

What is a MLGIC?

A unique, no-fee investment product with 100% principal protection like a GIC, and market linked growth potential of a mutual fund.

Feature	Regular Non-Redeemable GIC	Market Linked GIC	Mutual Funds
Redeemable	-	-	✓
100% Principal Protection	✓	✓	-
Market Linked Returns	-	✓	✓

Why a MLGIC might be right for you

✓ Right for you if you:

- Prefer an investment with principal guaranteed
- Want a guaranteed minimum return and the potential to earn more based on equity index performance

ⓘ May not be right for you if you:

- Need a higher guaranteed interest rate
- May need access to your investment prior to maturity

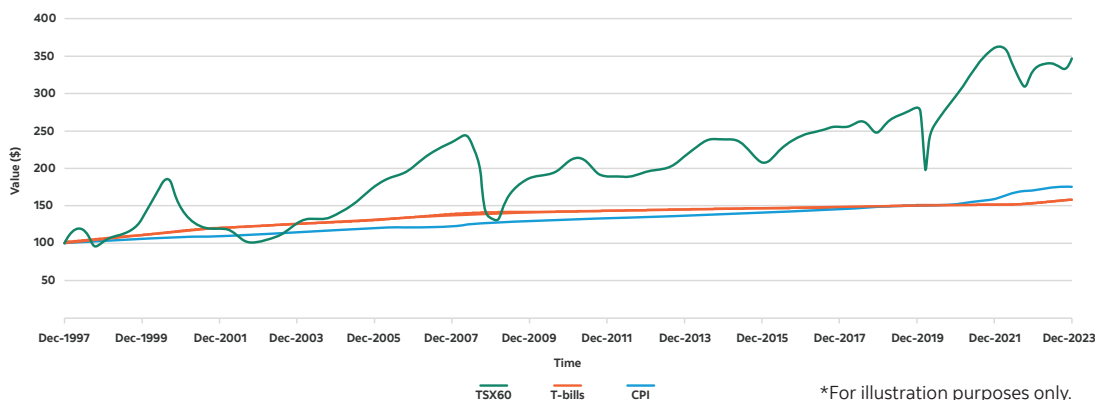
Advantages of a MLGIC:

CDIC eligible

100% principal guarantee

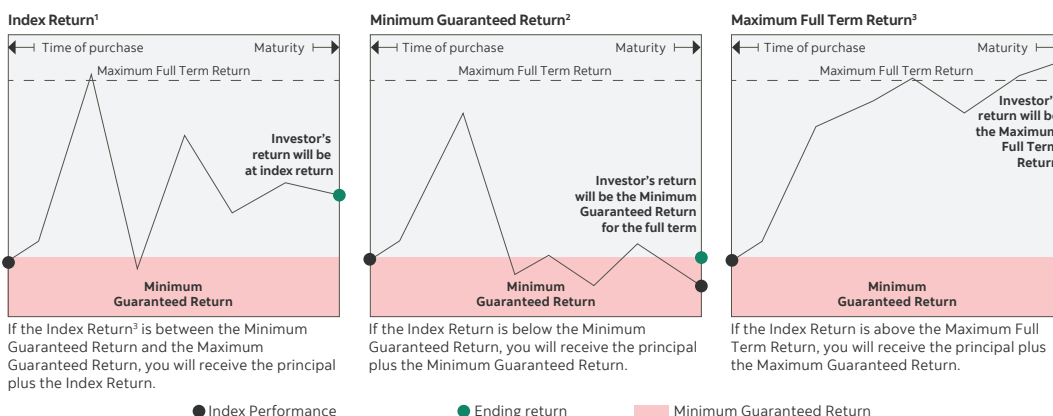
No fees

Potential of market linked returns



Markets trend towards growth in the long-run against inflation and other fixed-rate deposits such as bonds.

How a MLGIC works



The return of a MLGIC depends on the performance of the equity market index that it's linked to over a certain time period, the Minimum Guaranteed Return, and the Maximum Full Term Return.

Scotiabank MLGIC options

All MLGICs are eligible for non-registered and registered accounts such as TFSA, RRSP, RESP, and are eligible for CDIC insurance. Minimum investment is as low as \$500.

Underlying Product	Scotiabank Canadian Top 60	Scotiabank U.S. Top 500	Scotiabank Canadian Utilities	Scotiabank Canadian Low Volatility Index
Term (in years)	3, 5	2, 3, 5	2, 3, 5	2, 3, 5
Linked to	S&P/TSX 60 Index	S&P 500 Index	S&P/TSX Capped Utilities Index	S&P/TSX Composite Low Volatility Index
Underlying index description	Consists of the 60 largest and most tracked stocks listed on the TSX. They are usually domestic or multinational industry leaders	Comprised of the 500 largest U.S. publicly traded companies	Comprised of the major utility companies within the S&P/TSX Composite Index	Designed to measure the performance of the 50 least volatile stocks within the S&P/TSX Composite

How does a Market Linked GIC work?

The return of a MLGIC depends on the performance of the equity market index that it's linked to over a certain time period, and the minimum and maximum return thresholds.

Why is the minimum guaranteed return lower than the rate on a traditional non-redeemable GIC?

Unlike a traditional GIC, market linked GIC rates of return are variable and linked to the performance of the specified index. By taking market risk linked to the specified index, you could earn more or less than a traditional GIC. To limit your downside risk and to compensate you for the time your money is invested, we set a minimum guaranteed rate of return. This minimum guaranteed rate of return is lower than the return on a fixed rate GIC because with a market linked GIC you also have the potential to earn more than a traditional GIC, up to the maximum return.

How can I find information on the performance of the underlying indices?

You can find more information about index values at Scotiabank.com. The S&P website and most business news sites will also have up-to-date info published daily.

Where can I find details on which companies are in each index?

Index constituents can be found on the index providers public websites. Ask your advisor for more information.

Are there historical returns and current performance information available?

Yes, you can find historical rates of return and performance tracking at this link: www.scotiabank.com/MLGICreturns
Past performance is not indicative of future performance.

Is a Market Linked GIC eligible for CDIC insurance?

Yes, a Scotiabank Market Linked GIC is eligible for deposit insurance coverage by the Canada Deposit Insurance Corporation ("CDIC"), subject to CDIC rules and regulations.

Will I receive a T3 or a T5 tax slip?

Interest income from the Annual Guaranteed Minimum will be calculated and reported annually on a T5 Income Tax Information slip.

The MLGIC return in excess of the Guaranteed Minimum Return, if any, will be reported as interest income on a T5 slip for the year of maturity.

Do MLGICs renew automatically?

No, your MLGIC will not renew automatically.

Can I cancel my Scotiabank MLGIC purchase?

You can cancel your purchase within two days of either the:

- date of purchase
- date the Disclosure Document is provided, or deemed to be provided to you (eg. If purchase was done over the phone)

Can I redeem my MLGIC?

No, MLGICs are not redeemable before maturity, except in the event of the customer's death. In the event of death, interest will be calculated based on when the MLGIC was purchased to the redemption date, and redeemed at the redemption rate of a regular non-redeemable GIC posted rate applicable to your MLGIC. For example, redemption one year into a five-year term would give the return of a 1-year non-redeemable GIC posted rate at the time of purchase.

Will I be notified when my MLGIC matures?

We'll notify you of upcoming maturity dates in your quarterly Personal Portfolio Statements (PPS).

If you have more questions about MLGICs you can:



Book an appointment online with a Scotia advisor or call 1-800-4-SCOTIA (1-800-472-6842)



Visit www.scotiabank.com/MLGIC for more information.

¹ "Index Return" is the return calculated based on the performance of the underlying index linked to your Scotiabank Market Linked GIC. It is expressed as a percentage rate over the term of your Scotiabank Market Linked GIC. Index Return is calculated by using the following formula: $\text{Index Return} = ((\text{Ending Index Value} - \text{Starting Index Value}) / \text{Starting Index Value}) \times 100$.

² "Minimum Guaranteed Return" means the minimum return, expressed as a percentage rate, you will be guaranteed to earn on your Scotiabank Market Linked GIC. It is not an annual rate but a minimum return over the term of your Scotiabank Market Linked GIC. The Minimum Guaranteed Return is calculated and compounded annually at the Annual Guaranteed Minimum Interest Rate which is indicated in your Investment Directions.

³ "Maximum Full Term Return" means the maximum return, expressed as a percentage rate, you may earn on your Scotiabank Market Linked GIC. It is not an annual rate but a maximum return over the term of your Scotiabank Market Linked GIC. The Maximum Full Term Return is indicated in your Investment Directions.

The Scotiabank Market Linked GIC. The Scotiabank Market Linked GIC is a non-redeemable, non-transferable guaranteed investment certificate whose Index Return, if any, is based on the performance of the Underlying Index (S&P/TSX 60, S&P 500, S&P/TSX Composite Low Volatility Index or S&P/TSX Capped Utilities Index) up to a specified Maximum Full Term Return. The Scotiabank Market Linked GIC is available as both a non-registered and registered deposit, subject to the terms of the particular plan.

Calculation of your return. Your return, expressed as a percentage rate, will be equal to the Index Return (defined in the disclosure document available at www.scotiabank.com/content/dam/scotiabank/canada/en/documents/investing/MLGIC_Disclosure.pdf), unless: (a) the Index Return is greater than the Maximum Full Term Return, in which case your return will be equal to the Maximum Full Term Return; or (b) the Index Return is less than the Minimum Guaranteed Return, in which case your return will be equal to the Minimum Guaranteed Return. In each case, the return will be paid at maturity. The return, the Maximum Full Term Return and the Minimum Guaranteed Return, in each case, is a rate for the term and not an annual rate. "Annual Guaranteed Minimum Interest Rate" is an annualized return of the Minimum Guaranteed Return (defined below), expressed as a percentage rate. The Annual Guaranteed Minimum Interest Rate is specified in your Investment Directions. The Minimum Guaranteed Return, which is applicable only if the Index Return is less than the Minimum Guaranteed Return, is accrued yearly at the Annual Guaranteed Minimum Interest Rate from the Issue Date up to, but not including, the Maturity Date. The Interim Interest Rate, purchase date, Maximum Full Term Return and Annual Guaranteed Minimum Interest Rate for your Scotiabank Market Linked GIC will be based on the date that the funds are received by the Issuer, which is not necessarily the date on which you requested the transfer of such funds or deposited your cheque.

Your risks. You must be aware of, and carefully consider, the following risks of which details are provided in the disclosure document available at www.scotiabank.com/content/dam/scotiabank/canada/en/documents/investing/MLGIC_Disclosure.pdf: suitability, return, limitation on interest, risks related to market indices, extraordinary events, credit risk, changes in legislation, economic and regulatory issues, not a direct investment in an Underlying Index, not a fixed rate investment, no secondary market, etc.

Availability of Information. After your Scotiabank Market Linked GIC is issued, the following information is available on request (a) the net asset value of your GIC on the date you specify and how that value is related to the return payable under your GIC; or (b) the last available measure before the date you specify of the S&P/TSX 60 Index, S&P 500 Index, S&P/TSX Composite Low Volatility Index, and S&P/TSX Capped Utilities Index and how that measure is related to the return payable under your GIC. Complete information (including historical information about previously matured Scotiabank Market Linked GIC and the information contained in this Terms & Conditions) is available at www.scotiabank.com, at any Scotiabank branch or by mail by contacting your branch.

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