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**The Bank of Nova Scotia**  
**Callable Step-Up Notes (Bail-inable Notes)**  
*Final Term Sheet*

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<b>Issuer:</b>	<b>The Bank of Nova Scotia</b> (the “Bank”)
<b>Issue:</b>	<p><b>Callable Step-Up Notes</b>, with a term of 5 years callable semi-annually at the Issuer’s option starting January 24, 2020 (the “Notes”).</p> <p>The Notes will be direct senior unsecured and unsubordinated liabilities of the Bank ranking <i>pari passu</i> with all other senior unsecured and unsubordinated debt of the Bank.</p>
<b>Issue Price:</b>	C\$100.00 per Note.
<b>Minimum Subscription:</b>	C\$1,000.00 and integral multiples thereof.
<b>Principal Amount:</b>	C\$25,000,000.00
<b>Senior Debt<sup>1</sup> Ratings:</b>	<p><b>DBRS: AA (low) Moody’s: A2 S&amp;P: A-</b></p> <p>The Notes have not been specifically rated by any credit rating organization and there is no assurance that if the Notes were specifically rated by these rating agencies that they would have the same rating as the Bank’s senior unsecured and unsubordinated obligations with a term to maturity of one year or more. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.</p>
<b>Trade Date:</b>	January 17, 2019
<b>Settlement Date:</b>	January 24, 2019
<b>Maturity Date:</b>	January 24, 2024 or if that is not a Business Day the immediately succeeding Business Day, subject to optional redemption by the Bank on a relevant Call Date.
<b>Call Provision:</b>	The Notes are redeemable at the option of the Bank, in whole, but not in part, on any Call Date upon notice by the Bank to CDS on or before the Call Notice Date, at an amount that will equal to the Principal Amount of the Notes, together with any accrued and unpaid interest to the applicable Call Date. If the Notes are called prior to the Maturity Date, a noteholder will lose the opportunity to continue to be paid interest on the Notes after such Call Date.
<b>Call Notice Date:</b>	Fifteen Business Days prior to the corresponding Call Date. <b>There is no certainty as to the term to maturity of the Notes after January 24,</b>

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<sup>1</sup> Subject to conversion under the bank recapitalization “bail-in” regime

**2020 because whether or not the Bank exercises the redemption feature embedded in the Notes will be dependent on, among other things, future interest rates and market volatility. If the Bank does not exercise the Call Provision on any Call Date, the term of the Notes will be approximately 5 years.**

**Call Dates:** January 24, 2020  
 July 24, 2020  
 January 24, 2021  
 July 24, 2021  
 January 24, 2022  
 July 24, 2022  
 January 24, 2023  
 July 24, 2023

**Selling Agents Commission:** C\$0.50 per Note.

**Coupon Rate and Coupon Periods:**

Subject to the Call Provision described above, the Coupon Rate will be payable semi-annually at the following Coupon Rates per annum for the following Coupon Periods:

<b>Coupon Period:</b>	<b>Coupon</b>
January 24, 2019 to but excluding January 24, 2020	2.80%
January 24, 2020 to but excluding January 24, 2021	3.20%
January 24, 2021 to but excluding January 24, 2022	3.55%
January 24, 2022 to but excluding January 24, 2023	3.90%
January 24, 2023 to but excluding January 24, 2024	4.25%

**The Coupon Rate is payable semi-annually in arrears on January 24 and July 24 of each year (each a “Coupon Payment Date” and collectively, the “Coupon Payment Dates”) in which the Notes are outstanding, commencing on July 24, 2019, subject to the Call Provision. If a Coupon Payment Date is not a Business Day, interest shall be paid on the next Business Day, without adjustment for period end dates and no additional interest shall be paid thereon.**

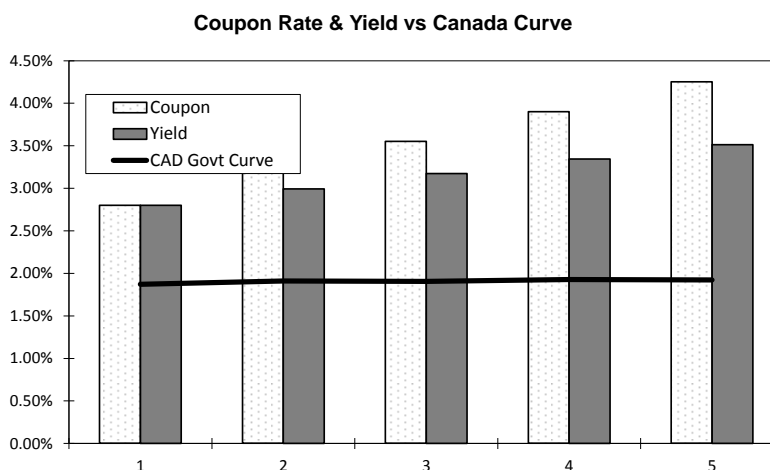
The Notes will accrue interest based on the Day Count Fraction with equal payments without adjustment for period end dates.

**Yield to Noteholder:** To first Call Date (if redeemed) 2.80% per annum on a semi-annual basis, approximately 93 basis points over the 1 year Government of Canada benchmark bond maturing January 9, 2020.

To Maturity Date (if not redeemed) 3.51% per annum on a semi-annual basis, approximately 159 basis points over the 5 year Government of Canada benchmark bond maturing September 1, 2023

To all Call Dates (semi-annual compounding):

Term(yrs)	Date	Yield(s/a)	Spread vs CAD Gov
1	January 23, 2020	2.80%	93 bps
1.5	July 23, 2020	2.93%	
2	January 23, 2021	2.99%	108 bps
2.5	July 23, 2021	3.11%	
3	January 23, 2022	3.17%	127 bps
3.5	July 23, 2022	3.28%	
4	January 23, 2023	3.35%	142 bps
4.5	July 23, 2023	3.44%	
5	January 23, 2024	3.51%	159 bps



<b>Day Count Fraction:</b>	30/360 unadjusted.
<b>Business Day:</b>	Days (other than a Saturday or Sunday) on which commercial banks are open for business in Toronto, Ontario, Canada.
<b>Form and Denomination:</b>	Book entry only through participants in CDS Clearing and Depository Services Inc. ("CDS").
<b>Book Entry Only System:</b>	The Notes will be issued by way of a single global certificate registered in the name of a nominee of CDS and deposited with CDS. Registration of interests in and transfers of the Notes will be made only through the Book Entry Only (BEO) system of CDS. The Notes must be purchased either directly or indirectly through a participant in the CDS BEO system. No holder will be entitled to any Note or other instrument from the Bank or CDS evidencing the ownership thereof, and no holder will be shown on the records maintained by CDS except through an agent who is a participant of CDS.
<b>CDIC:</b>	The Notes do not constitute deposits that are insured under the <i>Canada Deposit Insurance Corporation Act</i> (the " <i>CDIC Act</i> ") or under any other deposit insurance regime.

<b>Bail-in Status:</b>	<p>The Notes are bail-inable notes 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 <i>CDIC Act</i> 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 <i>CDIC Act</i> with respect to the Notes. For a description of Canadian bank resolution powers and the consequent risk factors attaching to the Notes reference is made to “Canadian Bank Resolution Powers including Bail-in” at <a href="http://www.scotiabank.com/ca/en/about/investors-shareholders/regulatory-disclosures.html">http://www.scotiabank.com/ca/en/about/investors-shareholders/regulatory-disclosures.html</a> which information is hereby incorporated by reference.</p>
<b>Subsequent Holders:</b>	<p>Each holder or beneficial owner of a Note that acquires an interest in the 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 in the Notes to the same extent as the holders or beneficial owners that acquire an interest in the Notes upon its initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the bail-in regime.</p>
<b>ISIN / CUSIP:</b>	CA06415EMH58/06415EMH5
<b>Set-Off:</b>	<p>The holders and beneficial owners of the Notes will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to the Notes.</p>
<b>Governing Law:</b>	Ontario and the federal laws of Canada applicable therein.
<b>Attornment:</b>	Courts of the Province of Ontario.
<b>Agent:</b>	Scotia Capital Inc. (“SCI”)
<b>Calculation Agent:</b>	SCI
<b>Secondary Market:</b>	<p>SCI., as a market maker, agrees to repurchase the Notes in whole at the holder’s request, at the market price determined by SCI in its sole discretion acting reasonably, and subject to the occurrence of any event, circumstance or cause beyond the reasonable control of SCI that has or may have an adverse effect on its ability to maintain a secondary market, as determined in its sole discretion. A holder of Notes who sells a Note to SCI prior to the Maturity Date may receive sales proceeds that are less than the Principal Amount of the Notes. The Notes will not be listed on any stock exchange.</p>
<b>US Selling Restrictions:</b>	<p>The Notes have not been and will not be registered under the United States Securities Act of 1933 (the “1933 Act”) and should not be offered or sold within the United States. SCI agrees that neither it, nor its</p>

affiliates(s), nor any persons acting on its behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S of the 1933 Act) in the United States with respect to the Notes.

**EU Selling Restrictions:**

No prospectus (as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”)) will be prepared in connection with the Notes. Accordingly, the Notes may not be offered to the public in any member state of the European Economic Area (the “**EEA**”), and any purchaser of the Notes who subsequently sells any of the Notes in any EEA member state must do so only in accordance with the requirements of the Prospectus Directive, as implemented in that member state.

**Additional Information to Investors about the Notes:**

Investors in the Notes should be aware that they are subject to certain risk factors. Potential investors in the Notes are urged to consult his or her own legal, accounting and tax advisors in order to determine the consequences of an investment in the Notes and to make an independent evaluation of such investment. Specific risk factors include, but are not limited to:

**Non-Standard Investments:** The Notes have certain investment characteristics that differ from traditional fixed income securities. Specifically, the performance of the Notes will not track the same price movements as traditional interest rate products. An investor should reach a decision to invest in the Notes after carefully considering, with his or her advisors, the suitability of the Notes in light of his or her investment objectives and the information set out in the above terms of the offering. Neither the Bank nor SCI makes any recommendation as to whether the Notes are a suitable investment for any person.

**Call Provision:** The Call Provision of the Notes is unique. As a result of the Call Provision of the Notes, the price movement of the Notes will be quite different from that of other notes, bonds, and similar debt instruments with the same credit risk and term to maturity. For example, if prevailing interest rates fall, the market price of the Notes may be limited to the price applicable to the Call Date. Investors are compensated for the uncertainty caused by the Call Provision of the Notes by receiving a higher yield compared to other debt instruments with a similar credit risk and term to maturity.

*The Bank is more likely to exercise its right to call the Notes during periods of relatively low interest rates, or otherwise where it determines that its borrowing cost under the Note is, or might be, higher than from other available sources. The decision to call (or not to call) the Note will be made solely by the Bank and may occur at a point in time that is not advantageous to investors.*

**Suitability:** An investment in the Notes may not be suitable for all investors. An investor should reach a decision to invest in the Notes after carefully considering the suitability of the Notes and his or her investment objectives. Neither the Bank nor SCI makes any recommendation as to the suitability of the Notes for an investor's investment purposes. Investors should consult with their investment advisor before making a decision regarding an investment in Notes.

**Potential Conflicts of Interest:** The Bank and its affiliates may engage in activities and perform functions that could adversely impact the value of the Notes, the ability of the holder to resell their Notes or the amount or timing of receipt of payments under the Notes. Consequently, potential conflicts between the interests of holders and the Bank's interests may arise.