to seek their own professional advice in relation to the FTT.

### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” (as defined by FATCA) may be required to withhold on certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Canada and the United Kingdom) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Senior Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Senior Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Senior Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments that are published in the U.S. Federal Register and Senior Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Senior Notes (as described under “Terms and Conditions of the Senior Notes – Further Issues”) that are not distinguishable from previously issued Senior Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Senior Notes, including the Senior Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax

advisers regarding how these rules may apply to their investment in Senior Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Senior Notes, no person will be required to pay additional amounts as a result of the withholding.

## **PLAN OF DISTRIBUTION**

Subject to the terms and conditions contained in an Amended and Restated Distribution Agreement dated June 18, 2019 (the “Distribution Agreement” which expression shall include any amendment or supplements thereto or restatements thereof) between the Issuer and the Permanent Dealers (the “Permanent Dealers”), the Senior Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers, however the Issuer have reserved the right to sell Senior Notes directly on their own behalf to Dealers which are not Permanent Dealers under and pursuant to the terms of the Distribution Agreement (together with the Permanent Dealers, the “Dealers”). Such Senior Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Senior Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Distribution Agreement also provides for Senior Notes to be issued in syndicated Tranches which are jointly and severally underwritten by two or more Dealers and that the obligation of any Dealer to subscribe for Senior Notes under any such agreement is subject to certain conditions and that, in certain circumstances, a Dealer shall be entitled to be released and discharged from its obligations under any such agreement prior to the issue of the relevant Senior Notes.

The Issuer will pay each relevant Dealer a commission depending upon maturity in respect of Senior Notes subscribed or procured for subscription by it. The Issuer has agreed to reimburse the Dealers for certain of their expenses incurred in connection with the establishment and update of the Programme and the issue of Senior Notes under the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Senior Notes. The Distribution Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and the Issuer only, by any Dealer, at any time on giving not less than ten business days’ notice.

Each purchaser of a Senior Note will arrange for payment as instructed by the applicable Dealer. The Dealers are required to deliver the proceeds of the Senior Notes to the Issuer in immediately available funds, to a bank designated by such Issuer in accordance with the terms of the Distribution Agreement, on the date of settlement.

### **United States**

The Senior Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or under any state securities laws and may not be offered, sold or delivered, directly or indirectly, within the United States, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Rule 903 or 904 of Regulation S under the Securities Act (“Regulation S”) or in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Senior Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. Treasury regulations. Each Permanent Dealer has agreed and each further Dealer will agree that it will not offer, sell or deliver a Senior Note in bearer form within the United States or to U.S. persons. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986.

Each Permanent Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Senior Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer and each relevant Dealer, by the Fiscal Agent, or in the case of Senior Notes issued on a syndicated basis, the Lead Manager, in accordance with Rule 903 of Regulation S, within the United States, its territories or possessions or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S of the Securities Act, it will not engage in any directed selling efforts with

respect to the Senior Notes of any Tranche, except in accordance with Regulation S of the Securities Act and it will have sent to each Dealer to which it sells Senior Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Senior Notes within the United States, its territories and possessions or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Senior Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each issuance of Exempt Notes may be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Senior Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

## **Canada**

Each Permanent Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge that the Senior Notes have not been and will not be qualified for sale under the securities laws of Canada or any province or territory thereof and has represented and agreed that it has not offered, sold or distributed, and that it will not offer, sell or distribute, any Senior Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof (i) without the prior written consent of the Issuer; and, (ii) if such consent is granted, in contravention of the securities laws of Canada or any province or territory thereof. Each Permanent Dealer has also agreed and each further Dealer appointed under the Programme will be required to agree not to distribute or deliver this Prospectus, or any other offering material relating to the Senior Notes in Canada (i) without the prior written consent of the Issuer; and, (ii) if such consent is granted, in contravention of the securities laws of Canada or any province or territory thereof.

## **Prohibition of sales to EEA Retail Investors**

If the Final Terms in respect of any Senior Notes (or Pricing Supplement, as the case may be) specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable” in relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Senior Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms or the Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Senior Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Senior Notes referred to in (b) and (c) above shall require the Issuer or any 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.

For the purposes of this provision, the expression an “offer of Senior Notes to the public” in relation to any Senior Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Senior Notes to be offered so as to

enable an investor to decide to purchase or subscribe the Senior Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended or superseded) and includes any relevant implementing measures in that Relevant Member State.

Unless the Final Terms (or Pricing Supplement, as the case may be) in respect of any Senior Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Permanent Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Senior Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. 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 Directive 2016/97/EU (as amended), 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 Directive; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Senior Notes to be offered so as to enable an investor to decide to purchase or subscribe the Senior Notes.

### **United Kingdom**

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 FSMA) received by it in connection with the issue or sale of any Senior Notes in circumstances in which Section 21(1) of the FSMA does not or would not if it was not, an authorised person, apply to the Issuer; 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 any Senior Notes in, from or otherwise involving the United Kingdom.

### **Hong Kong**

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Senior Notes except for Senior Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) 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 Senior Notes, 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 Senior Notes 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.

## **Japan**

The Senior Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”) and each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Senior Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), 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 any other applicable laws, regulations and ministerial guidelines of Japan.

## **Singapore**

This Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Permanent Dealer has acknowledged, and each further Dealer will acknowledge, that it has not offered or sold any Senior Notes or caused the Senior Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Senior Notes or cause the Senior Notes 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 Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Senior Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, (the “SFA”)) pursuant to 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.

Where the Senior Notes 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 Senior Notes 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.

Banking Act deposit-taking restrictions

This section does not apply to any Senior Notes issued by The Bank of Nova Scotia, Singapore Branch.

Senior Notes denominated in Singapore dollars and issued to persons in Singapore by a person carrying on a deposit-taking business (whether in Singapore or elsewhere) with a maturity period of less than 12 months and a denomination of less than S\$200,000 would be treated as deposits for the purposes of the Banking Act, Chapter 19 of Singapore (the “Singapore Banking Act”), unless the Senior Notes are issued to certain persons, including either:

- (a) an individual whose total net assets exceeds S\$2,000,000 (or equivalent in foreign currency) at the time of subscription or whose income in the 12 months preceding the time of subscription exceeds S\$300,000 (or equivalent in foreign currency); or
- (b) a company whose net assets (as determined by the last audited balance sheet of the company) exceeds S\$10,000,000 (or equivalent in foreign currency) at the time of subscription.

In addition, where Senior Notes issued in Singapore dollars with a denomination of less than S\$200,000 are not treated as deposits for the purposes of the Singapore Banking Act, certain additional information is required to be furnished to investors in Singapore by an issuer which is carrying on a deposit-taking business. In such case, please refer to the relevant Pricing Supplement in the case of Exempt Notes for such further information.

## **Republic of Italy**

As of the date of this Prospectus, the Bank is not licensed to “collect deposits and other funds with the obligation to reimburse” in the Republic of Italy and therefore, the Bank and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered Senior Notes, nor has it distributed copies of the Prospectus or any other document relating to the Senior Notes in the Republic of Italy and that no Senior Notes may be offered, sold or delivered, nor may copies of the Prospectus or of any other document relating to the Senior Notes be distributed in the Republic of Italy unless such license has been obtained.

Upon the issuance of the license to “collect deposits and other funds with the obligation to reimburse” in the Republic of Italy in relation to the Bank the following selling restrictions shall apply:

The offering of any Senior Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Senior Notes may be offered, sold or delivered, nor may copies of the Prospectus or of any other document relating to the Senior Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the “Financial Services Act”) and Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time (“Regulation No. 11971”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.



Any offer, sale or delivery of any Senior Notes or distribution of copies of the Prospectus or any other document relating to any Senior Notes in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993, as amended (the “Banking Act”); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

***In relation to Exempt Notes with a denomination of lower than €100,000 (or equivalent)***

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (a) and (b) above, the subsequent distribution of the Senior Notes on the secondary market in Italy must be made in compliance with the public offerings and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Senior Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

**France**

Each of the Permanent Dealers and the Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Senior Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus, the applicable Final Terms or applicable Pricing Supplement, in the case of Exempt Notes, or any other offering material relating to the Senior Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French Code *monétaire et financier*.

This Prospectus has not been submitted for clearance to the AMF in France.

**The Netherlands**

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any Senior Notes will only be offered in the Netherlands to Qualified Investors within the meaning of section 1:1 of the Act on the Financial Supervision (*Wet op het financieel toezicht*).

In addition to the above, if the Issuer issues Zero Coupon Notes and these Zero Coupon Notes are offered in the Netherlands as part of their initial distribution or immediately thereafter:

- (a) transfer and acceptance of such Zero Coupon Notes may only take place either by and between individuals not acting in the course of their profession or business or through the mediation of either a permit holder (*Toegelaten Instelling*) of Euronext Amsterdam N.V. or the Issuer itself in accordance with the Savings Certificate Act of May 21, 1985 (*Wet inzake Spaarbewijzen*); and
- (b) certain identification requirements in relation to the issue and transfer of, and payment on the Zero Coupon Notes have to be complied with pursuant to section 3a of the Savings Certificate Act;

Furthermore, unless such Zero Coupon Notes qualify as commercial paper or certificates of deposit and the transaction is carried out between professional lenders and borrowers:

- (a) each transaction concerning such Zero Coupon Notes must be recorded in a transaction note, stating the name and address of the other party to the transaction, the nature of the transaction and details, including the number and serial number of the Zero Coupon Notes concerned;
- (b) the obligations referred to under (a) above must be indicated on a legend printed on Zero Coupon Notes that are not listed on a stock market; and
- (c) any reference to the words “to bearer” in any documents or advertisements in which a forthcoming offering of Zero Coupon Notes is publicly announced is prohibited.

For purposes of this paragraph, “Zero Coupon Notes” are Senior Notes to bearer in definitive form that constitute a claim for a fixed sum of money against the Issuer and on which interest does not become due prior to maturity or on which no interest is due whatsoever.

## **Belgium**

Other than in respect of Senior Notes for which "Prohibition of Sales to Belgian Consumers" is specified as "Not Applicable" in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Senior Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "Belgian Consumer"), and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Senior Notes, and that it has not distributed, and will not distribute, any prospectus memorandum, information circular, brochure or any similar documents in relation to the Senior Notes, directly or indirectly, to any Belgian Consumer.

## **Australia**

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“Corporations Act”)) in relation to the Programme or any Senior Notes has been or will be lodged with the Australian Securities and Investments Commission (“ASIC”). Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it:

- (a) has not made or invited, and will not make or invite, an offer of the Senior Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Prospectus or any other offering material or advertisement relating to any Senior Notes in Australia,

unless (1) the aggregate consideration payable by each offeree is at least AUD500,000 (or its equivalent in an alternate currency, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act, (2) the offer or invitation does not constitute an offer to a ‘retail client’ as defined for the purposes of section 761G of the Corporations Act, (3) such action complies with any applicable laws and directives in Australia, and (4) such action does not require any document to be lodged with, or registered by, ASIC.

In addition, each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with the instrument issued by a delegate of the Australian Prudential Regulation Authority dated March 21, 2018 as contained in Banking exemption No. 1 of 2018 which requires all offers and trades of Senior Notes to be in parcels of not less than AUD500,000. Banking exemption No. 1 does not apply to offers or trades of Senior Notes which occur outside Australia.

## **General**

No action has been or will be taken in any jurisdiction that would permit a public offering of any of the Senior Notes, or possession or distribution of the Prospectus or any other offering material or any Final Terms or Pricing Supplement, in any country or jurisdiction where action for that purpose is required. None of the Issuer or any of the Dealers represent that Senior Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Each Permanent Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Senior Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Senior Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the Dealers shall have any responsibility therefor.

## GENERAL INFORMATION

1. Trading information in relation to Senior Notes admitted to the Official List and to trading on the Market will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that each Tranche of Senior Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market will be admitted separately as and when issued, subject only to the issue of a Bearer Global Note or Senior Notes (or one or more Certificates) representing the Senior Notes of such Tranche. Application has been made to the FCA for Senior Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Senior Notes to be admitted to trading on the London Stock Exchange's regulated market. The listing of the Programme in respect of Senior Notes (other than Exempt Notes) is expected to be granted on or before June 21, 2019.
2. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Senior Notes. The establishment and update of the Programme and the issue of Senior Notes thereunder was authorised by Resolutions of the Board of Directors of the Bank originally passed on October 25, 1994, as further amended from time to time, including most recently on May 29, 2018.
3. There has been no significant change in the financial or trading position of the Bank and its subsidiaries taken as a whole since April 30, 2019, being the date of the latest unaudited interim consolidated financial statements of the Bank for the three and six month periods ended April 30, 2019 and no material adverse change in the prospects of the Bank and its subsidiaries taken as a whole since October 31, 2018, being the date of the latest audited published consolidated financial statements of the Bank.
4. The Senior Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code and the International Securities Identification Number ("ISIN") for each Tranche of Senior Notes allocated by Euroclear and Clearstream, Luxembourg and details of any other agreed clearance system will be set out in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) shall specify any other clearing system that shall have accepted the relevant Senior Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

5. From the date hereof and for so long as the Programme remains in effect or any Senior Notes remain outstanding, the following documents will, be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the head office of the Bank and at the specified office of the Fiscal Agent:
  - (i) the Agency Agreement (which includes the form of the Bearer Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);
  - (ii) the Deed of Covenant;
  - (iii) the Bank Act (being the charter of the Bank) and By-laws of the Bank;
  - (iv) the Annual Statements of the Bank, including the Annual Information Form, the Annual Report which includes the audited consolidated financial statements for the fiscal years ended October 31, 2018 and October 31, 2017, the auditors' report thereon, the management's discussion and analyses for the year ended October 31, 2018, the Independent Auditors' Report of Registered Public Accounting Firm on the Bank's internal control over financial reporting as of October 31,

2018 and the 2019 Second Quarter Report for the three and six month periods ended April 30, 2019;

(v) the most recently published audited annual financial statements of the Bank and the most recently published unaudited interim financial statements of the Bank, in each case, together with any audit prepared in connection therewith;

(vi) each Final Terms for Senior Notes which are listed on the Official List and admitted to trading on the Market;

(vii) each Pricing Supplement (in the case of Exempt Notes) (save that Pricing Supplements will only be available for inspection by a holder of such Senior Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Senior Notes and identity); and

(viii) a copy of this Prospectus together with any further or supplementary Prospectuses when published.

6. Copies of the latest annual financial statements, annual management's discussion and analysis, interim financial statements and interim management's discussion and analysis to shareholders of the Bank may be obtained, and copies of the Agency Agreement and the Deed of Covenant will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Senior Notes is outstanding.
7. This Prospectus may also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer and the headline "Publication of Prospectus" or through the National Storage Mechanism at <http://www.morningstar.co.uk/uk/NSM>.
8. The price and amount of Senior Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
9. The Issuer does not intend to provide any post-issuance information in relation to any issues of Senior Notes.
10. Settlement arrangements will be agreed between the Issuer, the Relevant Dealer and the Paying Agent or, as the case may be, the Registrar in relation to each Tranche of Senior Notes.
11. Yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
12. The Legal Entity Identifier (LEI) of the Bank is L319ZG2KFGXZ61BMYR72.

## SCHEDULE A

### PRO FORMA FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Senior Notes which are not Exempt Notes issued under the Programme.*

**[MIFID II PRODUCT GOVERNANCE / TARGET MARKET** - Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Senior Notes has led to the conclusion that: (i) the target market for the Senior Notes 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 Senior Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Senior Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Senior Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

#### **[Prohibition of Sales to EEA Retail Investors**

The Senior Notes 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 (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), 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 Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Senior Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Senior Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME (the "SFA"))** - *[To insert notice if classification of the Senior Notes is not "prescribed capital markets products"<sup>2</sup>, pursuant to Section 309B of the SFA].*<sup>2</sup>

**[THESE SENIOR NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF THE BANK OF NOVA SCOTIA OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT ("CDIC ACT") AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE SENIOR NOTES.]**<sup>3</sup>

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<sup>1</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason and in which case insert "Applicable" in paragraph 6(iv) of Part B below.

<sup>2</sup> Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

<sup>3</sup> Legend to be included on front of the Final Terms if the Notes are Bail-inable Notes.

**Final Terms dated [ ]**

The Bank of Nova Scotia  
LEI: L319ZG2KFGXZ61BMYR72

Issue of [*Aggregate Principal Amount of Tranche*] [*Title of Senior Notes*]  
under the U.S.\$20,000,000,000  
Euro Medium Term Note Programme

**PART A – CONTRACTUAL TERMS**

This document constitutes the final terms relating to the issue of Senior Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “Conditions”) set forth in the prospectus dated June 18, 2019 [and the supplemental Prospectus dated [ ]] which [together] constitute[s] a base prospectus (the “Prospectus”) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (as amended or superseded) (the “Prospectus Directive”). This document constitutes the Final Terms of the Senior Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Senior Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplemental prospectus] [is] [are] available for viewing during normal office hours at the office of the Fiscal Agent, Registrar and Transfer Agent and copies may be obtained from the principal office of the Issuer and may also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer [and copies may be available from [address].]

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “Conditions”) set forth in the Prospectus dated [*original date*] [and the supplemental prospectus to it dated [*date*]] which are incorporated by reference in the Prospectus dated June 18, 2019 and are attached hereto. This document constitutes the Final Terms of the Senior Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (as amended or superseded) (the “Prospectus Directive”) and must be read in conjunction with the Prospectus dated June 18, 2019 [and the supplemental Prospectus dated [ ]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Senior Notes is only available on the basis of the combination of these Final Terms and the Prospectus dated June 18, 2019 [and the supplemental Prospectus dated [ ]]. The Prospectus dated June 18, 2019 [and the supplemental Prospectus(es)] and the Conditions which are extracted from the Prospectus dated [*original date*] and are incorporated by reference in the Prospectus dated June 18, 2019 are available for viewing during normal business hours at the office of the Fiscal Agent, Registrar and Transfer Agent and copies may be obtained from the principal office of the Issuer and may also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> under the name of the Issuer [and copies may be available from [address]].

**INVESTORS SHOULD REFER TO THE SECTION HEADED “RISK FACTORS” IN THE PROSPECTUS FOR A DISCUSSION OF CERTAIN MATTERS THAT SHOULD BE CONSIDERED WHEN MAKING A DECISION TO INVEST IN THE SENIOR NOTES.**

*[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraph (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

1. [(i)] Issuer: The Bank of Nova Scotia
- [(ii)] Branch of Account: [Head Office, Toronto] [London]
2. [(i)] Series Number: [ ]
- [(ii)] Tranche Number: [ ]
- [(iii)] Date on which the Senior Notes will be consolidated and form a single Series: [Not Applicable] [The Senior Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [ ] on [ ]/the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 23 below [which is expected to occur on or after [ ]]].]
3. Specified Currency or Currencies: [ ]
4. Aggregate Principal Amount:
- [(i)] Series: [ ]
- [(ii)] Tranche: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]
6. (i) Specified Denomination(s): [ ] [(not to be less than €100,000 (or its equivalent in any other currency)) /[[€][currency][100,000] (or its equivalent in any other currency)] and integral multiples of [[€][currency][1,000]] [in excess thereof up to and including [[€ ][currency][199,000]]. No Senior Notes in definitive form will be issued with a denomination above [[€][currency][199,000]]].
- (ii) Calculation Amount: [ ]
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ] /Issue Date/Not Applicable]
8. Maturity Date: [*Specify date or for Floating Rate Notes or Fixed Rate Notes without Fixed Coupon Amount*], subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]] [Interest Payment Date falling in or nearest to [*specify month and year*]]



9. Interest Basis: [[ ] per cent. Fixed Rate]  
 [subject to change as indicated in paragraph 11 below]  
 [SONIA] [ ] month [LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]  
 [subject to change as indicated in paragraph 11 below]  
 [ ] years [*insert currency*] CMS Reference Rate  
 [Floating Rate Spread]  
 [Zero Coupon]

In respect of the period from (and including) [the Interest Commencement Date]/[ ] to (but excluding) [ ], [[ ] per cent. per annum Fixed Rate]/[SONIA]/[[ ] month [LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]/[[ ] years [*insert currency*] CMS Reference Rate]/[Floating Rate Spread]

10. Redemption/Payment Basis: [Redemption at par / [ ] per cent. of their nominal amount]  
 [Instalment] (*Instalment not applicable to Bail-inable Notes*)

11. Change of Interest: [Applicable - *specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there*]

[Not Applicable]

12. Put/Call Options: [Issuer's Option]  
 [Noteholders' Option][Not applicable.] (*Noteholders' Option not applicable to Bail-inable Notes*)

13. Bail-inable Notes: [Yes/No]

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

14. Fixed Rate Note Provisions: [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/[ ] to [ ]]

(i) Interest Rate(s): [ ] per cent. per annum [payable in arrear]

[In respect of the period from (and including) [the Interest Commencement Date]/[ ] to (but excluding) [ ], [ ] per cent. per annum]

(ii) Interest Payment Date(s): [ ] in each year, commencing on [ ], up to and including the Maturity Date [subject to adjustment for payment purposes only in accordance with the Business Day Convention set out in (iii) below)] [subject to adjustment

for calculation of interest and for payment purposes in accordance with the Business Day Convention set out in paragraph (iii) below]

- (iii) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/  
Modified Following Business Day  
Convention/ Preceding Business Day  
Convention]
- (iv) Business Centre(s): [ ]
- (v) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount/Not Applicable
- (vi) Broken Amount(s): [ ] per Calculation Amount, payable on the  
Interest Payment Date falling on [ ]/Not  
Applicable
- (vii) Day Count Fraction: [[Actual/365] [Actual/Actual] [Actual/365  
(Fixed)] [Actual/Actual – ICMA]  
[Actual/360]/[Actual/365  
Sterling]/[30/360]/[30E/360]/[Eurobond  
Basis]]
- (viii) [Determination Date(s): [ ] in each year]
- (ix) Calculation Agent: [The Bank of Nova Scotia] [ ]

**15. Floating Rate Note Provisions**

[Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/[ ] to [ ]]

- (i) Interest Period Dates: [Each Interest Payment Date] [ ] [, subject to adjustment for calculation of interest purposes in accordance with the Business Day Convention set out in (iii) below/, not subject to adjustment for calculation of interest purposes]
- (ii) Interest Payment Date(s): [ ] [, subject to adjustment for payment purposes only in accordance with the Business Day Convention set out in (iii) below] [subject to adjustment for calculation of interest and for payment purposes in accordance with the Business Day Convention set out in paragraph (iii) below]
- (iii) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/  
Modified Following Business Day  
Convention/ Preceding Business Day  
Convention]
- (iv) Business Centre(s): [ ]

- (v) Manner in which the Interest Rate and Interest Amount is to be determined: [Screen Rate Determination][ISDA Determination][CMS Rate][Floating Rate Spread]
- (vi) Screen Rate Determination: [Applicable][Not Applicable]
- [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2];] *(only include if Floating Rate Spread is applicable and Screen Rate Determination is applicable to either or both Floating Rate Spread Rates. If both, repeat items in this sub-paragraph for each Floating Rate Spread Rate)*
- (a) Primary Source: [Screen Rate/ Reference Banks]
- (b) Benchmark: [SONIA][LIBOR][EURIBOR]
- (c) Relevant Screen Page: [ ]
- (d) Interest Determination Date(s): [ ] [[ ] London Banking Day prior to the end of each Interest Accrual Period]
- (e) Relevant Currency: [ ]
- (f) Representative Amount: [ ]
- (g) Observation Look-Back Period: [[ ] London Banking Days] [Not Applicable]
- (vii) ISDA Determination: [Applicable][Not Applicable]
- [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2];] *(only include if Floating Rate Spread is applicable and ISDA Determination is applicable to either or both Floating Rate Spread Rates. If both, repeat items in this sub-paragraph for each Floating Rate Spread Rate)*
- (a) Floating Rate Option: [ ]
- (b) Designated Maturity: [ ]
- (c) Reset Date: [ ]
- (In the case of a LIBOR or EURIBOR based option, the first day of the Interest Accrual Period or Interest Period)*
- (viii) CMS Rate: [Applicable][Not Applicable]
- [Terms applicable to the determination of [Floating Rate Spread Rate 1][Floating Rate Spread Rate 2];] *(only include if Floating Rate Spread is applicable and CMS Rate is*

*applicable to either or both Floating Rate Spread Rates. If both, repeat items in this subparagraph for each Floating Rate Spread Rate)*

- (a) Relevant Screen Page: [ ]
- (b) Reference Currency: [euro (EUR)][Sterling (GBP)][U.S. dollar (USD)][*insert other*]
- (c) CMS Maturity: [ ]
- (d) Relevant Time: [ ]
- (e) Interest Determination Date(s): [ ]
- (f) Relevant Financial Centre: [*insert*][Not Applicable] (*only required if Reference Currency is other than EUR, GBP or USD*)
- (ix) Floating Rate Spread: [Applicable][Not Applicable]
- (a) Manner in which the Floating Rate Spread Rate 1 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (b) Manner in which the Floating Rate Spread Rate 2 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (c) Floating Rate Spread Margin 1: [ ] [Not Applicable]
- (d) Floating Rate Spread Margin 2: [ ] [Not Applicable]
- (e) Floating Rate Spread Multiplier 1: [ ] [Not Applicable]
- (f) Floating Rate Spread Multiplier 2: [ ] [Not Applicable]
- (g) Maximum Floating Rate Spread 1: [ ] [Not Applicable]
- (h) Maximum Floating Rate Spread 2: [ ] [Not Applicable]
- (i) Minimum Floating Rate Spread 1: [ ] [Not Applicable]
- (j) Minimum Floating Rate Spread 2: [ ] [Not Applicable]
- (x) Margin(s): [+/-][ ] per cent. per annum

(xi)	Rate Multiplier:	[Applicable/Not Applicable] [       ]
(xii)	Minimum Interest Rate:	[[     ] per cent. per annum][Zero per cent. per annum] [Not Applicable]
(xiii)	Maximum Interest Rate:	[[     ] per cent. per annum][Not Applicable]
(xiv)	Day Count Fraction:	[Actual/365] [Actual/Actual] [Actual/365 (Fixed)] [Actual/Actual – ICMA] [Actual/360]/[Actual/365 Sterling]/[30/360]/[30E/360]/[Eurobond Basis]
(xv)	Effective Date:	[     ]
(xvi)	Calculation Agent:	[The Bank of Nova Scotia] [     ]
<b>16.</b>	<b>Zero Coupon/High Interest/Low Interest Note Provisions</b>	[Applicable/Not Applicable]
(i)	Amortisation Yield:	[     ] per cent. per annum
(ii)	Amortisation Yield compounding basis:	[[Compounded] [Non-compounded]] [[annually] [semi-annually] [other]]
(iii)	Reference Price:	[     ]
(iv)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Actual/365] [Actual/Actual] [Actual/365 (Fixed)] [Actual/Actual – ICMA] [Actual/360]/[Actual/365 Sterling]/[30/360]/[30E/360]/[Eurobond Basis]

## PROVISIONS RELATING TO REDEMPTION

<b>17.</b>	<b>Issuer Option (Call)</b>	[Applicable/Not Applicable]
(i)	Optional Redemption Date(s):	[[     ]], subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]]
(ii)	Optional Redemption Amount(s) of each Senior Note:	[     ] per Calculation Amount
(iii)	If redeemable in part:	
(a)	Minimum Redemption Amount:	[     ] per Calculation Amount
(b)	Maximum Redemption Amount:	[     ] per Calculation Amount
(iv)	Issuer's Option Period:	[     ]
(v)	Minimum period of irrevocable notice:	[15] days

- (vi) Maximum period of irrevocable notice: [30] days
- 18. Noteholder Option (Put)** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of [ ] per Calculation Amount of each Senior Note:
- (iii) Noteholder's Option Period: [ ]
- (iv) Minimum period of notice: [15] days
- (v) Maximum period of notice: [30] days
- 19. Bail-inable Notes - TLAC Disqualification Event Call:** [Applicable] [Not Applicable]
- 20. Final Redemption Amount of each Senior Note** [ ] per Calculation Amount
- 21. Early Redemption Amount**
- Early Redemption Amount(s) of each Senior Note payable on redemption for taxation reasons, [TLAC Disqualification Event] or on event of default: [ ] per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE SENIOR NOTES

- 22. Form of Senior Notes:**
- Bearer Notes:**
- [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for [definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note] [and/or Registered Notes]]
- [Temporary Bearer Global Note exchangeable for [definitive Notes on [ ] days' notice] [and/or Registered Notes]]
- [Permanent Bearer Global Note exchangeable for [definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note] [Registered Notes]]

**Registered Notes:**

[Registered Notes in the form of a Certificate (U.S.\$[ ] nominal amount) registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

23. New Global Note (in respect of Bearer Notes) or New Safekeeping Structure (in the case of Registered Notes): [Yes/No] [Not Applicable]
24. Financial Centre(s) or other special provisions relating to Payment Dates: (Condition 6(h)) [Not Applicable/[ ]]
25. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes/No]
26. Unmatured Coupons to become void on early redemption: [Yes/No]
27. Details relating to Instalment Notes: Instalment Amount, Instalment Date, Maximum Instalment Amount, Minimum Instalment Amount: [Not Applicable/[ ]]
28. Redenomination [Not Applicable/The provisions [in Condition [ ] apply]

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

(i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Senior Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Senior Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [ ].]

[Tranche[s] [ ] of the Senior Notes [is/are] already admitted to [the Regulated Market of the London Stock Exchange] with effect from [ ].]

(ii) Estimate of total expenses related to admission to trading: [ ]

### **2. RATINGS**

Ratings: [The Senior Notes to be issued [have been]/[are expected to be]] rated:

[[S&P Global Ratings, acting through S&P Global Ratings Canada, a business unit of S&P Global Canada Corp.]: [ ]]

[Moody's Canada Inc.: [ ]]

[Fitch Ratings, Inc.: [ ]]

[DBRS Limited: [ ].]

[The Senior Notes have not specifically been rated.]

### **3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Senior Notes has an interest material to the offer. The [Managers/Dealers] 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.] [ ] [Not Applicable]

### **4. TEFRA RULES**

Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA not applicable]



**5. [YIELD \ HISTORICAL INTEREST RATES]**

[Indication of yield: [ ] [Not Applicable]

***(Fixed rate Notes only)***

Details of historic [SONIA/LIBOR/EURIBOR] rates can be obtained from [Reuters].

*(Floating Rate Notes only)*

**6. OPERATIONAL INFORMATION**

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) [CFI Code]: [[See/[[*insert code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (iv) [FISN]: [[See/[[*insert code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) [WKN or any other relevant codes]: [ ]
- (vi) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable][ ]
- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of additional Paying Agents (if any): [ ]

**7. DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

(v) Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]  
*(If the Senior Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Senior Notes may constitute “packaged products” and no KID will be prepared or if the Issuer wants to prohibit offers to EEA retail investors for any other reason, “Applicable” should be specified.)*

(vi) Prohibition of Sales to Belgian Consumers: [Applicable] [Not Applicable]

(vii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Senior Notes are intended upon issue to be deposited with one of the international central securities depositories (“ICSDs”) as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][include this text for Registered Notes] and does not necessarily mean that the Senior Notes will be recognized 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 the Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of this Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Senior Notes are capable of meeting them the Senior Notes may then 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)][include this text for Registered Notes]. Note that this does not necessarily mean that the Senior Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

**8. USE OF PROCEEDS**

[As specified in the Prospectus] [ ]

**9. BENCHMARKS**

Amounts payable under the Senior Notes will be calculated by reference to [ ] which [is/are] provided by [ ]. As at [ ], [ ] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks

Regulation (Regulation (EU) 2016/1011 (as amended from time to time)) (the “Benchmarks Regulation”). [As a central bank, the [Bank of England] does not fall within the scope of the Benchmarks Regulation by virtue of article 2 of this regulation] [As far as the Issuer is aware the transitional provisions of Article 51 of the Benchmarks Regulation apply, such that [ ] [is/are] not currently required to obtain authorization or registration (or, if located outside the EU, recognition, endorsement or equivalence).]]

## SCHEDULE B

### PRO FORMA PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes issued under the Programme.*

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC (AS AMENDED) FOR THE ISSUE OF SENIOR NOTES DESCRIBED BELOW AND THE TERMS OF SUCH SENIOR NOTES ARE SET OUT IN A PRICING SUPPLEMENT THAT IS EXEMPT FROM THE REQUIREMENTS OF DIRECTIVE 2003/71/EC (AS AMENDED OR SUPERSEDED). THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.**

**[MIFID II PRODUCT GOVERNANCE / TARGET MARKET – *[appropriate target legend to be included.]***

#### **[Prohibition of Sales to EEA Retail Investors**

The Senior Notes 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 (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), 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 Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Senior Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Senior Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (AS MODIFIED OR AMENDED FROM TIME TO TIME (the “SFA”)) - *[To insert notice if classification of the Senior Notes is not “prescribed capital markets products”*, pursuant to Section 309B of the SFA].**<sup>2</sup>

**[THESE SENIOR NOTES ARE SUBJECT TO CONVERSION IN WHOLE OR IN PART – BY MEANS OF A TRANSACTION OR SERIES OF TRANSACTIONS AND IN ONE OR MORE STEPS – INTO COMMON SHARES OF THE BANK OF NOVA SCOTIA OR ANY OF ITS AFFILIATES UNDER SUBSECTION 39.2(2.3) OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT (“CDIC ACT”) AND TO VARIATION OR EXTINGUISHMENT IN CONSEQUENCE AND SUBJECT TO THE APPLICATION OF THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THE OPERATION OF THE CDIC ACT WITH RESPECT TO THE SENIOR NOTES.]**<sup>3</sup>

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<sup>1</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason and in which case insert “Applicable” in paragraph 6(iv) of Part B below.

<sup>2</sup> Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

<sup>3</sup> Legend to be included on front of the Pricing Supplement if the Notes are Bail-inable Notes.



3. Specified Currency or Currencies: [ ]
4. Aggregate Principal Amount:
- (i) Series: [ ]
- (ii) Tranche: [ ]
- (iii) Date on which the Senior Notes will be consolidated and form a single Series: [Not Applicable] [The Senior Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [ ] on [ ]/the Issue Date/exchange of the Temporary Global Bearer Note for interests in the Permanent Global Bearer Note, as referred to in paragraph 23 below [which is expected to occur on or after [ ]].]
5. Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]
- (i) Specified Denomination(s): [ ] / [[€][currency][ ] and integral multiples of [[€][currency][1,000]] [in excess thereof up to and including [[€][currency][199,000]]]. No Senior Notes in definitive form will be issued with a denomination above [[€][currency][199,000]].
- (ii) Calculation Amount: [ ]
6. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ] /Issue Date/Not Applicable]
7. Maturity Date: [Specify date or for Floating Rate Notes or Fixed Rate Notes without Fixed Coupon Amount][, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]] [Interest Payment Date falling in or nearest to [specify month and year]]
- [Other]
8. Interest Basis: [[ ] per cent. Fixed Rate] [subject to change as indicated in paragraph 11 below] [SONIA] [ ] month [LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate] [subject to change as indicated in paragraph 11 below] [[ ] years [insert currency] CMS Reference Rate] [Floating Rate Spread] [Zero Coupon] [specify other]

In respect of the period from (and including) [the Interest Commencement Date]/[ ] to (but excluding) [ ], [[ ] per cent. per annum Fixed Rate]/[SONIA]/[[ ] month [LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]/[[ ] years [*insert currency*] CMS Reference Rate]/[Floating Rate Spread]/[*specify other*]

9. Redemption/Payment Basis: [Redemption at par / [ ] per cent. of their nominal amount]  
[Instalment] (*Instalment not applicable to Bail-inable Notes*)  
[specify other]
10. Change of Interest or Redemption/Payment Basis: [Applicable - *Specify details of any provision for change of Senior Notes into another Interest Basis or Redemption/Payment Basis*]  
  
[Not Applicable]
11. Put/Call Options: [Issuer's Option]  
[Noteholders' Option][Not applicable]  
(*Noteholders' Option not applicable to Bail-inable Notes*)
12. Bail-inable Notes: [Yes/No]

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

13. **Fixed Rate Note Provisions:** [Applicable/Not Applicable] [Applicable in respect of the period from [the Interest Commencement Date]/[ ] to [ ]]  
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Interest Rate(s): [ ] per cent. per annum [payable in arrear]  
  
[In respect of the period from (and including) [the Interest Commencement Date]/[ ] to (but excluding) [ ], [ ] per cent. per annum]
- (ii) Interest Payment Date(s): [ ] in each year commencing on [ ] up to and including the Maturity Date [subject to adjustment for payment purposes only in accordance with the Business Day Convention set out in (iii) below)] [subject to adjustment for calculation of interest and for payment purposes in accordance with the Business Day Convention set out in paragraph (iii) below]  
(*Amend appropriately in the case of irregular coupons*)

- (iii) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/  
Modified Following Business Day  
Convention/ Preceding Business Day  
Convention]
- (iv) Business Centre(s): [ ]
- (v) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount/Not Applicable
- (vi) Broken Amount(s): [ ] per Calculation Amount, payable on the  
Interest Payment Date falling on [ ]/Not  
Applicable
- (vii) Day Count Fraction: [[Actual/365] [Actual/Actual] [Actual/365  
(Fixed)] [Actual/Actual – ICMA]  
[Actual/360]/[Actual/365  
Sterling]/[30/360]/[30E/360]/[Eurobond  
Basis]] [*Specify Other*]
- (viii) [Determination Date(s): [[ ] in each year]  
*(Only relevant where Day Count Fraction is  
Actual/Actual (ICMA). In such a case, insert  
regular interest payment dates, ignoring issue  
date or maturity date in the case of a long or  
short first or last coupon)*
- (ix) Calculation Agent: [The Bank of Nova Scotia] [*other*]
- (x) Other terms relating to the method of calculating interest for Fixed Rate  
Notes which are Exempt Notes: [None/*Give details*]
- 14. Floating Rate Note Provisions** [Applicable/Not Applicable] [Applicable in  
respect of the period from [the Interest  
Commencement Date]/[ ] to [ ]]  
*(If not applicable, delete the remaining sub-  
paragraphs of this paragraph).*
- (i) Interest Period Dates: [Each Interest Payment Date] [ ] [, subject  
to adjustment for calculation of interest  
purposes in accordance with the Business Day  
Convention set out in (iii) below/, not subject  
to adjustment for calculation of interest  
purposes]
- (ii) Interest Payment Date(s): [ ] [, subject to adjustment for payment  
purposes only in accordance with the Business  
Day Convention set out in (iii) below] [subject  
to adjustment for calculation of interest and for  
payment purposes in accordance with the  
Business Day Convention set out in paragraph  
(iii) below]



- (iii) Business Day Convention: [Floating Rate Business Day Convention/  
Following Business Day Convention/  
Modified Following Business Day  
Convention/ Preceding Business Day  
Convention] [*Specify other*]
- (iv) Business Centre(s): [ ]
- (v) Manner in which the Interest Rate and Interest Amount is to be determined: [Screen Rate Determination][ISDA  
Determination][CMS Rate][Floating Rate  
Spread] [*other* – See paragraph [(xvii)] below]
- (vi) Screen Rate Determination: [Applicable][Not Applicable]
- (if Not Applicable, the sub-paragraphs to this paragraph can be deleted)*  
[Terms applicable to the determination of  
[Floating Rate Spread Rate 1][Floating Rate  
Spread Rate 2:.] (*only include if Floating Rate  
Spread is applicable and Screen Rate  
Determination is applicable to either or both  
Floating Rate Spread Rates. If both, repeat  
items in this sub-paragraph for each Floating  
Rate Spread Rate*)
- (a) Primary Source: [Screen Rate/ Reference Banks]
- (b) Benchmark: [SONIA] [ ] month  
[LIBOR/EURIBOR/specify other Relevant  
Rate]. (*Either SONIA, LIBOR, EURIBOR or  
other, although additional information is  
required if other, including fallback provisions  
in the Agency Agreement*)
- (c) Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters  
EURIBOR01 ensure it is a page which shows a  
composite rate or amend the fallback  
provisions appropriately)*
- (d) Interest Determination Date(s): [ ]  
*(The number of London Banking Days prior to  
the end of each Interest Accrual Period if  
SONIA as set out under Observation Look-  
Back Period, second London business day  
prior to start of each Interest Period if LIBOR  
(other than Sterling or euro LIBOR), first day  
of each Interest Period if Sterling LIBOR and  
the second TARGET2 Business day prior to  
start of each Interest Period if EURIBOR or  
euro LIBOR)*
- (e) Relevant Currency: [ ]



- (ix) Floating Rate Spread: [Applicable][Not Applicable]
- (a) Manner in which the Floating Rate Spread Rate 1 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (b) Manner in which the Floating Rate Spread Rate 2 is to be determined: Determined in accordance with [Screen Rate Determination][ISDA Determination][CMS Rate].
- (c) Floating Rate Spread Margin 1: [ ] [Not Applicable]
- (d) Floating Rate Spread Margin 2: [ ] [Not Applicable]
- (e) Floating Rate Spread Multiplier 1: [ ] [Not Applicable]
- (f) Floating Rate Spread Multiplier 2: [ ] [Not Applicable]
- (g) Maximum Floating Rate Spread 1: [ ] [Not Applicable]
- (h) Maximum Floating Rate Spread 2: [ ] [Not Applicable]
- (i) Minimum Floating Rate Spread 1: [ ] [Not Applicable]
- (j) Minimum Floating Rate Spread 2: [ ] [Not Applicable]
- (x) Margin(s): [+/-][ ] per cent. per annum
- (xi) Rate Multiplier: [Applicable/Not Applicable]  
[ ]
- (xii) Minimum Interest Rate: [[ ] per cent. per annum][Zero per cent. per annum] [Not Applicable]
- (xiii) Maximum Interest Rate: [[ ] per cent. per annum][Not Applicable]
- (xiv) Day Count Fraction: [Actual/365] [Actual/Actual] [Actual/365 (Fixed)] [Actual/Actual – ICMA] [Actual/360]/[Actual/365 Sterling]/[30/360]/[30E/360]/[Eurobond Basis] [Other]
- (xv) Effective Date: [ ]
- (xvi) Calculation Agent: [The Bank of Nova Scotia][other]

- (xvii) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions: [ ]
- 15. Zero Coupon/High Interest/Low Interest Note Provisions** [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Amortisation Yield: [ ] per cent. per annum
- (ii) Amortisation Yield compounding basis: [[Compounded] [Non-compounded]]  
[[annually] [semi-annually] [other]]
- (iii) Reference Price: [ ]
- (iv) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: [ ]
- (v) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Actual/365] [Actual/Actual] [Actual/365 (Fixed)] [Actual/Actual – ICMA] [Actual/360]/[Actual/365 Sterling]/[30/360]/[30E/360]/[Eurobond Basis]
- 16. Other terms or special conditions relating to the determination of interest:** [*Specify*/Not Applicable]

#### PROVISIONS RELATING TO REDEMPTION

- 17. Issuer Option (Call)** [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Optional Redemption Date(s): [[ ]], subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention]]
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/*specify other*]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [ ] per Calculation Amount
- (b) Maximum Redemption Amount: [ ] per Calculation Amount
- (iv) Issuer's Option Period: [ ]
- (v) Minimum period of irrevocable notice: [15] days

- (vi) Maximum period of irrevocable notice: [30] days
- 18. Noteholder Option (Put)** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Senior Note and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/*specify other*]
- (iii) Noteholder's Option Period: [ ]
- (iv) Minimum period of notice: [15] days
- (v) Maximum period of notice: [30] days
- 19. Bail-inable Notes - TLAC Disqualification Event Call:** [Applicable] [Not Applicable]
- 20. Final Redemption Amount of each Senior Note** [[ ] per Calculation Amount/*specify other*]
- 21. Early Redemption Amount**
- Early Redemption Amount(s) of each Senior Note payable on redemption for taxation reasons, [TLAC Disqualification Event] or on event of default or otherwise and/or the method of calculating the same (if required or if different from that set out in the Conditions): [[ ] per Calculation Amount/*specify other including relevant early redemption conditions, if different from the Conditions*]
- 22. Other terms or special conditions relating to redemption:** [*Specify*/Not Applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE SENIOR NOTES

- 23. Form of Senior Notes:**
- Bearer Notes:**
- [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for [definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note] [and/or Registered Notes]]
- [Temporary Bearer Global Note exchangeable for [definitive Notes on [ ] days' notice] [and/or Registered Notes]]
- [Permanent Bearer Global Note exchangeable for [definitive Notes on [ ] days' notice/at any time/in the limited circumstances specified in the Permanent Bearer Global Note]

[Registered Notes]]

**Registered Notes:**

[Registered Notes in the form of a Certificate (U.S.\$[ ] nominal amount) registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

24. New Global Note (in respect of Bearer Notes) or New Safekeeping Structure (in the case of Registered Notes): [Yes/No] [Not Applicable]
25. Financial Centre(s) or other special provisions relating to Payment Dates: (Condition 6(h)) [Not Applicable] [ ]
26. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes] [No]
27. Unmatured Coupons to become void on early redemption: [Yes] [No]
28. Details relating to Instalment Notes: Instalment Amount, Instalment Date, Maximum Instalment Amount, Minimum Instalment Amount: [Not Applicable] [ ]
29. Redenomination [Not Applicable] [The provisions in Condition 6(i) apply]
30. Other terms or special conditions: [Not Applicable/give details]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

## **PART B – OTHER INFORMATION**

- 1. LISTING**
- [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Senior Notes to be listed on [specify market - note this must not be a regulated market] with effect from [ ].]
- [Not Applicable]
- [Tranche[s] [ ] of the Senior Notes [is/are] already admitted to trading on [specify relevant market] from [ ].]
- 2. RATINGS**
- Ratings: [The Senior Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].  
(The above disclosure is only required if the ratings of the Senior Notes are different to those stated in the Prospectus)
- 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**
- [Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Senior Notes has an interest material to the offer. The [Managers/Dealers] 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.] [ ] [Not Applicable]
- 4. TEFRA RULES**
- Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA not applicable]
- 5. OPERATIONAL INFORMATION**
- (i) ISIN Code: [ ]
- (ii) Common Code: [ ]
- (iii) [CFI Code]: [[See/[insert code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (iv) [FISN]: [[See/[insert code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

- (v) [WKN or any other relevant codes]: [ ]
- (vi) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable][give name(s) and numbers(s)]
- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of additional Paying Agents (if any): [ ]

## 6. DISTRIBUTION

- (i) Method of distribution: [Syndicated][Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/give names]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (v) Prohibition of Sales to EEA Retail Investors: [Applicable] [Not Applicable]  
*(If the Senior Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Senior Notes may constitute “packaged products” and no KID will be prepared or if the Issuer wants to prohibit offers to EEA retail investors for any other reason, “Applicable” should be specified.)*
- (vi) Prohibition of Sales to Belgian Consumers: [Applicable] [Not Applicable]
- (vii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Senior Notes are intended upon issue to be deposited with one of the international central securities depositories (“ICSDs”) as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][include this text for Registered Notes] and does not necessarily mean that the Senior Notes will be recognized 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 the Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of this Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Senior Notes are capable of meeting them the Senior Notes may then 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)][include this text for Registered Notes]. Note that this does not necessarily mean that the Senior Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Not Applicable]

7. **ADDITIONAL INFORMATION** [ ] [Not Applicable]
8. **USE OF PROCEEDS** [As specified in the Prospectus] [ ]

**HEAD OFFICE OF THE BANK OF NOVA  
SCOTIA**

1709 Hollis Street  
Halifax, Nova Scotia  
B3J 3B7

**EXECUTIVE OFFICES OF THE BANK OF  
NOVA SCOTIA**

Scotia Plaza  
44 King Street West  
Toronto, Ontario  
M5H 1H1

**DEALERS**

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

**Credit Suisse Securities (Europe) Limited**  
One Cabot Square  
London E14 4QJ

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB

**Goldman Sachs International**  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ

**Morgan Stanley & Co. International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA

**Scotiabank Europe plc**  
201 Bishopsgate  
6th Floor  
London EC2M 3NS

**The Bank of Nova Scotia, Hong Kong Branch**  
21/F, Central Tower  
28 Queen's Road Central  
Hong Kong

**UBS AG London Branch**  
5 Broadgate  
London EC2M 2QS

**Wells Fargo Securities International Limited**  
33 King William Street  
London EC4R 9AT

**FISCAL AGENT AND PRINCIPAL PAYING AGENT**

The Bank of Nova Scotia, London Branch  
201 Bishopsgate  
6th Floor  
London EC2M 3NS

**REGISTRAR AND TRANSFER AGENT**

The Bank of Nova Scotia, London Branch  
201 Bishopsgate  
6th Floor  
London EC2M 3NS

**PAYING AND TRANSFER AGENT**

The Bank of Nova Scotia  
Global Wholesale Operations  
150 King Street West, 4<sup>th</sup> Floor  
Toronto, Ontario  
M5H 1J9

**CALCULATION AGENT**

The Bank of Nova Scotia, London Branch  
201 Bishopsgate  
6th Floor  
London EC2M 3NS

**AUDITORS**

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333 Bay Street, Suite 4600  
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M5H 2S5

**LEGAL ADVISERS**

To the Issuer

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