

BANK OF NOVA SCOTIA  
Form 424B2  
March 03, 2017  
Table of Contents

Filed pursuant to Rule 424(b)(2)  
Registration Statement No. 333-215597

**Prospectus Supplement**

(to the Prospectus Dated February 1, 2017)

**US\$2,000,000,000**

**THE BANK OF NOVA SCOTIA**

**US\$1,500,000,000 2.700% Senior Notes due 2022**

**US\$500,000,000 Floating Rate Senior Notes due 2022**

The US\$1,500,000,000 aggregate principal amount of Senior Notes due 2022 (the Fixed Rate Notes ) offered by this prospectus supplement (this Prospectus Supplement ) will bear interest at a rate of 2.700% from March 7, 2017 and will mature on March 7, 2022. Interest on the Fixed Rate Notes will be payable in arrears on March 7 and September 7 of each year, commencing September 7, 2017 and continuing until March 7, 2022. The US\$500,000,000 aggregate principal amount of Floating Rate Senior Notes due 2022 (the Floating Rate Notes and, together with the Fixed Rate Notes, the Notes ) offered by this Prospectus Supplement will bear interest at a floating rate equal to the three-month LIBOR rate for U.S. dollars plus 0.640% and will mature on March 7, 2022. Interest on the Floating Rate Notes will be payable in arrears on March 7, June 7, September 7 and December 7 of each year, commencing on June 7, 2017 and continuing until March 7, 2022. See Details of the Offering Interest. The Notes will be unsecured and unsubordinated obligations of The Bank of Nova Scotia (the Bank ) and will constitute deposit liabilities of the Bank for purposes of the *Bank Act* (Canada) (the Bank Act ).

**Investing in the Notes involves risks. See Risk Factors beginning on page S-1 of this Prospectus Supplement and page 5 of the accompanying prospectus of the Bank dated February 1, 2017 (the Prospectus ).**

**Prospective investors should be aware that the acquisition of the Notes described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein.**

**The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Bank is a Canadian bank, that many of its officers and directors, and some of the experts named in this Prospectus Supplement, may be residents of Canada and that all or a substantial portion of the assets of the Bank and such persons may be located outside the United States.**

**Neither the U.S. Securities and Exchange Commission (the SEC ) nor any state securities commission has approved or disapproved of the Notes, or determined if this Prospectus Supplement or the accompanying**

**Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	<b>Per Fixed Rate Note</b>	<b>Total</b>	<b>Per Floating Rate Note</b>	<b>Total</b>
<b>Price to the Public(1)</b>	99.819%	US\$ 1,497,285,000	100.000%	US\$ 500,000,000
<b>Underwriters Fees</b>	0.350%	US\$ 5,250,000	0.350%	US\$ 1,750,000
<b>Net Proceeds to the Bank(1)(2)</b>	99.469%	US\$ 1,492,035,000	99.650%	US\$ 498,250,000

(1) Plus accrued interest, if any, from March 7, 2017 to the date of delivery. Accrued interest must be paid by the purchasers.

(2) Before deduction of expenses estimated at US\$100,000.

**The Notes will not constitute deposits that are insured under the Canada Deposit Insurance Corporation Act (Canada) or by the United States Federal Deposit Insurance Corporation or any other Canadian or U.S. government agency or instrumentality.**

The principal executive office of the Bank is located at 1709 Hollis Street, Halifax, Nova Scotia, B3J 3B7 and its executive offices are at Scotia Plaza, 44 King Street West, Toronto, Ontario, M5H 1H1. The Notes will be ready for delivery through the book-entry facilities of The Depository Trust Company and its direct and indirect participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about March 7, 2017.

*Joint Book-Running Managers*

**Scotiabank    BofA Merrill Lynch    Goldman, Sachs & Co.    Morgan Stanley    Wells Fargo Securities**  
*Co-Managers*

**Barclays    UBS Investment Bank    Citigroup    J.P. Morgan    Desjardins Capital Markets**  
March 1, 2017

**Table of Contents****TABLE OF CONTENTS**

	<b>PAGE</b>
<b>Prospectus Supplement</b>	
<u>About this Prospectus Supplement</u>	S-1
<u>Risk Factors</u>	S-1
<u>Caution Regarding Forward-Looking Statements</u>	S-4
<u>Incorporation of Certain Information by Reference</u>	S-5
<u>Use of Proceeds</u>	S-6
<u>Details of the Offering</u>	S-6
<u>Certain U.S. Federal Income Tax Considerations</u>	S-11
<u>Certain Canadian Federal Income Tax Considerations</u>	S-11
<u>Plan of Distribution (Conflicts of Interest)</u>	S-12
<u>Legal Matters</u>	S-16
<u>Independent Registered Public Accounting Firm</u>	S-16
<b>Prospectus</b>	
<u>About This Prospectus</u>	1
<u>Presentation of Financial Information</u>	1
<u>Caution Regarding Forward-Looking Statements</u>	2
<u>Where You Can Find More Information</u>	3
<u>Incorporation of Certain Information by Reference</u>	4
<u>Risk Factors</u>	5
<u>The Bank of Nova Scotia</u>	6
<u>Consolidated Capitalization of the Bank</u>	7
<u>Consolidated Earnings Ratios</u>	8
<u>Comparative Per Share Market Price</u>	9
<u>Use of Proceeds</u>	9
<u>Description of Common Shares and Preferred Shares</u>	10
<u>Description of the Debt Securities We May Offer</u>	14
<u>Description of Certain Provisions Relating to the Debt Securities We May Offer</u>	25
<u>United States Taxation</u>	32
<u>Canadian Taxation</u>	43
<u>Employee Retirement Income Security Act</u>	45
<u>Plan of Distribution</u>	46
<u>Limitations on Enforcement of U.S. Laws Against the Bank, Our Management and Others</u>	49
<u>Legal Matters</u>	49
<u>Experts</u>	50
<u>Other Expenses of Issuance and Distribution</u>	50
<b>We have not, and the underwriters have not, authorized anyone to provide you with information other than the information contained or incorporated by reference in this Prospectus Supplement, the accompanying Prospectus or in any free writing prospectus we have authorized. We take no responsibility for and can make no assurance as to the reliability of any other information that others may give you. We are not, and the underwriters are not, making an offer to sell any Notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this Prospectus Supplement, the accompanying Prospectus, the documents incorporated by reference or any free writing prospectus we may</b>	

**authorize to be delivered to you is accurate as of any date other than the dates thereon. Our business, financial condition, results of operations and prospects may have changed since those dates.**

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document consists of two parts. The first part is this Prospectus Supplement, which describes the specific terms of this offering. The second part, the accompanying Prospectus, gives more general information, some of which may not apply to this offering. If information in this Prospectus Supplement is inconsistent with the accompanying Prospectus, investors should rely on the information in this Prospectus Supplement. This Prospectus Supplement, the accompanying Prospectus and the documents incorporated by reference into each of them include important information about the Bank, the Notes being offered and other information investors should know before investing in the Notes.

Unless otherwise mentioned or unless the context requires otherwise, all references in this Prospectus Supplement to the Bank, we, us, our or similar references mean The Bank of Nova Scotia and do not include the subsidiaries of Bank of Nova Scotia.

The distribution of this Prospectus Supplement, the accompanying Prospectus and any free writing prospectus we have authorized and the offering of the Notes in certain jurisdictions may be restricted by law. Persons who come into possession of this Prospectus Supplement, the accompanying Prospectus or any free writing prospectus we have authorized should inform themselves about and observe any such restrictions. This Prospectus Supplement, the accompanying Prospectus and any free writing prospectus we have authorized do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this Prospectus Supplement, the accompanying Prospectus or any free writing prospectus we have authorized to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the Notes. We are not making any representation to you regarding the legality of an investment in the Notes by you under applicable investment or similar laws.

**RISK FACTORS**

An investment in the Notes is subject to certain risks. Before deciding whether to invest in the Notes, investors should carefully consider the risks set out herein and incorporated by reference in this Prospectus Supplement (including subsequently filed documents incorporated by reference herein).

**The value of the Notes will be affected by the general creditworthiness of the Bank.**

Any payment to be made on the Notes depends on the ability of the Bank to satisfy its obligations as they come due. As a result, the actual and perceived creditworthiness of the Bank may affect the market value of the Notes and, in the event the Bank was to default on its obligations, holders of the Notes may not receive the amounts owed to them under the terms of the Notes. Prospective investors should consider the categories of risks identified in the Bank's most recent Annual Report filed on Form 40-F, which is incorporated by reference herein, including credit risk, market risk, liquidity risk, operational risk, reputational risk, environmental risk, strategic risk and insurance risk.

**Ranking of the Notes**

The Notes will be unsecured and unsubordinated obligations of the Bank and will rank on a parity with all of the Bank's other senior unsecured debt including deposit liabilities, other than certain governmental claims in accordance

with applicable law. Except to the extent regulatory requirements affect the Bank's decisions to issue more senior debt, there is no limit on the Bank's ability to incur additional senior debt.

**Political, constitutional and economic uncertainty arising from the outcome of the referendum on the United Kingdom's membership in the European Union could adversely affect the Bank's business, financial condition and results of operations**

On June 23, 2016, the United Kingdom ( UK ) held a referendum to decide on its membership in the European Union. The resulting vote was to leave the European Union. There are a number of uncertainties in

S-1

## **Table of Contents**

connection with the future of the UK and its relationship with the European Union, including the terms of the agreement it reaches in relation to its withdrawal from the European Union. The negotiation of the UK's exit terms is likely to take a number of years. Until the terms and timing of the UK's exit from the European Union are clearer, it is not possible to determine the longer term impact that the referendum, the UK's departure from the European Union and/or any related matters may have on the Bank or its business. The UK's exit from the European Union may result in significant changes in law, which may include changes in statutory, tax and regulatory regimes in the UK and in Europe. Such changes may impact the Bank's business, financial condition and results of operations and could adversely impact the Bank's cost of funding in Europe.

### **The value of the Notes may be affected by changes in credit ratings**

Real or anticipated changes in credit ratings on the Bank's deposit liabilities may affect the market value of the Notes. In addition, real or anticipated changes in credit ratings can affect the cost at which the Bank can transact or obtain funding, and thereby affect the Bank's liquidity, business, financial condition or results of operations and, therefore, the Bank's ability to make payments on the Notes could be adversely affected.

### **The value of the Notes may be affected by market value and interest rate fluctuations**

The value of the Notes may be affected by market value fluctuations resulting from factors which influence the Bank's operations, including legal and regulatory developments, competition and global market activity. Such changes in law may include changes in statutory, tax and regulatory regimes during the life of the Notes.

Prevailing interest rates will affect the market value of the Notes. Assuming all other factors remain unchanged, the market value of the Notes will decline as prevailing interest rates for similar debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

### **No established trading markets**

The Notes are new issues of securities and there may be no markets through which the Notes may be sold and purchasers may therefore be unable to resell such Notes. In addition, the Bank does not intend to apply for listing or quotation of the Notes on any securities exchange or automated quotation system. These factors may affect the pricing of the Notes in any secondary market, the transparency and availability of trading prices and the liquidity of the Notes.

There can be no assurance that active trading markets will develop for the Notes after this offering, or if developed, that such markets will be sustained at the offering price of such Notes. While certain of the underwriters intend to make a market in the Notes, the underwriters will not be obligated to do so and may stop their market-making at any time. In addition, any market-making activities will be subject to limits of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

If any of the Notes are traded after their initial issuance, they may trade at a discount from their initial offering prices. Future trading prices of the Notes will depend on many factors, including prevailing interest rates, the market for similar securities, general economic conditions and our financial condition, performance, prospects and other factors. Accordingly, you may be required to bear the financial risk of an investment in the Notes for an indefinite period of time.

### **No limitation on issuing additional indebtedness**

The senior debt indenture governing the Notes does not contain any financial covenants and contains only limited restrictive covenants. In addition, the senior debt indenture will not limit the Bank's or its subsidiaries' ability to incur additional indebtedness, issue or repurchase securities, pay dividends or engage in transactions with affiliates. The Bank's ability to incur additional indebtedness and use its funds for any purpose in the Bank's discretion may increase the risk that the Bank may be unable to service its debt, including paying its obligations under the Notes.

**The Notes are governed by New York law**

The Notes and the related senior debt indenture will be governed by, and construed in accordance with, the laws of the State of New York (other than certain limited provisions that will be governed by the laws of

S-2



## **Table of Contents**

the Province of Ontario and applicable laws of Canada). Generally, in an action commenced in a Canadian court for the enforcement of the senior debt indenture or the Notes, a plaintiff will be required to prove those non-Canadian laws as a matter of fact by the evidence of persons who are experts in those laws.

### **Fiduciaries of certain plans should consult with counsel**

This paragraph is relevant only if you are a fiduciary of a plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ( ERISA ) or Section 4975 of the Internal Revenue Code of 1986, as amended (the Code ), or a governmental, church or non-U.S. plan subject to similar laws. Fiduciaries of such plans should consult with their counsel regarding their proposed investment in the Notes and the deemed representations they are required to make. See Employee Retirement Income Security Act in the accompanying Prospectus.

### **The Notes are denominated in U.S. dollars and may have tax consequences for investors**

The Notes will be denominated in U.S. dollars. If you are a non-U.S. investor who purchases the Notes with a currency other than U.S. dollars, changes in rates of exchange may have an adverse effect on the value, price or returns of your investment. This Prospectus Supplement contains a general description of certain U.S. tax considerations and certain Canadian tax considerations relevant to Non-Resident Holders (as defined) relating to the Notes. If you are a non-U.S. investor, you should consult your tax advisors as to the consequences, under the tax laws of the country where you are resident for tax purposes, of acquiring, holding and disposing of the Notes and receiving the payments that might be due under the Notes.

### **Increased regulatory oversight and changes in the method pursuant to which the LIBOR rates are determined may adversely affect the value of the Floating Rate Notes.**

Beginning in 2008, concerns were raised that some of the member banks surveyed by the British Bankers Association (the BBA ) in connection with the calculation of LIBOR across a range of maturities and currencies may have been under-reporting or otherwise manipulating the inter-bank lending rate applicable to them. A number of BBA member banks have entered into settlements with their regulators and law enforcement agencies with respect to alleged manipulation of LIBOR, and investigations were instigated by regulators and governmental authorities in various jurisdictions. If manipulation of LIBOR or another inter-bank lending rate occurred, it may have resulted in that rate being artificially lower (or higher) than it otherwise would have been.

In September 2012, the U.K. government published the results of its review of LIBOR (commonly referred to as the *Wheatley Review* ). The Wheatley Review made a number of recommendations for changes with respect to LIBOR including the introduction of statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the BBA to an independent administrator, changes to the method of compilation of lending rates and new regulatory oversight and enforcement mechanisms for rate-setting. Based on the Wheatley Review, final rules for the regulation and supervision of LIBOR by the Financial Conduct Authority (the FCA ) were published and came into effect on April 2, 2013 (the *FCA Rules* ). In particular, the FCA Rules include requirements that (1) an independent LIBOR administrator monitor and survey LIBOR submissions to identify breaches of practice standards and/or potentially manipulative behavior, and (2) firms submitting data to LIBOR establish and maintain a clear conflicts of interest policy and appropriate systems and controls. In addition, in response to the Wheatley Review recommendations, ICE Benchmark Administration Limited (the *ICE Administration* ) has been appointed as the independent LIBOR administrator, effective February 1, 2014.

It is not possible to predict the effect of the FCA Rules, any changes in the methods pursuant to which the LIBOR rates are determined and any other reforms to LIBOR that will be enacted in the U.K. and elsewhere, which may

adversely affect the trading market for LIBOR-based securities. In addition, any changes announced by the FCA, the ICE Administration or any other successor governance or oversight body, or future changes adopted by such body, in the method pursuant to which the LIBOR rates are determined may result in a sudden or prolonged increase or decrease in the reported LIBOR rates. If that were to occur, the level of interest payments on and the trading value of the Floating Rate Notes may be adversely affected. Further, uncertainty as to the extent and manner in which the Wheatley Review recommendations will continue to be adopted and implemented and the timing of such changes may adversely affect the current trading market for LIBOR-based securities and the value of the Floating Rate Notes.

S-3

---

**Table of Contents****CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

This Prospectus Supplement and the accompanying prospectus, including those documents incorporated by reference, may contain forward-looking information or forward-looking statements (collectively, forward-looking statements). 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 Supplement, the Management's Discussion and Analysis in the Bank's Annual Report on Form 40-F for the fiscal year ended October 31, 2016 under the headings Overview Outlook, for Group Financial Performance Outlook, for each business segment 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, and 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 in receptive markets; 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 Bank's Annual Report on Form 40-F for the fiscal year ended October 31, 2016, and 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 or other criminal behavior 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 including through internet and mobile banking; 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 starting on page 60 of the Bank's Annual Report on Form 40-F for the fiscal year ended October 31, 2016.

S-4

## **Table of Contents**

Material economic assumptions underlying the forward-looking statements are set out in the Bank's Annual Report on Form 40-F for the fiscal year ended October 31, 2016 under the heading "Overview Outlook," as updated by quarterly reports; and for each business segment "Outlook." 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 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.

### **INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

The SEC allows us to incorporate by reference into this Prospectus Supplement and the accompanying Prospectus the information in certain documents we file with it. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this Prospectus Supplement and the accompanying Prospectus and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC the information incorporated by reference is considered to be automatically updated and superseded. 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. In other words, in the case of a conflict or inconsistency between information contained in this Prospectus Supplement or the accompanying Prospectus and information incorporated by reference into this Prospectus Supplement or the accompanying Prospectus, you should rely on the information contained in the document that was filed later. The making of a modifying or superseding statement shall not be deemed an admission for any purposes 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 shall not be deemed, except as so modified or superseded to constitute a part of this Prospectus Supplement and the accompanying Prospectus.

We incorporate by reference the documents listed below and all documents which we subsequently file with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with the SEC rules) pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, until the termination of the offering of the Notes under this Prospectus Supplement:

Annual Report on Form 40-F for the fiscal year ended October 31, 2016, filed on November 29, 2016;

Reports on Form 6-K filed on November 29, 2016 (five filings) (Acc-nos: 0001193125-16-778798, 0001193125-16-778851, 0001193125-16-778896, 0001193125-16-778977 and 0001102624-16-003695);

Report on Form 6-K filed on December 9, 2016;

Report on Form 6-K filed on January 6, 2017;

Report on Form 6-K filed on January 10, 2017;

Report on Form 6-K filed on February 2, 2017;

Report on Form 6-K filed on February 15, 2017; and

Reports on Form 6-K filed on February 28, 2017 (three filings) (Acc-nos: 0001193125-17-060206, 0001193125-17-060243 and 0001193125-17-060608).

We may also incorporate any other Form 6-K that we submit to the SEC on or after the date hereof and prior to the termination of this offering of the Notes under this Prospectus Supplement if the Form 6-K filing specifically states that it is incorporated by reference into the registration statement of which the accompanying Prospectus forms a part.

We will provide without charge to each person, including any beneficial owner, to whom this Prospectus Supplement is delivered, upon his or her written or oral request, a copy of any or all documents referred to above

S-5

**Table of Contents**

which have been or may be incorporated by reference into this Prospectus Supplement excluding exhibits to those documents, unless they are specifically incorporated by reference into those documents. You may obtain copies of those documents by requesting them in writing or by telephoning us at the following address:

The Bank of Nova Scotia

Scotia Plaza

44 King Street West

Toronto, Ontario

Canada M5H 1H1

Attention: Secretary

Telephone: (416) 866-3672

**USE OF PROCEEDS**

The net proceeds to the Bank from the sale of the Notes, after deducting the estimated expenses payable by the Bank and the underwriters' discounts and commissions, will amount to approximately US\$1,990,185,000. Such net proceeds will be added to the Bank's funds and will be used for general business purposes.

**DETAILS OF THE OFFERING**

The following description of the terms of the Notes supplements, and to the extent inconsistent therewith replaces, the description set forth under the heading "Description of the Debt Securities We May Offer" in the accompanying Prospectus and should be read in conjunction with such description. As used in this description, the terms the "Bank," "we," "us" and "our" refer only to The Bank of Nova Scotia and not to any of its subsidiaries. All capitalized terms used under this heading "Details of the Offering" that are not defined herein have the meanings ascribed thereto in the accompanying Prospectus.

**General**

The following is a description of the terms of the US\$1,500,000,000 aggregate principal amount of 2.700% Senior Notes due 2022 and US\$500,000,000 aggregate principal amount of Floating Rate Senior Notes due 2022 offered by this Prospectus Supplement (which are referred to in this Prospectus Supplement collectively as the "Notes" and in the accompanying Prospectus as "Debt Securities"). The Notes are part of the Debt Securities registered by us with the SEC and which are to be issued on terms that will be determined at the time of sale. The Notes will constitute our unsecured and unsubordinated obligations and will constitute deposit liabilities of the Bank for purposes of the Bank Act and will rank on a parity with all of our other senior unsecured debt including deposit liabilities, other than certain governmental claims in accordance with applicable law, and prior to all of our subordinated debt. The Notes are to be issued under a senior debt indenture among us, Computershare Trust Company, N.A., as United States trustee, and Computershare Trust Company of Canada, as Canadian trustee, which is more fully described in the Prospectus under the heading "Description of the Debt Securities We May Offer."

Payment of the principal and interest on the Notes will be made in U.S. dollars. We will pay interest, principal and any other money due on the Notes in immediately available funds to The Depository Trust Company, as depositary, or its nominee as the registered owner of the global notes representing the book-entry Notes.

The Notes are not entitled to the benefits of any sinking fund.

The provisions of the senior debt indenture relating to defeasance and covenant defeasance (described under the heading *Description of the Debt Securities We May Offer* *Defeasance* in the accompanying Prospectus) will apply to the Notes.

The Notes will be issued in denominations of US\$2,000 and integral multiples of US\$1,000 in excess of such amount. Upon issuance, the Notes will be represented by one or more fully registered global notes. Each global note will be deposited with, or on behalf of, The Depository Trust Company, as depositary. You may elect to hold interests in the global notes through either the depositary (in the United States), Euroclear Bank S.A./N.V. or Clearstream Banking, *société anonyme*, or indirectly through organizations that are participants in such systems. See *Description of Certain Provisions Relating to the Debt Securities We May Offer* *Legal Ownership and Book-Entry Issuance* in the accompanying Prospectus.



## **Table of Contents**

### **Maturity**

The Fixed Rate Notes will mature on March 7, 2022 and the Floating Rate Notes will mature on March 7, 2022.

### **Interest**

#### *Fixed Rate Notes*

The Fixed Rate Notes will bear interest from and including March 7, 2017 at a rate equal to 2.700%. The Bank will pay interest on the Fixed Rate Notes semi-annually in arrears on March 7 and September 7 of each year, beginning September 7, 2017 (each, a Fixed Rate Interest Payment Date), and on the maturity date. Interest will be payable on each Fixed Rate Interest Payment Date to the persons in whose name the Fixed Rate Notes are registered at the close of business on the preceding February 15 or August 15, whether or not a business day. However, the Bank will pay interest on the maturity date to the same persons to whom the principal will be payable. If any Fixed Rate Interest Payment Date or the maturity date falls on a day that is not a business day, the Bank will postpone the making of such interest payment to the next succeeding business day (and no interest will be paid in respect of the delay). A business day means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions are authorized or required by law or executive order to close in The City of New York, New York or Toronto, Ontario.

Interest on the Fixed Rate Notes will accrue from and including March 7, 2017 to but excluding the first Fixed Rate Interest Payment Date and then from and including each Fixed Rate Interest Payment Date to which interest has been paid or duly provided for to but excluding the next Fixed Rate Interest Payment Date or the maturity date, as the case may be.

Interest on the Fixed Rate Notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

#### *Floating Rate Notes*

The Floating Rate Notes will bear interest for each interest period at a rate determined by the calculation agent. The calculation agent is Computershare Trust Company, N.A. until such time as the Bank appoints a successor calculation agent. The interest rate on the Floating Rate Notes for a particular interest period will be a per annum rate equal to the three-month LIBOR rate for U.S. dollars as determined on the Interest Determination Date plus 0.640%. The Interest Determination Date for an interest period will be the second London business day preceding the first day of such interest period. Promptly upon determination, the calculation agent will inform the trustees and the Bank of the interest rate for the next interest period. Absent manifest error, the determination of the interest rate by the calculation agent shall be binding and conclusive on the holders of the Floating Rate Notes, the trustees and the Bank. A London business day is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

Interest on the Floating Rate Notes will be paid to but excluding the relevant Floating Rate Interest Payment Date. The Bank will make interest payments on the Floating Rate Notes quarterly in arrears on March 7, June 7, September 7, and December 7, of each year, commencing on June 7, 2017 (each, a Floating Rate Interest Payment Date) and continuing until March 7, 2022, to the person in whose name those Floating Rate Notes are registered on the preceding February 15, May 15, August 15 and November 15, whether or not a business day. The initial interest period will be the period from and including March 7, 2017, to but excluding the first Floating Rate Interest Payment Date. Then each subsequent interest period will be the period from and including the immediately preceding Floating Rate Interest Payment Date to which interest has been paid or duly provided for to but excluding the next Floating Rate Interest Payment Date or the maturity date, as the case may be. The amount of accrued interest that the Bank will pay for any interest period can be calculated by multiplying the face amount of the Floating Rate Notes then

outstanding by an accrued interest factor. This accrued interest factor is computed by adding the interest factor calculated for each day from March 7, 2017, or from the last date the Bank paid interest to you, to the date for which accrued interest is being calculated. The interest factor for each day is computed by dividing the interest rate applicable to that day by 360. If a Floating Rate Interest Payment Date falls on a day that is not a business day, the Floating Rate Interest Payment Date shall be

S-7

---

**Table of Contents**

postponed to the next succeeding business day unless such next succeeding business day would be in the following month, in which case, the Floating Rate Interest Payment Date shall be the immediately preceding business day.

On any Interest Determination Date, LIBOR will be equal to the offered rate for deposits in U.S. dollars having an index maturity of three months, in amounts of at least US\$1,000,000, as such rate appears on Reuters Page LIBOR01 at approximately 11:00 a.m., London time, on such Interest Determination Date. If on an Interest Determination Date, such rate does not appear on the Reuters Page LIBOR01 as of 11:00 a.m., London time, or if the Reuters Page LIBOR01 is not available on such date, the calculation agent will obtain such rate from Bloomberg L.P.'s page BBAM.

If no offered rate appears on Reuters Page LIBOR01 or Bloomberg L.P. page BBAM on an Interest Determination Date at approximately 11:00 a.m., London time, then the calculation agent (after consultation with the Bank) will select four major banks in the London interbank market and shall request each of their principal London offices to provide a quotation of the rate at which three-month deposits in U.S. dollars in amounts of at least US\$1,000,000 are offered by it to prime banks in the London interbank market, on that date and at that time, that is representative of single transactions at that time. If at least two quotations are provided, LIBOR will be the arithmetic average of the quotations provided. Otherwise, the calculation agent will select three major banks in New York City and shall request each of them to provide a quotation of the rate offered by them at approximately 11:00 a.m., New York City time, on the Interest Determination Date for loans in U.S. dollars to leading European banks having an index maturity of three months for the applicable interest period in an amount of at least US\$1,000,000 that is representative of single transactions at that time. If three quotations are provided, LIBOR will be the arithmetic average of the quotations provided. Otherwise, the rate of LIBOR for the next interest period will be set equal to the rate of LIBOR for the then current interest period.

Upon request from any holder of Floating Rate Notes, the calculation agent will provide the interest rate in effect for the Floating Rate Notes for the current interest period and, if it has been determined, the interest rate to be in effect for the next interest period.

All percentages resulting from any calculation of the interest rate on the Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point with five one millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655)), and all dollar amounts used in or resulting from such calculation on the Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upward). Each calculation of the interest rate on the Floating Rate Notes by the calculation agent will (in absence of manifest error) be final and binding on the holders and the Bank.

The interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application. In no event will the interest rate on the Floating Rate Notes be less than zero.

**Payment of Additional Amounts**

All payments made by or on behalf of the Bank under or with respect to the Fixed Rate Notes and the Floating Rate Notes will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax (hereafter Canadian taxes), unless the Bank is required to withhold or deduct Canadian taxes by law or by the interpretation or administration thereof. If the Bank is so required to withhold or deduct any amount for or on account of Canadian taxes from any payment made under or

Edgar Filing: BANK OF NOVA SCOTIA - Form 424B2

with respect to the Fixed Rate Notes or the Floating Rate Notes, we will pay to each holder of such Notes as additional interest such additional amounts ( additional amounts ) as may be necessary so that the net amount received by each such holder after such withholding or deduction (and after deducting any Canadian taxes on such additional amounts) will not be less than the amount such holder would have received if such Canadian taxes had not been withheld or deducted, except as described

S-8

**Table of Contents**

below. However, no additional amounts will be payable with respect to a payment made to a holder (such holder, an excluded holder ) in respect of the beneficial owner thereof:

with which the Bank does not deal at arm's length (for the purposes of the Income Tax Act (Canada)) at the time of the making of such payment;

which is subject to such Canadian taxes by reason of the holder being a resident, domiciliary or national of, engaged in business or maintaining a permanent establishment or other physical presence in or otherwise having some connection with Canada or any province or territory thereof otherwise than by the mere holding of any such Notes or the receipt of payments thereunder;

which is subject to such Canadian taxes by reason of the holder's failure to comply with any certification, identification, documentation or other reporting requirements if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in the rate of deduction or withholding of, such Canadian taxes (provided that the Bank advises the trustees and the holders of any such Notes then outstanding of any change in such requirements);

with respect to any estate, inheritance, gift, sale, transfer, personal property or similar tax or other governmental charge; or

which is a fiduciary or partnership or person other than the sole beneficial owner of such payment to the extent that the Canadian taxes would not have been imposed on such payment had such holder been the sole beneficial owner of such Notes.

The Bank will also:

make such withholding or deduction; and

remit the full amount deducted or withheld to the relevant authority in accordance with applicable law.

The Bank will furnish to the holders of the applicable Notes, within 60 days after the date the payment of any Canadian taxes is due pursuant to applicable law, certified copies of tax receipts or other documents evidencing such payment by such person.

The Bank will indemnify and hold harmless each holder of the applicable Notes (other than an excluded holder) from and against, and upon written request reimburse each such holder for the amount (excluding any additional amounts that have previously been paid by the Bank with respect thereto) of:

any Canadian taxes so levied or imposed and paid by such holder as a result of payments made by or on behalf of the Bank under or with respect to the applicable series of the Notes;

any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; and

any Canadian taxes imposed with respect to any reimbursement under the preceding two bullet points, but excluding any such Canadian taxes on such holder's net income.

In any event, no additional amounts or indemnity amounts will be payable under the provisions described above in respect of any Note in excess of the additional amounts and the indemnity amounts which would be required if, at all relevant times, the holder of such Note were a resident of the United States for purposes of and was entitled to the benefits of the Canada-U.S. Income Tax Convention (1980), as amended, including any protocols thereto. As a result of the limitation on the payment of additional amounts and indemnity amounts discussed in the preceding sentence, the additional amounts or indemnity amounts received by certain holders of Fixed Rate Notes or Floating Rate Notes may be less than the amount of Canadian taxes withheld or deducted or the amount of Canadian taxes (and related amounts) levied or imposed giving rise to the obligation to pay the indemnity amounts, as the case may be, and, accordingly, the net amount received by such holders of the applicable Notes will be less than the amount such holders would have received had there been no such withholding or deduction in respect of Canadian taxes or had such Canadian taxes (and related amounts) not been levied or imposed.

Wherever in the senior debt indenture governing the terms of the Notes there is mentioned, in any context, the payment of principal, interest, if any, or any other amount payable under or with respect to a Fixed Rate Note or a Floating Rate Note, such mention shall be deemed to include mention of the payment of additional amounts to the extent that, in such context, additional amounts are, were or would be payable in respect thereof.

---

**Table of Contents**

In the event of the occurrence of any transaction or event resulting in a successor to the Bank, all references to Canada in the preceding paragraphs of this subsection shall be deemed to be references to the jurisdiction of organization of the successor entity.

Payments of principal and interest in respect of the Fixed Rate Notes and the Floating Rate Notes are subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

**Tax Redemption**

The Bank (or its successor) may redeem each of the Fixed Rate Notes and the Floating Rate Notes, in whole but not in part, at a redemption price equal to the principal amount thereof together with accrued and unpaid interest to the date fixed for redemption, upon the giving of a notice as described below, if:

as a result of any change (including any announced prospective change) in or amendment to the laws (or any regulations or rulings promulgated thereunder) of Canada (or the jurisdiction of organization of the successor to the Bank) or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in official position regarding the application or interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date of this Prospectus Supplement (or, in the case of a successor to the Bank, after the date of succession), and which in the written opinion to the Bank (or its successor) of legal counsel of recognized standing has resulted or will result (assuming, in the case of any announced prospective change, that such announced change will become effective as of the date specified in such announcement and in the form announced) in the Bank (or its successor) becoming obligated to pay, on the next succeeding date on which interest is due, additional amounts with respect to the applicable Notes as described under Payment of Additional Amounts; or

on or after the date of this Prospectus Supplement (or, in the case of a successor to the Bank, after the date of succession), any action has been taken by any taxing authority of, or any decision has been rendered by a court of competent jurisdiction in, Canada (or the jurisdiction of organization of the successor to the Bank) or any political subdivision or taxing authority thereof or therein, including any of those actions specified in the paragraph immediately above, whether or not such action was taken or decision was rendered with respect to the Bank (or its successor), or any change, amendment, application or interpretation shall be officially proposed, which, in any such case, in the written opinion to the Bank (or its successor) of legal counsel of recognized standing, will result (assuming that such change, amendment, application, interpretation or action is applied to the applicable Notes by the taxing authority and that, in the case of any announced prospective change, such announced change will become effective as of the date specified in such announcement and in the form announced) in the Bank (or its successor) becoming obligated to pay, on the next succeeding date on which interest is due, additional amounts with respect to the applicable Notes;

and, in any such case, the Bank (or its successor), in its business judgment, determines that such obligation cannot be avoided by the use of reasonable measures available to it (or its successor).

In the event the Bank elects to redeem the Fixed Rate Notes or the Floating Rate Notes pursuant to the provisions set forth in the preceding paragraph, it shall deliver to the trustees a certificate, signed by an authorized officer, stating (i) that the Bank is entitled to redeem such Notes pursuant to their terms and (ii) the principal amount of the Notes to be redeemed.

Notice of intention to redeem such Notes will be given to holders of the applicable Notes not more than 45 nor less than 30 days prior to the date fixed for redemption and such notice will specify, among other things, the date fixed for redemption and the redemption price.

**Further Issues**

We may from time to time, without notice to or the consent of the registered holders of the applicable Notes, create and issue further notes ranking pari passu with such Notes in all respects (or in all respects except for the



**Table of Contents**

payment of interest accruing prior to the issue date of such further Notes or except for the first payment of interest following the issue date of such further Notes) and so that such further Notes may be consolidated and form a single series with the Notes and have the same terms as to status or otherwise as the Notes.

**CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS**

Prospective investors should refer to the section "United States Taxation" in the Prospectus for a discussion of the material United States federal income tax consequences to a United States holder (as defined therein).

**CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires, as beneficial owner, Notes, including entitlements to all payments thereunder, pursuant to this offering and who, at all relevant times, for purposes of the application of the *Income Tax Act* (Canada) and the Income Tax Regulations (collectively, the "Act") is not, and is not deemed to be, resident in Canada, deals at arm's length with the Bank and with any transferee resident (or deemed to be resident) in Canada to whom the purchaser disposes of the Notes, does not use or hold the Notes in a business carried on in Canada, is not a "specified shareholder" and is not a person who does not deal at arm's length with a "specified shareholder" (as defined for purposes of subsection 18(5) of the Act) of the Bank and does not receive any payment of interest on the Notes in respect of a debt or other obligation to pay an amount to a person with whom the Bank does not deal at arm's length (a "Non-Resident Holder"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere.

This summary is based upon the current provisions of the Act and an understanding of the current administrative practices and assessing policies of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Act publicly announced by or on behalf of the Minister of Finance prior to the date hereof (the "Proposals") and assumes that all Proposals will be enacted in the form proposed. However, no assurance can be given that the Proposals will be enacted as proposed or at all. This summary does not otherwise take into account any changes in law or in administrative practices or assessing policies, whether by legislative, administrative or judicial action, nor does it take into account any provincial, territorial or foreign income tax considerations, which may differ from those discussed herein.

**This summary is of a general nature only and is not intended to be legal or tax advice to any particular purchaser. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of Notes should consult their own tax advisors with respect to their particular circumstances.**

No Canadian withholding tax will apply to interest or principal paid or credited to a Non-Resident Holder by the Bank or to proceeds received by a Non-Resident Holder on the disposition of a Note, including on a redemption, payment on maturity, repurchase or purchase for cancellation.

No other tax on income or gains will be payable by a Non-Resident Holder on interest or principal, or on proceeds received by a Non-Resident Holder on the disposition of a Note, including on a redemption, payment on maturity, repurchase or purchase for cancellation.

**Table of Contents****PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)**

Under the terms and subject to the conditions contained in an underwriting agreement dated the date of this Prospectus Supplement (the underwriting agreement), the underwriters listed in the table below have severally agreed to purchase, and we have agreed to sell to them, the principal amount of the Fixed Rate Notes and the Floating Rate Notes set forth opposite each underwriter's name below.

<b>Underwriter</b>	<b>Principal Amount of Fixed Rate Notes</b>	<b>Principal Amount of Floating Rate Notes</b>
Scotia Capital (USA) Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated	U.S.\$ 300,000,000	U.S.\$ 100,000,000
Goldman, Sachs & Co.	225,000,000	75,000,000
Morgan Stanley & Co. LLC	225,000,000	75,000,000
Wells Fargo Securities, LLC	225,000,000	75,000,000
Barclays Capital Inc.	60,000,000	20,000,000
UBS Securities LLC	60,000,000	20,000,000
Citigroup Global Markets Inc.	37,500,000	12,500,000
J.P. Morgan Securities LLC	37,500,000	12,500,000
Desjardins Securities Inc.	30,000,000	10,000,000
<b>Total</b>	<b>US\$ 1,500,000,000</b>	<b>US\$ 500,000,000</b>

The Notes are being offered by the underwriters subject to approval of legal matters by counsel for the underwriters and other conditions. The underwriting agreement provides that the underwriters are obligated to purchase all of the Notes if any are purchased. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of the non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose initially to offer the Notes to the public at the applicable public offering price on the cover page of this Prospectus Supplement. The underwriters may offer the Fixed Rate Notes to dealers at the public offering price for the Fixed Rate Notes less a concession not in excess of 0.200% of the principal amount per Fixed Rate Note. The underwriters may allow, and the dealers may reallow, a discount not in excess of 0.125% of the principal amount of the Fixed Rate Notes to other dealers. The underwriters may offer the Floating Rate Notes to dealers at the public offering price for the Floating Rate Notes less a concession not in excess of 0.200% of the principal amount per Floating Rate Note. The underwriters may allow, and the dealers may reallow, a discount not in excess of 0.125% of the principal amount of the Floating Rate Notes to other dealers. After the initial public offering of the Notes, the underwriters may change the public offering prices and discounts to broker-dealers.

The expenses of the offering, not including the underwriting commissions, are estimated to be US\$100,000 and are payable by the Bank.

The Notes are new issues of securities with no established trading markets. The underwriters intend to make secondary markets for the Notes. However, they are not obligated to do so and may discontinue making secondary markets for the Notes at any time without notice. If trading markets develop, no assurance can be given as to how

liquid such trading markets for the Notes will be.

The Bank has agreed to indemnify each of the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

In connection with this offering, the underwriters may engage in stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover syndicate short positions. A short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Notes in the

S-12

## Table of Contents

open market after pricing that could adversely affect investors who purchase in the offering. Penalty bids permit the underwriters to reclaim a selling concession from a broker-dealer when the Notes originally sold by such broker-dealer are purchased in a stabilizing or covering transaction to cover short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

In the ordinary course of business, the underwriters and their affiliates have provided financial advisory, investment banking and general financing and banking services for the Bank for customary fees. The underwriters and/or their affiliates may provide such services to the Bank in the future.

We expect that delivery of the Notes will be made against payment therefor on or about the fourth business day following the date of pricing of the Notes (this settlement cycle being referred to as T+4). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade their Notes on the date of pricing will be required, by virtue of the fact that the Notes initially will settle in T+4, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Notes who wish to trade their Notes on the date of pricing should consult their own advisor.

We will use this Prospectus Supplement in the initial sale of the Notes. In addition, Scotia Capital (USA) Inc. may use this Prospectus Supplement in market-making transactions in any Notes after their initial sale. **Unless the underwriters or we inform you otherwise in the confirmation of sale, this Prospectus Supplement is being used in a market-making transaction.**

The Bank does not expect to receive any proceeds from market-making transactions. The Bank does not expect that Scotia Capital (USA) Inc. or any other affiliate that engages in these transactions will pay any proceeds from its market-making resales to the Bank. Information about the trade and settlement dates, as well as the purchase price, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale. Unless the Bank or an agent informs you in your confirmation of sale that your Notes are being purchased in its original offering and sale, you may assume that you are purchasing your Notes in a market-making transaction. In this Prospectus Supplement, the term *this offering* means the initial offering of Notes made in connection with their original issuance. This term does not refer to any subsequent resales of Notes in market-making transactions.

Because Desjardins Securities Inc. is not registered with the SEC as a U.S. registered broker-dealer, it will effect offers and sales of the notes solely outside of the United States or within the United States to the extent permitted by Rules 15a-6 under the Exchange Act through one or more U.S. registered broker-dealers and as permitted by the rules and regulations of the Financial Industry Regulatory Authority Inc.

## **Conflicts of Interest**