

## Short Form Base Shelf Prospectus

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*Information has been incorporated by reference in this short form base shelf prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice-President, Corporate Secretary and Corporate Governance Office, The Bank of Nova Scotia, Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1, telephone: (416) 866-3672, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

### SHORT FORM BASE SHELF PROSPECTUS

New Issue

July 25, 2018



**The Bank of Nova Scotia**  
**\$15,000,000,000**

**Senior Debt Securities (Unsubordinated Indebtedness)**  
**Subordinated Debt Securities (Subordinated Indebtedness)**  
**Preferred Shares**  
**Common Shares**

The Bank of Nova Scotia (the “Bank”) may from time to time offer and issue the following securities: (i) unsecured unsubordinated debt securities (“Senior Debt Securities”); (ii) unsecured subordinated debt securities (“Subordinated Debt Securities”); (iii) preferred shares in series (“Preferred Shares”); and (iv) common shares (“Common Shares”), or any combination thereof. The Senior Debt Securities, Subordinated Debt Securities, Preferred Shares and Common Shares (collectively, the “Securities”) offered hereby may be offered separately or together, in amounts, at prices and on terms to be set forth in an accompanying shelf prospectus supplement (a “Prospectus Supplement”). All shelf information omitted from this short form base shelf prospectus (the “Prospectus”) will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. The Bank may sell up to \$15,000,000,000 in aggregate initial offering price of Securities (or the Canadian dollar equivalent thereof if any of the Securities are denominated in a foreign currency or currency unit) during the 25 month period that this Prospectus, including any amendments thereto, remains valid.

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Senior Debt Securities or Subordinated Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Senior Debt Securities or Subordinated Debt Securities may be purchased, maturity, interest provisions, authorized denominations, offering price, any terms for redemption at the option of the Bank or the holder, any exchange or conversion terms and any other specific terms; and (ii) in the case of Preferred Shares, the designation of the particular series, aggregate principal amount, the number of shares offered, the issue price, the dividend rate, the dividend payment dates, any terms for redemption at the option of the Bank or the holder, any exchange or conversion terms and any other specific terms.

Senior Debt Securities will be direct unsecured unsubordinated obligations of the Bank that rank equally and rateably with all of the Bank's other unsecured and unsubordinated debt, including deposit liabilities, other than certain governmental claims in accordance with applicable law. Effective September 23, 2018, Senior Debt Securities issued on or after that date may, depending on their terms, be subject to Bail-In Regulations (as defined below) and Bail-In Conversion (as defined below) as described below under "Recent Events". In the event any Senior Debt Securities issued under this Prospectus are subject to the Bail-In Regulations and Bail-In Conversion, the applicable Prospectus Supplement will provide further details.

Subordinated Debt Securities will be direct unsecured obligations of the Bank constituting subordinated indebtedness for the purposes of the *Bank Act* (Canada) (the "Bank Act") that rank equally and rateably with all of the Bank's other subordinated indebtedness from time to time outstanding (other than subordinated indebtedness which has been further subordinated in accordance with its terms).

**Neither the Senior Debt Securities nor the Subordinated Debt Securities (collectively, "Debt Securities") will constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.**

This Prospectus does not qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests, including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or a bankers' acceptance rate, or to recognized market benchmark interest rates.

The outstanding Common Shares of the Bank are currently listed on the Toronto and New York stock exchanges and the outstanding Preferred Shares Series 20, 21, 22, 23, 30, 31, 32, 33, 34, 36 and 38 are listed on the Toronto Stock Exchange.

Effective January 1, 2013, in accordance with capital adequacy requirements adopted by the Office of the Superintendent of Financial Institutions Canada ("OSFI"), non-common capital instruments issued after January 1, 2013, including subordinated debt securities or preferred shares, must include terms providing for the full and permanent conversion of such securities into common shares upon the occurrence of certain trigger events relating to financial viability (the "Non-Viability Contingent Capital Provisions") in order to qualify as regulatory capital. The specific terms of any Non-Viability Contingent Capital Provisions for any Subordinated Debt Securities and Preferred Shares that the Bank issues under this Prospectus will be described in one or more Prospectus Supplements relating to such Securities.

The Securities may be sold through underwriters or dealers purchasing as principals, through agents designated by the Bank (such underwriters, dealers and agents are collectively referred to in this Prospectus as "Investment Dealers" and individually as an "Investment Dealer") or by the Bank directly pursuant to applicable statutory exemptions, from time to time. See "Plan of Distribution". Each Prospectus Supplement will identify each Investment Dealer engaged in connection with the offering and sale of those Securities to which the Prospectus Supplement relates, and will also set forth the terms of the offering of such Securities, including the net proceeds to the Bank and, to the extent applicable, any fees payable to the Investment Dealers. The offerings are subject to approval of certain legal matters by the Bank's counsel.

Guillermo E. Babatz, Scott. B. Bonham, Charles H. Dallara, Eduardo Pacheco, Susan L. Segal and Barbara S. Thomas (each a director of the Bank resident outside of Canada), have appointed the Bank, at Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1, Canada, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if such person has appointed an agent for service of process.

The head office of the Bank is located at 1709 Hollis Street, Halifax, Nova Scotia B3J 1W1 and its executive offices are located at Scotia Plaza, 44 King Street West, Toronto, Ontario M5H 1H1.

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### Forward-looking Statements

The Bank’s public communications often include oral or written forward-looking statements. Statements of this type may be included in this Prospectus, in the documents incorporated by reference in this Prospectus and 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. Forward-looking statements may include, but are not limited to, statements made in this Prospectus, or incorporated by reference in this Prospectus, but are not limited to, statements in the Management’s Discussion and Analysis in the 2017 Annual Report (as defined below), as updated by quarterly reports, under the heading “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 (including those in the area of risk management), 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,” “anticipate,” “intent,” “estimate,” “plan,” “may increase,” “may fluctuate,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would” and “could.”

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will not prove to be accurate. Do not unduly rely on forward-looking statements, as a number of important factors, many of which are beyond the Bank’s control and the effects of which can be difficult to predict, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: the economic and financial conditions in Canada and globally; fluctuations in interest rates and currency values; liquidity and funding; significant market volatility and interruptions; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary policy; legislative and regulatory developments in Canada and elsewhere, including changes to, and interpretations of tax laws and risk-based capital guidelines and reporting instructions and liquidity regulatory guidance; changes to the Bank’s credit ratings; operational (including technology) and infrastructure risks; reputational risks; the risk that the Bank’s risk management models may not take into account all relevant factors; 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 expand existing distribution channels and to develop and realize revenues from new distribution channels; the Bank’s ability to complete and integrate acquisitions and its other growth strategies; critical accounting estimates and the effects of changes in accounting policies and methods used by the Bank as

described in the Bank's annual financial statements (see "Controls and Accounting Policies – Critical accounting estimates" in the 2017 Annual Report, as updated by quarterly reports); global capital markets activity; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; unexpected changes in consumer spending and saving habits; technological developments; fraud by internal or external parties, including the use of new technologies in unprecedented ways to defraud the Bank or its customers; increasing cyber security risks which may include theft of assets, unauthorized access to sensitive information or operational disruption; anti-money laundering; consolidation in the financial services sector in Canada and globally; competition, both from new entrants and established competitors; judicial and regulatory proceedings; natural disasters, including, but not limited to, earthquakes and hurricanes, and disruptions to public infrastructure, such as transportation, communication, power or water supply; the possible impact of international conflicts and other developments, including terrorist activities and war; the effects of disease or illness on local, national or international economies; 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. For more information, see the "Risk Management" section of the 2017 Annual Report, which is incorporated by reference herein and which outlines in detail certain key factors that may affect the Bank's future results.

Material economic assumptions underlying the forward-looking statements contained in, or incorporated by reference in, this Prospectus are set out in the 2017 Annual Report under the heading "Outlook", as updated by quarterly reports. 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.

The preceding list of factors is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. 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, or incorporated by reference in, this Prospectus are presented for the purpose of assisting the holders of the Bank's securities and financial analysts in understanding the Bank's financial position and results of operations as at and for the periods ended on the dates presented, as well as the Bank's financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Except as required by law, the Bank 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.

### **Documents Incorporated by Reference**

The following documents have been filed with the securities regulatory authorities in each province and territory of Canada and are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Bank's annual information form dated November 28, 2017, for the year ended October 31, 2017 (the "Annual Information Form");
- (b) the Bank's management proxy circular attached to the notice of meeting dated February 13, 2018;
- (c) the Bank's consolidated interim financial statements (unaudited) and management's discussion and analysis for the three and six months ended April 30, 2018;
- (d) the Bank's consolidated statements of financial position as at October 31, 2017 and 2016 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, 2017, together with the auditors' report thereon dated November 28, 2017; and
- (e) the Bank's management's discussion and analysis for the year ended October 31, 2017 (the "2017 Annual MD&A") as contained in the Bank's Annual Report as of October 31, 2017 (the "2017 Annual Report").

Any documents of the type referred to in the preceding paragraph or required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short form Prospectus Distributions*, including any material change reports (excluding confidential material change reports) and any other disclosure documents required to be incorporated by reference in this Prospectus, filed by the Bank with a securities regulatory authority in Canada after the date of this Prospectus and prior to the termination of the offering under any Prospectus Supplement, will be deemed to be incorporated by reference in this Prospectus.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein or contemplated in this Prospectus will be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.**

A Prospectus Supplement containing the specific terms of an offering of Securities will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated into this Prospectus as of the date of the Prospectus Supplement solely for the purposes of the offering of the Securities covered by that Prospectus Supplement unless otherwise expressly provided therein.

Upon a new management proxy circular, annual information form or new annual financial statements, together with the auditors' report thereon and management's discussion and analysis contained therein, being filed by the Bank with the applicable securities regulatory authority during the term of this Prospectus, the previous annual information form, management proxy circular, or annual financial statements, as applicable and all interim financial statements, material change reports, and information circulars, as applicable filed prior to the commencement of the Bank's financial year in which the new management proxy circular, annual information form or annual financial statements are filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder. The Bank will file updated earnings coverage ratios quarterly with securities regulatory authorities in Canada, which updates will be deemed to be incorporated by reference into this Prospectus.

### **Currency Information**

Unless otherwise indicated, all dollar amounts appearing in this Prospectus are stated in Canadian dollars.

### **Business of the Bank**

The Bank is a Canadian chartered bank under the Bank Act. The Bank is a Schedule I Bank under the Bank Act and is regulated by OSFI.

The Bank is an 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 24 million customers 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 with a team of more than 89,000 employees and assets of approximately \$926 billion (as at April 30, 2018).

A list of the principal subsidiaries directly or indirectly owned or controlled by the Bank as at October 31, 2017 is incorporated by reference from the Bank's Annual Information Form.

### **Description of Debt Securities**

The following is a general description of the Debt Securities. The Debt Securities may be issued under one or more indentures (each, an "Indenture"), in each case between the Bank and a trustee (a "Trustee") determined by the Bank in accordance with applicable laws or pursuant to a fiscal agency or paying agency agreement, in each case between

the Bank and an agent, which agent may be an affiliate of or otherwise non-arm's length to the Bank. Any series of Debt Securities may also be created and issued without an Indenture or a fiscal agency or paying agency agreement. The Bank may also appoint a calculation agent in connection with any Debt Securities issued under this Prospectus, which agent may be an affiliate or otherwise non-arm's length to the Bank. The statements made below relating to any Indenture and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof, are not complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Indenture and the applicable Prospectus Supplement to this Prospectus.

Senior Debt Securities will be direct unsubordinated obligations of the Bank that rank equally and rateably with other unsecured and unsubordinated debt of the Bank from time to time issued and outstanding, including deposit liabilities, other than certain governmental claims in accordance with applicable law. Effective September 23, 2018, Senior Debt Securities issued on or after that date may, depending on their terms, be subject to Bail-In Regulations (as defined below) and Bail-In Conversion (as defined below) as described below under "Recent Events". In the event any Senior Debt Securities issued under this Prospectus are subject to the Bail-In Regulations and Bail-In Conversion, the applicable Prospectus Supplement will provide further details.

Subordinated Debt Securities will be direct unsecured obligations of the Bank, constituting subordinated indebtedness for the purposes of the Bank Act, ranking at least equally with other subordinated indebtedness of the Bank from time to time issued and outstanding (other than subordinated indebtedness which has been further subordinated in accordance with its terms). In the event of the insolvency or winding-up of the Bank, the subordinated indebtedness of the Bank (including any Subordinated Debt Securities issued hereunder if a trigger event has not occurred as contemplated under the specific Non-Viability Contingent Capital Provisions as may be applicable to such Subordinated Debt Securities) will be subordinate in right of payment to the prior payment in full of the deposit liabilities of the Bank and other liabilities of the Bank, including Senior Debt Securities, except those liabilities which by their terms rank in right of payment equally with or subordinate to indebtedness evidenced by such debentures.

Subject to regulatory capital requirements applicable to the Bank, there is no limit on the amount of Senior Debt Securities or Subordinated Debt Securities that the Bank may issue.

If the Bank becomes insolvent, the Bank Act provides that priorities among payments of the Bank's deposit liabilities and payments of all of the Bank's other liabilities (including payments in respect of Senior Debt Securities and Subordinated Debt Securities) 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, the Bank's right to participate in any distribution of the assets of such banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up liquidation or reorganization or otherwise, and thus a purchaser'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 the Bank's claims are recognized. 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.

**Neither the Senior Debt Securities nor the Subordinated Debt Securities will constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.**

Each Indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by the Bank. Reference is made to any Prospectus Supplement which accompanies this Prospectus for the terms and other information with respect to the Debt Securities being offered thereby, including: (i) the designation, aggregate principal amount and authorized denominations of the Debt Securities; (ii) the currency for which the Debt Securities may be purchased and the currency in which the principal and any interest is payable (in either case, if other than Canadian dollars); (iii) the percentage of the principal amount at which the Debt Securities will be issued; (iv) the date or dates on which the Debt Securities will mature; (v) the rate or rates (if any); (vi) the dates on which such interest will be payable and the record dates for such payments; (vii) the Trustee under the Indenture pursuant to which the Debt Securities are to be issued; (viii) any extension or redemption term or terms under which such Debt Securities may be defeased; (ix) whether the Debt Securities are to be issued in registered form, "book-entry only" form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof; (x) any exchange or

conversion terms (including terms relating to any conversion of Debt Securities into Common Shares); (xi) the ratings, if any, issued by rating agencies in respect of the Debt Securities; and (xii) any other specific terms.

This Prospectus does not qualify the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined or linked, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, a currency, consumer price or mortgage index, or the price or value of one or more commodities, indices, securities, financial ratios or other items, or other model or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or a bankers' acceptance rate, or to recognized market benchmark interest rates. The specifics of any such provisions will be described in applicable Prospectus Supplement to this Prospectus. In compliance with applicable Canadian securities laws, the Bank has filed an undertaking with the applicable securities regulatory authorities that we will not distribute, among other things, any Debt Securities that are considered novel specified derivatives or asset-backed securities (as such terms are defined under applicable Canadian securities laws) at the time of distribution without preclearing with the applicable securities regulatory authorities the disclosure contained in the prospectus supplements pertaining to such Debt Securities in accordance with applicable Canadian securities laws.

Debt Securities may, at the option of the Bank, be issued in fully registered form, in bearer form or in "book-entry only" form. See "Book-Entry Only Securities" below. Debt Securities in registered form will be exchangeable for other Debt Securities of the same series and tenor, registered in the same name, for the same aggregate principal amount in authorized denominations and will be transferable at any time or from time to time at the corporate trust office of the Trustee for the Debt Securities. No charge will be made to the holder for any such exchange or transfer except for any tax or government charge incidental thereto.

Unless otherwise specified in the Prospectus Supplement which accompanies this Prospectus, principal, premium (if any) and interest payable on Debt Securities are to be payable at any branch in Canada of the Bank provided that such payments may also be made at the option of the Bank by electronic or wire transfer or, by cheque mailed, delivered or otherwise transferred to the persons in whose names the Debt Securities are registered.

### **Description of Preferred Shares**

The following describes certain general terms and provisions of the Preferred Shares. The particular terms and provisions of a series of Preferred Shares offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in such Prospectus Supplement.

The following is a summary of the rights, privileges, restrictions and conditions of or attaching to the Preferred Shares of the Bank as a class.

#### ***Issuable in Series***

The authorized preferred share capital of the Bank consists of an unlimited number of Preferred Shares without nominal or par value. The directors of the Bank may divide any unissued Preferred Shares into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof.

#### ***Priority***

The Preferred Shares of each series will rank on a parity with Preferred Shares of every other series (including any Preferred Shares issued hereunder if a trigger event has not occurred as contemplated under the specific Non-Viability Contingent Capital Provisions applicable to such Preferred Shares) and are entitled to preference over Common Shares and over any other shares of the Bank ranking junior to the Preferred Shares with respect to the payment of dividends and upon any distribution of assets in the event of liquidation, dissolution or winding-up of the Bank.

### ***Restrictions***

The Bank may not, without the approval of the holders of Preferred Shares, create any other class of shares ranking prior to or on a parity with the Preferred Shares, increase the authorized number of Preferred Shares or amend the provisions attaching to the Preferred Shares.

### ***Shareholder Approval***

Any approval to be given by the holders of the Preferred Shares may be given by a resolution carried by the affirmative vote of not less than 66 2/3% of the votes cast at a meeting of holders of Preferred Shares at which a majority of the outstanding Preferred Shares is represented or, if no quorum is present at such meeting, at any adjourned meeting at which no quorum requirements would apply.

### **Description of Common Shares**

The authorized common share capital of the Bank consists of an unlimited number of Common Shares, without nominal or par value. Holders of Common Shares are entitled to vote at all meetings of the shareholders of the Bank except meetings at which only the holders of Preferred Shares are entitled to vote. Holders of Common Shares are entitled to receive dividends, as and when declared on Common Shares. After the payment to the holders of the Preferred Shares of the amount or amounts to which they may be entitled, the holders of Common Shares shall be entitled to receive the remaining property of the Bank upon liquidation, dissolution or winding-up thereof.

### **Book-Entry Only Securities**

#### **CDS Clearing**

Securities issued in “book-entry only” form must be purchased, transferred or redeemed through participants (“CDS Participants”) in the depository service of CDS Clearing and Depository Services Inc. or a successor or its nominee (collectively, “CDS”), as described below. Each of the Investment Dealers named in an accompanying Prospectus Supplement offering securities in “book-entry only” form will be a CDS Participant. On the closing of a book-entry only offering, the Bank will cause a global certificate or certificates representing the aggregate number of Securities subscribed for under such offering to be delivered to, and registered in the name of, CDS. Except as described below, no purchaser of Securities will be entitled to a certificate or other instrument from the Bank or CDS evidencing that purchaser’s ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a CDS Participant acting on behalf of such purchaser. Each purchaser of Securities will receive a customer confirmation of purchase from the Investment Dealer from which the Securities are purchased in accordance with the practices and procedures of that Investment Dealer. The practices of Investment Dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. Reference in this Prospectus to a holder of Securities means, unless the context otherwise requires, the owner of the beneficial interest in the Securities.

CDS will be responsible for establishing and maintaining book-entry accounts for CDS Participants having interests in the Securities. If (i) the book-entry only system ceases to exist, (ii) the Bank determines that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Securities and the Bank is unable to locate a qualified successor, or (iii) the Bank at its option elects, or is required by applicable law or the rules of any securities exchange, to withdraw the Securities from the book-entry only system, then physical certificates representing the Securities will be issued to holders thereof or their nominees.

#### ***Transfer, Conversion and Redemption of Securities***

Transfers of ownership, conversions or redemptions of Securities will be effected only through records maintained by CDS for such Securities with respect to interests of CDS Participants and on the records of CDS Participants with respect to interests of persons other than CDS Participants. Holders of Securities who are not CDS Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Securities, may do so only through CDS Participants. The ability of a holder to pledge Securities or otherwise take action with respect to such holder’s interest in Securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.



### ***Payments and Deliveries***

The Bank will make, or cause to be made, payments of principal, redemption price, if any, dividends and interest, as applicable, on Securities to CDS as the registered holder of the Securities and the Bank understands that the payment will be forwarded by CDS to CDS Participants in accordance with the customary practices and procedures of CDS. As long as CDS is the registered owner of the Securities, CDS will be considered the sole owner of the Securities for the purposes of receiving notices or payments on the Securities. As long as the Securities are held in the CDS book-entry only system, the responsibility and liability of the Bank in respect of the Securities is limited to making payments of principal, redemption price, if any, dividends and interest, as applicable, on the Securities to CDS, as registered holder of the Securities. The Bank expects that CDS, upon receipt of any payment in respect of Securities, will credit CDS Participants' accounts in amounts proportionate to their respective interests in the principal amount of such Securities as shown on the records of CDS in accordance with the customary practices and procedures of CDS. The Bank also expects that payments by CDS Participants to the owners of beneficial interests in Securities held through such CDS Participants will be governed by standing instructions and customary practices, and will be the responsibility of such CDS Participants. The rules governing CDS provide that it acts as the agent and depository for the CDS Participants. As a result, CDS Participants must look solely to CDS, and persons other than CDS Participants having an interest in Securities must look solely to CDS Participants, for payments or deliveries made by or on behalf of the Bank to CDS in respect of such Securities.

Each beneficial owner must rely on the procedures of CDS and, if such beneficial owner is not a CDS Participant, on the procedures of the CDS Participant through which such beneficial owner owns its interest, to exercise any rights with respect to the Securities. The Bank understands that under existing policies of CDS and industry practices, if the Bank requests any action of a beneficial owner or if a beneficial owner desires to give any notice or take any action which a registered holder is entitled to give or take with respect to the Securities, CDS would authorize the CDS Participant acting on behalf of the beneficial owner to give such notice or to take such action, in accordance with the procedures established by CDS or agreed to from time to time by the Bank, any Trustee and CDS. Any beneficial owner that is not a CDS Participant must rely on the contractual arrangement it has directly, or indirectly through its financial intermediary, with its CDS Participant to give such notice or take such action.

None of the Bank, the Investment Dealers, the Trustee or any other trustee (in the case of Debt Securities) will assume liability or responsibility for (i) any aspect of the records relating to the beneficial ownership of the Securities held by CDS or the payments or deliveries relating thereto, (ii) maintaining, supervising or reviewing any records relating to the Securities, or (iii) any advice or representation made by or with respect to CDS relating to the rules governing CDS or any action to be taken by CDS or at the direction of CDS Participants.

### **Bank Act Restrictions and Restrictions on Payment of Dividends**

The Bank Act restricts the beneficial ownership of shares of a bank. The following is a summary of such restrictions. No person may be a major shareholder of a bank if such bank has equity of \$12 billion or more, which applies to the Bank. A major shareholder is defined as a person, or group of persons under common control or acting jointly or in concert, that beneficially owns more than 20% of any class of voting shares or more than 30% of any class of non-voting shares of a bank.

In addition, no person may have a significant interest in any class of shares of a bank, including the Bank, unless the person first receives the approval of the Minister of Finance (Canada). A person has a significant interest in a class of shares of a bank when the person, or group of persons under common control or acting jointly or in concert, beneficially owns more than 10% of any class of shares of a bank.

Governments and their agents are also restricted from acquiring shares of a bank, except for certain cases that require the Minister of Finance's consent.

Under the Bank Act, the Bank cannot redeem or purchase any of its shares, including the Preferred Shares and Common Shares, unless the consent of OSFI has been obtained. In addition, the Bank Act prohibits the Bank from purchasing or redeeming any shares or paying any dividends if there are reasonable grounds for believing that the Bank is, or the payment would cause the Bank to be, in contravention of the Bank Act requirement to maintain, in relation to the Bank's operations, adequate capital and appropriate forms of liquidity and to comply with any regulations or directions of OSFI in relation thereto.

If on any interest payment date (each, an “Interest Payment Date”) for the Bank’s US\$1,250,000,000 aggregate principal amount of 4.650% Fixed to Floating Rate Non-Cumulative Subordinated Additional Tier 1 Capital Notes (Non-Viability Contingent Capital (NVCC)) (the “Notes”), the Bank does not pay in full the applicable interest on the Notes that is due and payable on such Interest Payment Date (whether as a result of cancellation or otherwise), the Bank will not (a) declare dividends on the Common Shares or the Preferred Shares or (b) redeem, purchase or otherwise retire any Common Shares or Preferred Shares (except pursuant to any purchase obligation, retraction privilege or mandatory redemption provisions attaching to the Preferred Shares), in each case, until the month commencing immediately after the Bank makes an interest payment in full on the Notes.

The Bank has covenanted that, if a distribution is not paid when due on any outstanding Scotiabank Trust Securities (also known as “Scotia BaTS”) issued by Scotiabank Capital Trust, the Bank will not pay dividends on its Common Shares and Preferred Shares, until the twelfth month following the failure to pay the required distribution in full, unless the required distribution is paid to the holders of Scotia BaTS. In addition, the Bank has also covenanted that if the interest is not paid in cash on any outstanding 7.802% Scotiabank Tier 1 Securities Series 2009-1 issued by Scotiabank Tier 1 Trust, the Bank will not pay dividends on its Common Shares and Preferred Shares for a specified period of time.

### Earnings Coverage

The consolidated financial ratios for the Bank set forth in the table below are calculated for the 12 months ended October 31, 2017 and April 30, 2018, respectively, are presented on a *pro forma* as adjusted basis, which gives effect to: (i) the redemption by the Bank on November 20, 2017 of an aggregated principal of JPY 10 billion 3.015% Subordinated Debentures due November 2037 (the “3.015% JPY Subordinated Debenture Redemption”), (ii) the redemption by the Bank on April 9, 2018 of an aggregated principal of JPY 10 billion 3.370% Subordinated Debentures due April 2038 (the “3.370% JPY Subordinated Debenture Redemption”), (iii) the redemption by the Bank on April 26, 2018 of an aggregate principal amount of \$187 million Non-cumulative 5-Year Rate Reset Preferred Shares Series 18 (the “Preferred Shares Series 18 Redemption”), and (iv) the redemption by the Bank on April 26, 2018 of an aggregate principal amount of \$158 million Non-cumulative 5-Year Rate Reset Preferred Shares Series 19 (the “Preferred Shares Series 19 Redemption”), as appropriate for each of the periods presented.

<b>Twelve months ended</b>	<b>October 31, 2017</b>	<b>April 30, 2018</b>
Grossed up dividend coverage on Preferred Shares Series 20, 21, 22, 23, 30, 31, 32, 33, 34 and 36	67.82 times	55.41 times
Interest coverage on subordinated indebtedness	46.87 times	51.75 times
Grossed up dividend and interest coverage on preferred shares and subordinated indebtedness	27.97 times	27.01 times

The Bank’s dividend requirements on all of its outstanding Preferred Shares amounted to: (i) \$119 million for the 12 months ended October 31, 2017, adjusted to a before-tax equivalent using an effective income tax rate of 19.8% for the 12 months ended October 31, 2017, and (ii) \$117 million for the 12 months ended April 30, 2018, adjusted to a before-tax equivalent using an effective income tax rate of 21.7% for the 12 months ended April 30, 2018. The Bank’s interest requirements for subordinated debentures amounted to (i) \$219 million for the 12 months ended October 31, 2017, and (ii) \$214 million for the 12 months ended April 30, 2018. The Bank’s earnings before interest on subordinated indebtedness and income tax for (i) the 12 months ended October 31, 2017 were \$10,264 million after deducting non-controlling interest, which was 27.97 times the Bank’s aggregate dividend and interest requirements for that period, and (ii) the 12 months ended April 30, 2018 were \$11,074 million, which was 27.01 times the Bank’s aggregate dividend and interest requirements for that period. The foregoing figures have been calculated after giving effect to the 3.015% JPY Subordinated Debenture Redemption, the 3.370% JPY Subordinated Debenture Redemption, the Preferred Shares Series 18 Redemption and the Preferred Shares Series 19 Redemption, as appropriate for each of the periods presented.

In calculating the dividend and interest coverages, foreign currency amounts have been converted to Canadian dollars using a October 31, 2017 and April 30, 2018 spot rate of exchange for October 31, 2017 and April 30, 2018 calculations, respectively.

All amounts presented under this heading, "Earnings Coverage" are derived from financial information which is unaudited and prepared in accordance with International Financial Reporting Standards (IFRS).

### **Plan of Distribution**

The Bank may sell Securities to or through underwriters or dealers purchasing as principal, and also may sell Securities to one or more purchasers directly or through agents. Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers.

A Prospectus Supplement will set forth the terms of any offering of Securities, including the name or names of any Investment Dealers, the initial public offering price, the proceeds to the Bank, any underwriting discount or commission to be paid to any Investment Dealers and any discounts, concessions or commissions allowed or re-allowed or paid by any Investment Dealers to other investment dealers.

The Securities may be sold directly by the Bank at such prices and upon such terms as agreed to by the Bank and the purchaser or through agents designated by the Bank from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Bank to such agent will be set forth, in the applicable Prospectus Supplement. Unless otherwise indicated in the applicable Prospectus Supplement, any agent is acting on a best efforts basis for the period of its appointment.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the Securities offered by the Prospectus Supplement if any of such Securities are purchased.

Any public offering price and any discounts or concessions allowed or re-allowed or paid to Investment Dealers may be changed from time to time. The Bank may agree to pay the Investment Dealers a commission for various services relating to the issue and sale of any Securities offered hereby. Any such commission will be paid out of the general corporate funds of the Bank. Investment Dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Bank to indemnification by the Bank against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such Investment Dealers may be required to make in respect thereof.

In connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), the Investment Dealers may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a higher level than that which might exist in the open market. These transactions may be commenced, interrupted or discontinued at any time.

This Prospectus and related Prospectus Supplement may be used by direct or indirect wholly-owned subsidiaries of the Bank in connection with offers and sales related to secondary market transactions in the Securities in the United States. Those subsidiaries may act as principal or agent in those transactions. Secondary market sales will be made at prices related to prevailing market prices at the time of sale.

### **Trading Price and Volume of Bank's Securities**

Trading prices and volume of the Bank's Securities will be provided for all of the Bank's issued and outstanding Common Shares and Preferred Shares in each Prospectus Supplement to this Prospectus.

### **Prior Sales**

Prior sales will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

### **Recent Events**

On June 22, 2016, legislation came into force amending the Bank Act, the Canada Deposit Insurance Corporation Act (“CDIC Act”) and certain other federal statutes pertaining to banks to create a bail-in regime for Canada’s domestic systemically important banks (“D-SIBs”), which include the Bank. On April 18, 2018, the Government of Canada published the final regulations under the CDIC Act and the Bank Act providing the final details of the conversion, issuance and compensation regimes for bail-in instruments issued by domestic systemically important banks, including the Bank (collectively, the “Bail-In Regulations”). Pursuant to the CDIC Act, in circumstances where the Superintendent of Financial Institutions has determined that the Bank has ceased, or is about to cease, to be viable, the Governor in Council may, upon a recommendation of the Minister of Finance that he or she is of the opinion that it is in the public interest to do so, grant an order directing CDIC to convert all or a portion of certain shares and liabilities of the Bank into common shares of the Bank (a “Bail-In Conversion”).

The Bail-In Regulations prescribe the types of shares and liabilities (“Eligible Shares and Liabilities”) that will be subject to a Bail-In Conversion. In general, any senior debt with an initial or amended term to maturity (including explicit or embedded options) greater than 400 days, that is unsecured or partially secured and has been assigned a CUSIP or ISIN or similar identification number would be subject to a Bail-In Conversion. Shares, other than Common Shares, and subordinated debt would also be subject to a Bail-In Conversion, unless they are non-viability contingent capital. Holders of Common Shares, and holders of Debt Securities or Preferred Shares who receive Common Shares following the occurrence of a trigger event under the Non-Viable Capital Contingency Provisions, may sustain substantial dilution following a Bail-In Conversion of the Eligible Shares and Liabilities.

Notwithstanding the above, any shares and liabilities issued before the date the Bail-In Regulations come into force would not be subject to a Bail-In Conversion, unless, in the case of a liability, the terms of such liability are, on or after that day, amended to increase its principal amount or to extend its term to maturity and the liability, as amended, meets the requirements to be subject to a Bail-In Conversion.

The Bank Recapitalization (Bail-in) Conversion Regulations and the Bank Recapitalization (Bail-in) Issuance Regulations will come into force on September 23, 2018 and the related compensation regime came into force of March 26, 2018.

In the event any Securities issued under this Prospectus are subject to the Bail-In Regulations and Bail-In Conversion, the applicable Prospectus Supplement will provide further details.

### **Risk Factors**

Investment in the Securities is subject to various risks including those risks inherent in conducting the business of a diversified financial institution. Before deciding whether to invest in any Securities, investors should consider carefully the risks set out herein and incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference) and, if applicable, those described in a Prospectus Supplement relating to a specific offering of Securities. Prospective investors should consider the categories of risks identified and discussed in the Annual Information Form and the 2017 Annual MD&A, each of which is incorporated herein by reference, including credit risk, market risk, liquidity risk, operational risk, reputational risk, environmental risk, insurance risk, strategic risk and other risks.

### **Use of Proceeds**

Unless otherwise specified in a Prospectus Supplement, the net proceeds to the Bank from the sale of the Securities will be added to the general funds of the Bank and utilized for general banking purposes.

### **Interests of Experts**

KPMG LLP, Chartered Professional Accountants, Toronto, Ontario, is the external auditor who prepared the Independent Auditors' Report of Registered Public Accounting Firm with respect to the consolidated statements of financial position of the Bank as at October 31, 2017 and 2016 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, 2017. KPMG LLP has confirmed with respect to the Bank that it is independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

### **Purchasers' Statutory Rights**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

Original Canadian purchasers of Debt Securities or Preferred Shares that are convertible or exchangeable into other securities of the Bank will have a contractual right of rescission against the Bank in respect of the conversion, exchange or exercise of such convertible, exchangeable or exercisable securities. The contractual right of rescission will entitle such original purchasers to receive from the Bank, upon surrender of the underlying securities acquired upon the conversion, exchange or exercise of such Debt Securities or Preferred Shares, the amount paid for the Debt Securities or Preferred Shares (and any additional amount paid upon conversion, exchange or exercise), in the event that this Prospectus, the applicable Prospectus Supplement or any amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Debt Securities or Preferred Shares that are convertible, exercisable or exchangeable under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the Debt Securities or Preferred Shares that are convertible, exercisable or exchangeable under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law. Original Canadian purchasers are further advised that in certain provinces and territories the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible or exchangeable security that was purchased under a prospectus and, therefore, a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the province or territory in which the purchaser resides for the particulars of these rights, or consult with a legal adviser.

## Certificate of the Bank

Dated: July 25, 2018

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the *Bank Act* (Canada) and the regulations thereunder and the securities legislation of all provinces and territories of Canada.

(signed) Brian J. Porter  
President and Chief Executive Officer

(signed) Rajagopal Viswanathan  
Acting Chief Financial Officer

On behalf of the Board of Directors

(signed) Thomas C. O'Neill  
Director

(signed) Tiff Macklem  
Director