



**The Bank of Nova Scotia, Houston, Floating Rate YCD
USD Short-Term Notes (Bail-inable Notes)**

Final Terms and Conditions

Issuer:	The Bank of Nova Scotia, Houston Branch
Issue:	Floating Rate Yankee CD ("CD") CDs will be direct unsecured liabilities of The Bank of Nova Scotia ranking pari passu with all other unsecured and unsubordinated debt of the Bank.
Issuer Ratings¹:	DBRS: AA (Stable) Moody's: A2 (Stable) S&P: A+ (Stable)
Issue Ratings:	DBRS: AA (low) Moody's: A2 S&P: A-
Principal Amount (USD):	\$20,000,000
Minimum Denomination (USD):	The CDs will be issued in denominations of U.S.\$250,000 and integral multiples of U.S.\$1,000 in excess thereof.
Term:	1.5 Years
Trade Date:	January 08, 2019
Issue Date:	January 10, 2019
Maturity Date:	July 10, 2020
Coupon Payment and Reset Dates:	Quarterly on the 10th calendar day, subject to the business day Convention described below.
First Coupon Date:	April 10, 2019
Rate Determination Date:	Two London business days prior to each coupon reset date
Coupon:	3 Month LIBOR + 33 bps
First Coupon:	3.1125%
Business Days:	New York and London
Convention:	Actual/360; Modified Following, Adjusted
Issuer DTC#:	1542

¹ Ratings are not a recommendation to buy, sell or hold CDs and each rating should be evaluated independently of each other. In addition, ratings are subject to change at any time without notice from the Bank.

Bookrunner: Scotiabank \$20,000,000

CUSIP: 06417G3S5

Disclosure: This term sheet represents and contains all of the final terms and conditions of the Floating Rate Yankee CD issued hereunder and there is no other relevant documentation evidencing their terms.

**Canadian Bail-in
Acknowledgment:**

By its acquisition of an interest in any CD, each holder or beneficial owner of that CD is deemed to (i) agree to be bound, in respect of the CD, by the Canada Deposit Insurance Corporation Act (*Canada*) (the “**CDIC Act**”), including the conversion of the CD, 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 (“**Bank**”) or any of its affiliates under subsection 39.2(2.3) of the CDIC Act and the variation or extinguishment of the CD 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 the CDs; (ii) attorn and submit to the jurisdiction of the courts in the Province of Ontario with respect to the CDIC Act and those laws; and (iii) acknowledge and agree that the terms referred to in clauses (i) and (ii) above, are binding on that holder or beneficial owner despite any terms of this CD, any other law that governs the CDs and any other agreement, arrangement or understanding between that holder or beneficial owner and the Bank with respect to the CDs.

Holders and beneficial owners of CDs will have no further rights in respect of their CDs to the extent those CDs are converted in a bail-in conversion under the Canadian bail-in regime than those provided under the Canadian bail-in regime, and by its acquisition of an interest in any CD, each holder or beneficial owner of that CD is deemed to irrevocably consent to the converted portion of the principal amount of that CD and any accrued and unpaid interest thereon being deemed paid in full by the Bank 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 will occur without any further action on the part of that holder or beneficial owner; provided that, for the avoidance of doubt, this consent will not limit or otherwise affect any rights that holders or beneficial owners may have under the Canadian bail-in regime.

For additional information on Canadian bail-in powers and related risk factors, which are generally applicable to debt instruments subject to bail-in, including the CDs, please see <https://www.scotiabank.com/ca/en/about/investors-shareholders/regulatory-disclosures/canadian-bank-resolution-powers-including-bail-in.html> which information is hereby incorporated by reference.

By its acquisition of an interest in any CD, each holder or beneficial owner of that CD is deemed to have authorized, directed and requested The Depository Trust Company (“**DTC**”) and any direct participant in DTC or other intermediary through which it holds such interest in such CD to take any and all necessary action, if required, to implement the bail-in conversion or other action pursuant to the Canadian bail-in regime with respect to the CD, as it may be imposed on it, without any further action or direction on the part of that holder or beneficial owner.

**Governing Law;
Submission to Jurisdiction:**

The CDs are governed by and construed in accordance with the laws of the State of New York, United States of America, except that the provisions relating to the bail-in acknowledgment of holders and beneficial owners of CDs in the first paragraph under “**Canadian Bail-in Acknowledgment**” above are governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. By its acquisition of an interest in any CD, each holder or beneficial owner of that CD is deemed to attorn and submit to the jurisdiction of the courts in the Province of Ontario with respect to actions, suits and proceedings arising out of or relating to the operation of the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the CD.

**Subsequent Holders’
Agreement:**

Each holder or beneficial owner of a CD that acquires the CD in the secondary market and any successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of any holder or beneficial owner will 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 acquired an interest in the CD 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 CD related to the bail-in regime.

No Set-Off:

The holders and beneficial owners of CDs will not be entitled to exercise, or direct the exercise of, any set-off or netting rights with respect to the CDs.

Events of Default:

For the CDs, acceleration will only be permitted (i) if the Bank defaults in the payment of the principal of, or interest on, the CDs and, in each case, the default continues for a period of 30 Business Days; or (ii) if the Bank becomes insolvent or bankrupt or subject to the provisions of the Winding-up and Restructuring Act (Canada), 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.

Holders and beneficial owners of the CDs may only exercise, or direct the exercise of, those rights in respect of the CDs 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 those rights by holders in respect of the CDs, the CDs will

continue to be subject to bail-in conversion until repaid in full.

**Redemption or Purchase;
Modification and Waiver:**

Not Applicable

Optional Redemption:

Not Applicable

THIS CERTIFICATE OF DEPOSIT DOES NOT CONSTITUTE A DEPOSIT THAT IS INSURED UNDER THE CANADA DEPOSIT INSURANCE CORPORATION ACT OR BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION, OR ANY OTHER GOVERNMENTAL ENTITY.

BY ITS ACQUISITION OF AN INTEREST IN A CERTIFICATE OF DEPOSIT, THAT IT IS 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 CDIC ACT (A “**BAIL-INABLE CERTIFICATE OF DEPOSIT**”), EACH HOLDER OR BENEFICIAL OWNER OF THAT BAIL-INABLE CERTIFICATE OF DEPOSIT IS DEEMED TO (I) AGREE TO BE BOUND, IN RESPECT OF THE CERTIFICATE OF DEPOSIT, BY THE CANADA DEPOSIT INSURANCE CORPORATION ACT (CANADA) (THE “**CDIC ACT**”), INCLUDING THE CONVERSION OF THE CERTIFICATE OF DEPOSIT, 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 CERTIFICATE OF DEPOSIT 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 THE CERTIFICATE OF DEPOSIT; (II) ATTORN AND SUBMIT TO THE JURISDICTION OF THE COURTS IN THE PROVINCE OF ONTARIO WITH RESPECT TO THE CDIC ACT AND THOSE LAWS; AND (III) ACKNOWLEDGE AND AGREE THAT THE TERMS REFERRED TO IN CLAUSES (I) AND (II) ABOVE, ARE BINDING ON THAT HOLDER OR BENEFICIAL OWNER DESPITE ANY TERMS OF THE CERTIFICATE OF DEPOSIT, ANY OTHER LAW THAT GOVERNS THE CERTIFICATE OF DEPOSIT AND ANY OTHER AGREEMENT, ARRANGEMENT OR UNDERSTANDING BETWEEN THAT HOLDER OR BENEFICIAL OWNER AND THE BANK WITH RESPECT TO THE CERTIFICATE OF DEPOSIT.

HOLDERS AND BENEFICIAL OWNERS OF BAIL-INABLE CERTIFICATES OF DEPOSIT SHALL HAVE NO FURTHER RIGHTS IN RESPECT OF THEIR BAIL-INABLE CERTIFICATES OF DEPOSIT TO THE EXTENT THOSE CERTIFICATES OF DEPOSIT ARE CONVERTED UPON A BAIL-IN CONVERSION UNDER THE CANADIAN BAIL-IN REGIME, OTHER THAN THOSE PROVIDED UNDER THE CANADIAN BAIL-IN REGIME, AND BY ITS ACQUISITION OF AN INTEREST IN ANY BAIL-INABLE CERTIFICATE OF DEPOSIT, EACH HOLDER OR BENEFICIAL OWNER OF THAT CERTIFICATE OF DEPOSIT IS DEEMED TO IRREVOCABLY CONSENT TO THE PRINCIPAL AMOUNT OF THAT CONVERTED PORTION OF THE CERTIFICATE OF DEPOSIT AND ANY ACCRUED AND UNPAID INTEREST THEREON BEING DEEMED PAID IN FULL BY THE BANK 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 WILL OCCUR WITHOUT ANY FURTHER ACTION ON THE PART OF THAT HOLDER OR BENEFICIAL OWNER; PROVIDED THAT, FOR THE AVOIDANCE OF DOUBT, THIS CONSENT WILL NOT LIMIT OR OTHERWISE AFFECT ANY RIGHTS THAT HOLDERS OR BENEFICIAL OWNERS MAY HAVE UNDER THE CANADIAN BAIL-IN REGIME.

THIS MASTER GLOBAL NOTE AND EACH CERTIFICATE OF DEPOSIT ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, UNITED STATES OF AMERICA, EXCEPT THAT THE PROVISIONS RELATING TO THE BAIL-IN ACKNOWLEDGMENT OF HOLDERS AND BENEFICIAL OWNERS OF BAIL-INABLE CERTIFICATES OF DEPOSIT IN THE SECOND PRECEDING PARAGRAPH ABOVE ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN. BY ITS ACQUISITION OF AN INTEREST IN ANY BAIL INABLE CERTIFICATE OF DEPOSIT, EACH HOLDER OR BENEFICIAL OWNER OF THAT CERTIFICATE OF DEPOSIT IS DEEMED TO ATTORN AND SUBMIT TO THE JURISDICTION OF THE COURTS IN THE PROVINCE OF ONTARIO WITH RESPECT TO ACTIONS, SUITS AND PROCEEDINGS ARISING OUT OF OR RELATING TO THE OPERATION OF THE CDIC ACT AND THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN IN RESPECT OF THIS MASTER GLOBAL NOTE AND THE BAIL-INABLE CERTIFICATE OF DEPOSIT.

HOLDERS AND BENEFICIAL OWNERS OF A BAIL-INABLE CERTIFICATE OF DEPOSIT SHALL NOT BE ENTITLED TO EXERCISE, OR DIRECT THE EXERCISE OF, ANY SET-OFF OR NETTING RIGHTS WITH RESPECT TO SUCH CERTIFICATE OF DEPOSIT