

AXIALL CORP/DE/  
Form 11-K  
June 15, 2015  
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2014**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from        to**

**Commission file number 1-9753**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**Axiall Corporation 401(k) Retirement Savings Plan**

(referred to herein as the **Plan** )

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Axiall Corporation**

Suite 1200  
1000 Abernathy Rd, NE  
Atlanta, Georgia 30328  
(770) 395-4500

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**Axiall Corporation 401(k) Retirement Savings Plan**

Financial Statements as of December 31, 2014 and 2013 and for the Year Ended December 31, 2014, Supplemental Schedule as of December 31, 2014, and Report of Independent Registered Public Accounting Firm

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**Axiall Corporation**

**401(k) Retirement Savings Plan**

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**NOTE:** All other supplemental schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, have been omitted because they are not applicable.

**EXHIBITS:**

23 Consent of Independent Registered Public Accounting Firm

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Participants in and Plan Administrator of

Axiall Corporation 401(k) Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Axiall Corporation 401(k) Retirement Savings Plan as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the year ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

The supplemental schedule of assets (held at end of year) has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedule of assets (held at end of year) is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedule of assets (held at end of year) reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule of assets (held at end of year). In forming our opinion on the supplemental schedule of assets (held at end of year), we evaluated whether the supplemental schedule of assets (held at end of year), including its form and content, is presented in conformity with Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedule of assets (held at end of year) is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Babush, Neiman, Kornman & Johnson, LLP	
Atlanta, Georgia	
June 15, 2015	



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**Axiall Corporation  
401(k) Retirement Savings Plan**

**Statements of Net Assets Available for Benefits**

**As of December 31, 2014 and 2013**

	December 31,	
	2014	2013
<b>ASSETS</b>		
Cash	\$ 10,255	\$ 2,511
Investments at fair value:		
Participant-directed	277,736,703	225,237,674
Nonparticipant-directed	16,902,825	17,639,970
Total investments	294,639,528	242,877,644
Receivables:		
Company contributions receivables, net	7,489,496	4,290,723
Notes receivable from participants	7,473,239	4,546,170
Total receivables	14,962,735	8,836,893
Net assets available for benefits at fair value	309,612,518	251,717,048
Adjustment from fair value to contract value for fully benefit-responsive stable value fund (Note 2)	(1,305,015)	(833,654)
<b>Net assets available for benefits</b>	<b>\$ 308,307,503</b>	<b>\$ 250,883,394</b>

See accompanying notes to financial statements.

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**Axiall Corporation  
401(k) Retirement Savings Plan**

**Statement of Changes in Net Assets Available for Benefits**

**For the Year Ended December 31, 2014**

	<b>December 31, 2014</b>
<b>ADDITIONS TO NET ASSETS:</b>	
Interest and dividends	\$ 8,753,164
Contributions:	
Participants	16,160,468
Company	14,894,719
Rollovers	1,884,833
Total contributions	32,940,020
Net appreciation in the fair value of investments	5,622,456
Transfers-in from the Merged-Plan	36,958,635
Interest on participant loans	289,957
Total additions	84,564,232
<b>DEDUCTIONS FROM NET ASSETS:</b>	
Distributions and withdrawals for participants	(26,944,263)
Transaction fees	(195,860)
Total deductions	(27,140,123)
<b>NET INCREASE IN NET ASSETS</b>	<b>57,424,109</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>	
Beginning of year	250,883,394
End of year	\$ 308,307,503

See accompanying notes to financial statements.

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**Axiall Corporation  
401(k) Retirement Savings Plan**

**Notes to the Financial Statements**

**As of December 31, 2014 and 2013 and for the Year Ended December 31, 2014**

**1. PLAN DESCRIPTION**

The following description of the *Axiall Corporation 401(k) Retirement Savings Plan* (the *Plan*) provides only general information pertaining to the Plan. Participants should refer to the official Plan document for complete information.

**General** On January 28, 2013, Axiall Corporation acquired substantially all of the assets and liabilities of PPG Industries, Inc.'s (PPG) business relating to the production of chlorine, caustic soda and related chemicals (the *Merged Business*), through a merger between a subsidiary of PPG and a subsidiary of the Company (the *Merger*). In conjunction with the Merger, we also changed the name of the *Georgia Gulf Corporation 401(k) Retirement Savings Plan* to the *Axiall Corporation 401(k) Retirement Savings Plan*. Also in conjunction with the Merger, the *Eagle US 2 LLC Employee Savings Plan for Salaried Employees* (the *Eagle Plan*) was created to provide defined contribution benefits to the non-union employees of the Merged Business. The Merger did not affect any other aspects of the Plan during the year ended December 31, 2013.

Effective as of January 1, 2014, the sponsorship of the Plan (which has been sponsored by Axiall Corporation) was assumed by Axiall Holdco, Inc. References to the *Company* or *we* are to Axiall Corporation or Axiall Holdco, Inc. as the context may require.

Effective as of February 1, 2014, the Eagle Plan with assets of approximately \$37.0 million, was merged with the Plan. The assets of the Eagle Plan are reflected prospectively in the Statements of Net Assets Available for Benefits as of December 31, 2014. The Plan as amended on February 1, 2014 also changed certain eligibility requirements for participation in the Plan.

The Plan was established effective as of January 1, 1985 in connection with the acquisition of Georgia-Pacific Chemicals, Inc. by the Company from Georgia-Pacific Corporation. The Plan is a defined contribution plan of which Bank of America, N.A. (the *Trustee*) serves as the trustee. The Plan covers substantially all U.S. employees of the Company, except for leased employees, certain temporary employees, employees hired pursuant to a cooperative program with an educational institution, student interns and nonresident aliens. As of February 1, 2014, the Plan covers eligible employees of the Merged Business who were participants of the Eagle Plan. Effective as of October 1, 2012, collective bargaining employees may only participate in the Plan if, and to the extent that, the applicable collective bargaining agreement provides for their participation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Eligible employees may participate on the first day of the first payroll period that is administratively feasible after the employee's hire date.

Participants may elect to invest a portion of their accounts in the Company's common stock fund. That investment may occur either through the profit sharing component of the Plan or through the employee stock ownership plan (ESOP) component of the Plan. The ESOP component of



the Plan is designed to qualify as a stock bonus plan for federal income tax purposes.

***Employee and Employer Matching Contributions*** Participants may elect to contribute, in 1 percent increments, up to 100 percent of their eligible compensation, as defined by the Plan and

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subject to the Internal Revenue Code of 1986, as amended ( IRC ) limitations. Contributions may be on a pre-tax basis and on a Roth 401(k) after-tax contribution basis. Participants may elect to change their contribution percentage on a bi-weekly basis.

Eligible employees who will attain at least age 50 before the end of the Plan year, may make catch-up contributions in accordance with the Economic Growth and Tax Relief Reconciliation Act of 2001. The investments of all new contributions are participant-directed. Participants may change their investment elections at any time. Matching contributions are fully vested and nonforfeitable and shall be subject to the withdrawal restrictions.

The Company provides safe harbor matching contributions of 100 percent of the employee's contributions up to the first 3 percent of eligible compensation and 50 percent of the next 2 percent of the employee's contributions of eligible compensation.

**Employer Discretionary Contributions** The Company reinstated the employer discretionary contributions effective October 1, 2012. Employees assigned to the building products division and employees covered by collective bargaining agreements are not eligible to participate in the Employer Discretionary Contributions, unless the applicable collective bargaining agreement provides for participation in this feature of the Plan. All other Participants in the Plan are eligible to participate. The Company discretionary contribution for the year ended December 31, 2014 was, 2 percent to 5 percent depending on the participant's age and service at the end of the plan year and the participant's annual eligible compensation, as defined by the Plan. Effective January 1, 2015, the employer discretionary contribution increased to a range of 3 percent to 7 percent as disclosed in Note 9 of the Notes to the Financial Statements. Effective January 1, 2013, Aberdeen, Mississippi employees covered by a collective bargaining agreement were eligible to participate in the Employer Discretionary Contribution. This contribution is made on an annual basis for all eligible participants who are employed on the last day of the plan year and who worked at least 1,000 hours during the plan year, regardless of whether they elect to contribute a portion of their compensation into the Plan. This contribution is also made for employees who terminated during the year due to death, disability or retirement. The investment of all contributions is participant-directed. Participants may change their investment elections at any time.

If a participant is credited with an hour of service prior to January 1, 2013, all amounts allocated to the participant's discretionary contribution account shall at all times be and remain 100 percent vested and nonforfeitable. If a participant is first credited with an hour of service on or after January 1, 2013, amounts allocated to the participant's discretionary contribution account are vested on the earliest of: (i) the date the participant attains the age of 60 years while still employed; (ii) the date the participant dies while still employed by the Company; (iii) the date the participant becomes disabled while still employed, subject to the exceptions stipulated by the Plan; or (iv) the date the participant has been credited with three years of vesting service.

**Prior Plan Account** Participants in the Plan who were previously employees of Georgia-Pacific Chemicals, Inc. may have participated in a predecessor plan, which consisted of employer and employee funds. Employer fund balances consisted of annual contributions plus earnings. Employee fund balances consisted of employee after-tax contributions plus earnings. Upon establishment of the Plan in 1985, these prior plan account balances were transferred to the Plan. The employer fund balances represent nonparticipant-directed accounts. The participant may direct the investment of his or her balance among the investment funds available under the Plan.

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When a participant leaves the Company, he or she may elect to receive his or her entire employer fund prior plan account balance as a lump-sum distribution or, if eligible, to transfer the amount to the Company's Retirement Plan in order to increase the annuity benefit under the Retirement Plan.

Employee fund balances attributable to the Georgia Pacific plan are classified as an after-tax savings account and are subject to Plan distribution rules.

**Investment Funds** Assets held in the Plan as of December 31, 2014 and 2013 are invested by the Trustee in any of the following investment fund options, offered by the Plan, as directed by participants and/or Plan management:

- a. American Funds Europacific Growth Fund Class A
- b. Axiall Employer Stock Fund
- c. Boulder Growth and Income Fund
- d. Conestoga Small Capital Growth Fund
- e. Dodge & Cox Stock Fund
- f. Harbor Capital Appreciation Fund Class I
- g. Invesco Stable Value Trust
- h. T. Rowe Price Retirement Income Fund
- i. T. Rowe Price Retirement 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050 and 2055 Funds Retail Class

j. Vanguard Institutional Index Fund Institutional Shares

k. Vanguard Wellington Fund Admiral Shares

l. Wells Fargo Advantage Core Bond Fund

m. William Blair Small Capital Value Fund Class I

**Benefits/Distributions** Generally, upon termination of service due to death, disability, retirement or separation from service, a participant or designated beneficiary may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. The participant may also elect to roll over his or her account into an Individual Retirement Account (IRA) or another company's retirement plan, or leave it in the Plan as long as the value of the account exceeds \$1,000. If the participant's balance is \$1,000 or less, the Company has the authority to distribute the balance to the participant in a single lump-sum payment. A participant may make withdrawals from his or her elective contribution account balance after reaching age 59½ and must begin receiving distributions at age 70½ if the participant has terminated employment by that time.

The Plan also allows participants to withdraw funds from the Plan in the event of financial hardship, as defined by IRS regulations. Such permissible hardship conditions include purchasing a primary residence, paying post-high-school tuition costs for the participant or dependents, burial or funeral expenses for a participant's parents, spouse, children or dependents, paying certain medical expenses, preventing eviction from, or foreclosure of the mortgage on a participant's primary residence, or paying expenses for the repair of casualty-type damages to the participant's principal residence.

**Participant Loans** Participants may borrow a minimum of \$1,000 and up to a maximum amount equal to the lesser of \$50,000 (minus the highest outstanding balance of loans from the Plan to the participant during the one-year period ending on the day before the date when the loan was made) or

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50 percent of his/her vested account balance. Loans are secured by the participant's account balance and bear interest at a fixed rate over the life of the loan. Interest rates are based on the prime interest rate plus 1 percent at the time the loan is approved, and ranged from 4.25 percent to 9.50 percent as of both December 31, 2014 and December 31, 2013. Repayments of the loans are made in substantially equal payroll deductions amortized over the life of the loan. Participants may have up to two loans outstanding at any time. The loans must be repaid within five years, unless used to purchase a primary residence, in which case the term may be longer.

**Participant Accounts** Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions and allocations of Company contributions and investment income and charged with withdrawals and an allocation of investment losses and investment manager expenses. Allocations of investment income (loss) and investment manager expenses are based on participant account balances, as provided in the Plan document. The benefits to which participants are entitled are the benefits that can be provided from the participant's vested account balance.

**Administrative Expenses** Administrative expenses, including Trustee fees, are borne by the Company after application of any available revenue sharing. Transaction fees for investment trades are borne by the Plan.

**Forfeitures** Allocations of forfeitures are used to reduce future employer contributions to the Plan.

**Plan Termination** Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, participants become 100 percent vested in all Company contributions regardless of length of service. In addition, any unallocated plan funds will be allocated to the appropriate accounts of Plan participants and beneficiaries.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ( GAAP ) and are presented on the accrual basis of accounting.

**Use of Estimates and Risks and Uncertainties** The preparation of the financial statements in conformity with GAAP requires the Plan administrator to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates. The Plan utilizes various investment instruments including a stable value fund, common stock, and mutual funds. Investment securities, in general, are exposed to various risks, including credit, interest, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities will occur and that such changes could materially affect the amount reported in the financial statements.

**Notes Receivable from Participants** Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014 or 2013. If a participant ceases to make loan repayments and



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the participant's loan is deemed to be a distribution under applicable IRS guidelines, a benefit payment is recorded and reported for tax purposes.

**Valuation of Investments** Investments in mutual funds and common stock are stated at fair value based on quoted market prices. Investments in the stable value fund are stated at fair value as determined by the issuer of the stable value fund based on the fair value of the underlying investments. The stable value fund has underlying investments in investment contracts, which are valued at the fair value of the underlying investments and then adjusted by the issuer to contract value. The Invesco Stable Value Trust is a stable value fund that is a commingled pool of the Institutional Retirement Trust. The fund invests primarily in investment contracts, such as traditional guaranteed investment contracts and synthetic guaranteed investment contracts (also known as wrap contracts). Participants may ordinarily withdraw or transfer all or a portion of their investments at contract value. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals.

The statements of net assets available for benefits as of December 31, 2014 and 2013 presents the stable value fund holding these investment contracts at fair value as well as an additional line item showing an adjustment of fully benefit-responsive investment contracts from fair value to contract value. Contract value is the relevant measurement attributable to fully-benefit responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value represents contributions made to the fund plus earnings less participant withdrawals. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

**Investment Transactions** Purchases and sales of investments are recorded on their trade dates.

**Income Recognition** Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis.

**Payment of Benefits** Benefits are recorded when paid.

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**3. INVESTMENTS**

The following investments represent 5 percent or more of the Plan's net assets available for benefits as of December 31, 2014 and 2013:



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Each Security has a Principal Amount of \$1,000.

(1) The annualized rates of return are calculated on a semi-annual bond equivalent basis with compounding.

(2) The hypothetical Starting Level (the closing level of the Index on November 30, 2015.)

The above figures are for purposes of illustration only and may have been rounded for ease of analysis. The actual amount you receive at stated maturity and the resulting pre-tax rates of return will depend on the actual Ending Level and Capped Value.

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## **ADDITIONAL RISKS**

An investment in the Securities involves significant risks. In addition to the following risks included in this pricing supplement, we urge you to read "Additional Risk Factors Specific to the Notes" beginning on page PS-5 of the accompanying product prospectus supplement and "Risk Factors" beginning on page S-2 of the accompanying prospectus supplement and page 6 of the accompanying prospectus.

You should understand the risks of investing in the Securities and should reach an investment decision only after careful consideration, with your advisors, of the suitability of the Securities in light of your particular financial circumstances and the information set forth in this pricing supplement and the accompanying prospectus, prospectus supplement and product prospectus supplement.

### **The Inclusion of Dealer Spread and Projected Profit from Hedging in the Original Offering Price is Likely to Adversely Affect Secondary Market Prices**

Assuming no change in market conditions or any other relevant factors, the price, if any, at which Scotia Capital (USA) Inc. or any other party is willing to purchase the Securities at any time in secondary market transactions will likely be significantly lower than the Original Offering Price, since secondary market prices are likely to exclude discounts and underwriting commissions paid with respect to the Securities and the cost of hedging our obligations under the Securities that are included in the Original Offering Price. The cost of hedging includes the projected profit that we and/or our subsidiaries may realize in consideration for assuming the risks inherent in managing the hedging transactions. These secondary market prices are also likely to be reduced by the costs of unwinding the related hedging transactions. In addition, any secondary market prices may differ from values determined by pricing models used by Scotia Capital (USA) Inc. as a result of dealer discounts, mark-ups or other transaction costs.

### **Risk of Loss at Maturity**

Any payment on the Securities at maturity depends on the Percentage Change of the Reference Asset. The Bank will only repay you the full Principal Amount of your Securities if the Percentage Change does not reflect a decrease in the Reference Asset of more than 20.00%. If the Percentage Change is negative by more than 20.00%, meaning the percentage decline from the Starting Level to the Ending Level is greater than the 20.00% Threshold Percentage, you will lose a significant portion of your initial investment in an amount equal to the negative Percentage Change in excess of the Threshold Percentage. ***Accordingly, you may lose up to 80% of your investment in the Securities if the percentage decline from the Starting Level to the Ending Level is greater than 20.00%.***

### **The Downside Market Exposure to the Reference Asset is Buffered Only at Maturity**

You should be willing to hold your Securities to maturity. If you are able to sell your Securities prior to maturity in the secondary market, you may have to sell them at a loss relative to your initial investment even if the level of the Reference Asset at such time is not below the Starting Level by a percentage greater than the Threshold Percentage.

### **Your Potential Redemption Amount at Maturity Is Limited by the Capped Value**

The Redemption Amount at Maturity will not exceed the Capped Value. Therefore, if the appreciation of the Reference Asset, after taking into account the effect of the Participation Rate, exceeds the cap on appreciation provided by the Capped Value, the Securities will provide less opportunity to participate in the appreciation of the Reference Asset than an investment in a security linked to the Reference Asset providing full participation in the appreciation. Accordingly, the return on the Securities may be less than the return would be if you made an investment in a security directly linked to the positive performance of the Reference Asset.

**The Bank's Estimated Value of the Securities Will be Lower than the Original Offering Price of the Securities**

The Bank's estimated value is only an estimate using several factors. The Original Offering Price of the Securities will exceed the Bank's estimated value because costs associated with selling and structuring the Securities, as well as hedging the Securities through a third party hedge provider, are included in the Original Offering Price of the Securities. These costs include the selling commissions and the estimated cost of using a third party hedge provider to hedge our obligations under the Securities. See "The Bank's Estimated Value of the Securities" in this pricing supplement.

**The Bank's Estimated Value Does Not Represent Future Values of the Securities and may Differ from Others' Estimates**

The Bank's estimated value of the Securities is determined by reference to the Bank's and third party hedge provider's internal pricing models when the terms of the Securities are set. This estimated value is based on market conditions and other relevant factors existing at that time and the Bank's and third party hedge providers' assumptions about market parameters, which can include volatility, dividend rates, interest rates and other factors. Different pricing models and assumptions could provide valuations for Securities that are greater than or less than the Bank's estimated value. In addition, market conditions and other relevant factors in the future may change, and any assumptions may prove to be incorrect. On future dates, the value of the Securities could change significantly based on, among other things, changes in market conditions, our creditworthiness, interest rate movements and other relevant factors, which may impact the price, if any, at which the Bank would be willing to buy Securities from you in secondary market transactions. See "The Bank's Estimated Value of the Securities" in this pricing supplement.

**The Bank's Estimated Value is not Determined by Reference to Credit Spreads for our Conventional Fixed-Rate Debt**

The internal funding rate used in the determination of the Bank's estimated value generally represents a discount from the credit spreads for our conventional fixed-rate debt. If the Bank were to use the interest rate implied by our conventional fixed-rate credit spreads, we would expect the economic terms of the Securities to be more favorable to you. Consequently, our use of an internal

funding rate would have an adverse effect on the terms of the Securities and any secondary market prices of the Securities. See "The Bank's Estimated Value of the Securities" in this pricing supplement.

### **The Securities Differ from Conventional Debt Instruments**

The Securities are not conventional notes or debt instruments. The Securities do not provide you with interest payments prior to maturity as a conventional fixed-rate or floating-rate debt security with the same maturity would. The return that you will receive on the Securities, which could be negative, may be less than the return you could earn on other investments. Even if your return is positive, your return may be less than the return you would earn if you bought a conventional senior interest bearing debt security of the Bank.

### **No Interest**

The Securities will not bear interest and, accordingly, you will not receive any interest payments on the Securities.

### **Your Investment is Subject to the Credit Risk of The Bank of Nova Scotia**

The Securities are senior unsecured debt obligations of the Bank, and are not, either directly or indirectly, an obligation of any third party. As further described in the accompanying prospectus, prospectus supplement and product prospectus supplement, the Securities will rank on a parity with all of the other unsecured and unsubordinated debt obligations of the Bank, except such obligations as may be preferred by operation of law. Any payment to be made on the Securities, including the Redemption Amount at Maturity, 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 Securities and, in the event the Bank were to default on its obligations, you may not receive the amounts owed to you under the terms of the Securities. If you sell the Securities prior to maturity, you may receive substantially less than the Principal Amount of your Securities.

### **The Securities are Subject to Market Risk**

The return on the Securities is directly linked to the performance of the Reference Asset and indirectly linked to the value of the Reference Asset constituent stocks, and the extent to which the Percentage Change is positive or negative. The level of the Reference Asset can rise or fall sharply due to factors specific to the Reference Asset constituent stocks, as well as general market factors, such as general market volatility and levels, interest rates and economic and political conditions.

### **An Investment in the Securities Is Subject to Risks Associated with Foreign Securities**

The stocks included in the Reference Asset may be listed on a foreign stock exchange. A foreign stock exchange may impose trading limitations intended to prevent extreme fluctuations in individual security prices and may suspend trading in certain circumstances. These actions could limit variations in the closing level of the Reference Asset which could, in turn, adversely affect the value of the Securities.

Investments in securities linked to the value of foreign equity securities involve particular risks. The foreign securities markets whose stocks comprise the Reference Asset may have less liquidity and may be more volatile than U.S. or other securities markets and market developments may affect foreign markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize the foreign securities markets, as well as cross-shareholdings in foreign companies, may affect trading prices and volumes in those markets. Also, there is generally less publicly available information about foreign companies than about those U.S. companies that are subject to the reporting requirements of the U.S. Securities and Exchange Commission, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

Securities prices in foreign countries are subject to political, economic, financial and social factors that apply in those geographical regions. These factors, which could negatively affect those securities markets, include the possibility of recent or future changes in a foreign government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to foreign companies or investments in foreign equity securities and the possibility of fluctuations in the rate of exchange between currencies, the possibility of outbreaks of hostility and political instability and the possibility of natural disaster or adverse public health development in the region. Moreover, foreign economies may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

### **The Participation Rate Applies Only at Maturity**

You should be willing to hold your Securities to maturity. If you are able to sell your Securities prior to maturity in the secondary market, the price you receive will likely not reflect the full economic value of the Participation Rate or the Securities themselves, and the return you realize may be less than the Percentage Change even if such return is positive. You will receive the full benefit of the Participation Rate, if any, only if you hold your Securities to maturity.

### **The Redemption Amount at Maturity Is Not Linked to the Level of the Reference Asset at Any Time Other Than the Calculation Day**

The Redemption Amount at Maturity will be based on the Ending Level (subject to adjustments as described herein). Therefore, for example, if the closing level of the Reference Asset declined substantially as of the Calculation Day compared to the Pricing Date, the Redemption Amount at Maturity may be significantly less than it would otherwise have been had the Redemption Amount at Maturity been linked to the closing level of the Reference Asset prior to the Calculation Day. Although the actual level of the Reference Asset at maturity or at other times during the term of the Securities may be higher than the Ending Level, you will not benefit from the closing level of the Reference Asset at any time other than the Calculation Day.

### **If the Levels of the Reference Asset or the Reference Asset Constituent Stocks Change, the Market Value of Your Securities May Not Change in the Same Manner**

Your Securities may trade quite differently from the performance of the Reference Asset or the Reference Asset constituent stocks. Changes in the levels of the Reference Asset or the Reference Asset constituent stocks may not result in a comparable change in the market value of your Securities. We discuss some of the reasons for this disparity under "—The

Price at Which the Securities may be Sold prior to Maturity will Depend on a Number of Factors and May Be Substantially Less Than the Amount for Which They Were Originally Purchased" below.

**Holding the Securities is Not the Same as Holding the Reference Asset Constituent Stocks**

Holding the Securities is not the same as holding the Reference Asset constituent stocks. As a holder of the Securities, you will not be entitled to the voting rights or rights to receive dividends or other distributions or other rights that holders of the Reference Asset constituent stocks would enjoy.

**No Assurance that the Investment View Implicit in the Securities Will Be Successful**

It is impossible to predict with certainty whether and the extent to which the level of the Reference Asset will rise or fall. There can be no assurance that the level of the Reference Asset will rise above the Starting Level or that the percentage decline from the Starting Level to the Ending Level will not be greater than the Threshold Percentage. The Ending Level may be influenced by complex and interrelated political, economic, financial and other factors that affect the Reference Asset constituent stocks. You should be willing to accept the risks of the price performance of equity securities in general and the Reference Asset constituent stocks in particular, and the risk of losing some or most of your initial investment.

Furthermore, we cannot give you any assurance that the future performance of the Reference Asset or the Reference Asset constituent stocks will result in your receiving an amount greater than or equal to the Principal Amount of your Securities. Certain periods of historical performance of the Reference Asset or the Reference Asset constituent stocks would have resulted in you receiving less than the Principal Amount of your Securities if you had owned notes with terms similar to these Securities in the past. See "Information Regarding The Reference Asset" in this pricing supplement for further information regarding the historical performance of the Reference Asset.

**The Reference Asset Reflects Price Return Only and Not Total Return**

The return on your Securities is based on the performance of the Reference Asset, which reflects the changes in the market prices of the Reference Asset constituent stocks. It is not, however, linked to a "total return" index or strategy, which, in addition to reflecting those price returns, would also reflect dividends paid on the Reference Asset constituent stocks. The return on your Securities will not include such a total return feature or dividend component.

### **Past Performance is Not Indicative of Future Performance**

The actual performance of the Reference Asset over the life of the Securities, as well as the amount payable at maturity, may bear little relation to the historical performance of the Reference Asset or to the hypothetical return examples set forth elsewhere in this pricing supplement. We cannot predict the future performance of the Reference Asset.

### **We May Sell an Additional Aggregate Principal Amount of the Securities at a Different Issue Price**

We may decide to sell an additional aggregate Principal Amount of the Securities subsequent to the date of this pricing supplement. The issue price of the Securities in the subsequent sale may differ substantially (higher or lower) from the Original Offering Price you paid as provided on the cover of this pricing supplement.

### **Changes Affecting the Reference Asset Could Have an Adverse Effect on the Value of the Securities**

The policies of STOXX Limited, the index sponsor (the "Sponsor") concerning additions, deletions and substitutions of the Reference Asset constituent stocks and the manner in which the Sponsor takes account of certain changes affecting those Reference Asset constituent stocks may adversely affect the level of the Reference Asset. The policies of the Sponsor with respect to the calculation of the Reference Asset could also adversely affect the level of the Reference Asset. The Sponsor may discontinue or suspend calculation or dissemination of the Reference Asset. Any such actions could have a material adverse effect on the value of the Securities.



**The Bank Cannot Control Actions by the Sponsor and the Sponsor Has No  
Obligation to Consider Your Interests**

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The Bank and its affiliates are not affiliated with the Sponsor and have no ability to control or predict its actions, including any errors in or discontinuation of public disclosure regarding methods or policies relating to the calculation of the Reference Asset. The Sponsor is not involved in the Securities offering in any way and has no obligation to consider your interest as an owner of the Securities in taking any actions that might negatively affect the market value of your Securities.

### **The Eurozone Financial Crisis Could Negatively Impact Investors in the Securities**

A number of countries in the eurozone are undergoing a financial crisis affecting their economies, their ability to meet their sovereign financial obligations, and their financial institutions. Countries in the eurozone that are not currently experiencing a financial crisis may do so in the future as a result of developments in other eurozone countries. The economic, political, legal and regulatory ramifications of this financial crisis, including any legal or regulatory changes made in response to the crisis, are impossible to predict. During the crisis, the USD/EUR exchange rate may be significantly more volatile than it has been in the past (as may the exchange rate between the euro and other currencies). In response to this crisis, governments and regulatory bodies have taken, and may in the future take, extraordinary measures to intervene in the currency markets for the euro and the economies and financial institutions of the eurozone. Increased volatility caused by the crisis and any economic, political, legal or regulatory changes made to address, or otherwise resulting from, the crisis and any intervention in the currency markets or eurozone economies could have an adverse effect on the USD/EUR exchange rate or the exchange rate between the euro and other currencies. There is also a possibility that one or more eurozone countries may cease to use the euro, which could also adversely affect the exchange rate between the euro and other currencies and potentially the convertibility of the euro in such countries. There is also the possibility that the euro may cease to exist or the USD/EUR exchange rate may otherwise become unavailable. If these events were to happen, the closing level of the Reference Index, and the value of the Securities, could be adversely affected.

### **The Price at Which the Securities May Be Sold Prior to Maturity will Depend on a Number of Factors and May Be Substantially Less Than the Amount for Which They Were Originally Purchased**

The price at which the Securities may be sold prior to maturity will depend on a number of factors. Some of these factors include, but are not limited to: (i) actual

or anticipated changes in the level of the Reference Asset over the full term of the Security, (ii) volatility of the level of the Reference Asset and the market's perception of future volatility of the level of the Reference Asset, (iii) changes in interest rates generally, (iv) any actual or anticipated changes in our credit ratings or credit spreads, (v) dividend yields on the securities included in the Reference Asset, and (vi) time remaining to maturity. In particular, because the provisions of the Security relating to the Redemption Amount at Maturity and the Capped Value behave like options, the value of the Security will vary in ways which are non-linear and may not be intuitive.

Depending on the actual or anticipated level of the Reference Asset and other relevant factors, the market value of the Securities may decrease and you may receive substantially less than 100% of the Original Offering Price if you sell your Securities prior to maturity. We anticipate that the value of the Securities will always be at a discount to the Capped Value.

### **The Securities Lack Liquidity**

The Securities will not be listed on any securities exchange or automated quotation system. Therefore, there may be little or no secondary market for the Securities. Scotia Capital (USA) Inc. may, but is not obligated to, make a market in the Securities. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Securities easily. Because we do not expect that other broker-dealers will participate significantly in the secondary market for the Securities, the price at which you may be able to trade your Securities is likely to depend on the price, if any, at which Scotia Capital (USA) Inc. is willing to purchase the Securities from you. If at any time Scotia Capital (USA) Inc. was not to make a market in the Securities, it is likely that there would be no secondary market for the Securities. Accordingly, you should be willing to hold your Securities to maturity.

### **Hedging Activities by the Bank May Negatively Impact Investors in the Securities and Cause Our Respective Interests and Those of Our Clients and Counterparties to Be Contrary to Those of Investors in the Securities**

The Bank or one or more of our respective affiliates has hedged or expects to hedge the obligations under the Securities by purchasing futures and/or other instruments linked to the Reference Asset. The Bank or one or more of our respective affiliates also expects to adjust the hedge by, among other things, purchasing or selling any of the foregoing, and perhaps



other instruments linked to the Reference Asset or one or more of the Reference Asset constituent stocks, at any time and from time to time, and to unwind the hedge by selling any of the foregoing on or before the Calculation Day.

The Bank or one or more of our respective affiliates may also enter into, adjust and unwind hedging transactions relating to other basket- or index-linked Securities whose returns are linked to changes in the level or price of the Reference Asset or the Reference Asset constituent stocks. Any of these hedging activities may adversely affect the level of the Reference Asset—directly or indirectly by affecting the price of the Reference Asset constituent stocks—and therefore the market value of the Securities and the amount you will receive, if any, on the Securities. In addition, you should expect that these transactions will cause the Bank, or our respective affiliates, or our respective clients or counterparties, to have economic interests and incentives that do not align with, and that may be directly contrary to, those of an investor in the Securities. The Bank or our respective affiliates will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions based on the potential effect on an investor in the Securities, and may receive substantial returns with respect to these hedging activities while the value of the Securities may decline.

**Market Activities by the Bank or the Underwriters for Their Own Respective Accounts or for Their Respective Clients Could Negatively Impact Investors in the Securities**

The Bank, the Underwriters and their respective affiliates provide a wide range of financial services to a substantial and diversified client base. As such, each of the Bank, the Underwriters and their respective affiliates may act as an investor, investment banker, research provider, investment manager, investment advisor, market maker, trader, prime broker or lender. In those and other capacities, we and/or our affiliates and the Underwriters and/or their respective affiliates purchase, sell or hold a broad array of investments, actively trade securities (including the Securities or other securities that we have issued), the Reference Asset constituent stocks, derivatives, loans, credit default swaps, indices, baskets and other financial instruments and products for our own accounts or for the accounts of our customers, and we and the Underwriters will have other direct or indirect interests in those securities and in other markets that may be not be consistent with your interests and may adversely affect the level of the Reference Asset and/or the value of the Securities. Any of these financial market activities may, individually or in the aggregate, have an adverse effect on the level of the Reference Asset and the market for your Securities, and you should expect that our interests and those of our affiliates and those of the Underwriters and/or of their respective affiliates, or our or their clients or counterparties, will at times be

adverse to those of investors in the Securities.

The Bank, the Underwriters and their respective affiliates regularly offer a wide array of securities, financial instruments and other products into the marketplace, including existing or new products that are similar to the Securities or other securities that we may issue, the Reference Asset constituent stocks or other securities or instruments similar to or linked to the foregoing. Investors in the Securities should expect that the Bank, the Underwriters and their respective affiliates will offer securities, financial instruments, and other products that may compete with the Securities for liquidity or otherwise.

In addition, our and their affiliates or any dealer participating in the offering of the Securities or its affiliates may, at present or in the future, publish research reports on the Reference Asset or the Reference Asset constituent stocks. This research is modified from time to time without notice and may, at present or in the future, express opinions or provide recommendations that are inconsistent with purchasing or holding the Securities. Any research reports on the Reference Asset or the Reference Asset constituent stocks could adversely affect the level of the Reference Asset and, therefore, adversely affect the value of and your return on the Securities. You are encouraged to derive information concerning the Reference Asset from multiple sources and should not rely on the views expressed by us, the Underwriters or our or their affiliates or any participating dealer or its affiliates.

**The Bank, the Underwriters and Their Respective Affiliates Regularly Provide Services to, or Otherwise Have Business Relationships with, a Broad Client Base, Which Has Included and May Include the Issuers of the Reference Asset Constituent Stocks**

The Bank, the Underwriters and their respective affiliates regularly provide financial advisory, investment advisory and transactional services to a substantial and diversified client base. You should assume that the Bank or the Underwriters will, at present or in the future, provide such services or otherwise engage in transactions with, among others, the issuers of the Reference Asset constituent stocks, or transact in securities or instruments or with parties that are directly or indirectly related to these entities. These services could include making loans to or equity investments in those companies, providing financial

advisory or other investment banking services, or issuing research reports. You should expect that the Bank, the Underwriters and their respective affiliates, in providing these services, engaging in such transactions, or acting for their own accounts, may take actions that have direct or indirect effects on the Securities or other securities that the Bank may issue, the Reference Asset constituent stocks or other securities or instruments similar to or linked to the foregoing, and that such actions could be adverse to the interests of investors in the Securities. In addition, in connection with these activities, certain personnel within the Bank or the Underwriters and their respective affiliates may have access to confidential material non-public information about these parties that would not be disclosed to investors in the Securities.

### **Other Investors in the Securities May Not Have the Same Interests as You**

The interests of other investors may, in some circumstances, be adverse to your interests. Other investors may make requests or recommendations to us regarding the establishment of transactions on terms that are adverse to your interests, and investors in the Securities are not required to take into account the interests of any other investor in exercising remedies, voting or other rights in their capacity as noteholders. Further, other investors may enter into market transactions with respect to the Securities, assets that are the same or similar to the Securities, assets referenced by the Securities (such as stocks or stock indices) or other similar assets or securities which may adversely impact the market for or value of your Securities. For example, an investor could take a short position (directly or indirectly through derivative transactions) in respect of securities similar to your Securities or in respect of the Reference Asset.

### **The Calculation Agent Can Postpone the Calculation Day for the Securities if a Market Disruption Event with Respect to the Reference Asset Occurs**

If the Calculation Agent determines, in its sole discretion, that, on a day that would otherwise be the Calculation Day, a market disruption event with respect to the Reference Asset has occurred or is continuing for the Reference Asset, the Calculation Day will be postponed until the first following trading day on which no market disruption event occurs or is continuing, although the Calculation Day will not be postponed by more than seven scheduled trading days. Moreover, if the Calculation Day is postponed to the last possible day, but a market disruption event occurs or is continuing on that day, that day will nevertheless be the Calculation Day, and the Calculation Agent will determine the applicable Ending Level that must be used to determine the Redemption Amount at Maturity. Under certain circumstances, the determinations of the Calculation Agent will be

confirmed by an independent expert. See "General Terms of the Notes—Unavailability of the Level of the Reference Asset on a Valuation Date" beginning on page PS-18 and "General Terms of the Notes—Market Disruption Events" beginning on page PS-19 and "Appointment of Independent Calculation Experts" on page PS-22, in the accompanying product prospectus supplement.

**There Is No Affiliation Between Any Constituent Stock Issuers or the Sponsor and Us and We Are Not Responsible for Any Disclosure by Any of the Other Reference Asset Constituent Stock Issuers or the Sponsor**

The Bank, the Underwriters and their respective affiliates may currently, or from time to time in the future, engage in business with the issuers of the Reference Asset constituent stocks. Wells Fargo & Company, an affiliate of Wells Fargo Securities, LLC, one of the Underwriters, is one of the companies currently included in the Reference Asset. Nevertheless, none of us, the Underwriters or our or their affiliates assumes any responsibility for the accuracy or the completeness of any information about the Reference Asset or any of the other Reference Asset constituent stocks. Before investing in the Securities you should make your own investigation into the Reference Asset and the issuers of the Reference Asset constituent stocks. See the section below entitled "Information Regarding the Reference Asset" in this pricing supplement for additional information about the Reference Asset.

**A Participating Dealer or its Affiliates May Realize Hedging Profits Projected by its Proprietary Pricing Models in Addition to any Selling Concession, Creating a Further Incentive for the Participating Dealer to Sell the Securities to You.**

If any dealer participating in the distribution of the Securities (referred to as a "participating dealer") or any of its affiliates conducts hedging activities for us in connection with the Securities, that participating dealer or its affiliate will expect to realize a projected profit from such hedging activities. If a participating dealer receives a concession for the sale of the Securities to you, this projected profit will be in addition to the concession, creating a further incentive for the participating dealer to sell the Securities to you.



### **Uncertain Tax Treatment**

Significant aspects of the tax treatment of the Securities are uncertain. You should consult your tax advisor about your own tax situation. See "Certain Canadian Income Tax Consequences" and "U.S. Federal Income Tax Consequences" in this pricing supplement.

### **Information Regarding The Reference Asset**

#### ***EURO STOXX 50<sup>®</sup> Index***

The following is a summary description of the EURO STOXX 50<sup>®</sup> Index (referred to in this section as the "Index") based on information obtained from the website of the Sponsor, STOXX Limited at [www.stoxx.com](http://www.stoxx.com). All information regarding the Index contained herein, including its make-up, method of calculation and changes in its components, has been derived from publicly available sources and its accuracy cannot be guaranteed. That information reflects the policies of, and is subject to change by, the index sponsor.

#### **General Description**

The EURO STOXX 50<sup>®</sup> Index is a capitalization-weighted index of 50 stocks from 12 Eurozone countries: Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain. It captures approximately 60% of the free float market capitalization of the EURO STOXX<sup>®</sup> Total Market Index, which in turn covers approximately 95% of the free float market capitalization of the represented countries.

The Index is weighted by free float market capitalization, subject to a 10% cap. Share prices are taken from each of the Exchanges on which the component shares are traded and the Index is currently updated every fifteen seconds, from 9:00 a.m. to 6:00 p.m. (Central European time), in order to provide accurate information on a continuous real time basis. The level of the Index appears, *inter alia*, on Bloomberg Ticker SX5E. Additional information on the Index is available on the following website: <http://www.stoxx.com/index.html>.

#### **Composition**

The following table sets forth the top ten industry sectors that comprise the Index by weight as of October 30, 2015. The historical composition of the Index does not necessarily reflect the composition of the Index in the future.

<b><u>Sector</u></b>	<b><u>Weight (%)</u></b>
Banks	17.3%
Industrial Goods & Services	9.6%
Chemicals	9.4%
Insurance	7.8%
Health Care	7.3%
Personal & Household Goods	6.8%
Oil & Gas	6.6%
Telecommunications	6.3%
Automobiles & Parts	5.7%
Technology	5.7%

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The following table sets forth the top ten companies that comprise the Index by weight as of October 30, 2015.

<u>Company</u>	<u>Weight</u> <u>(%)</u>
Sanofi	4.95%
TOTAL SA	4.80%
Bayer AG	4.52%
Anheuser-Busch InBev SA/NV	3.77%
Daimler AG	3.55%
Banco Santander SA	3.29%
Allianz SE	3.28%
Siemens AG	3.20%
SAP SE	3.13%
BASF SE	3.08%

### **License Agreement between the Index Sponsor and the Bank**

STOXX Limited (“The Sponsor”) and its licensors (the “Licensors”) have no relationship to the Bank, other than the licensing of the Index and the related trademarks for use in connection with the Securities.

The Sponsor and the Licensors do not:

- sponsor, endorse, sell or promote the Securities;
- recommend that any person invest in the Securities or any other securities;
- have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Securities;
- have any responsibility or liability for the administration, management or marketing of the Securities;
- consider the needs of the Securities or the owners of the Securities in determining, composing or calculating the Index or have any obligation to do so.

The Sponsor and the Licensors will not have any liability in connection with the Securities. Specifically,

- The Sponsor and the Licensors do not make any warranty, express or implied and disclaim any and all warranty about:
  - the results to be obtained by the Securities, the owner of the Securities or any other person in connection with the use of the Index and the data included in the Index;
  - the accuracy or completeness of the Index and its data;
  - the merchantability and the fitness for a particular purpose or use of the Index and its data;
- The Sponsor and the Licensors will have no liability for any errors, omissions or interruptions in the Index or its data;
-

under no circumstances will The Sponsor or the Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if The Sponsor or its Licensors knows that they might occur.

The licensing agreement between the Bank and The Sponsor is solely for their benefit and not for the benefit of the owners of the Securities or any other third parties.

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**Historical Information**

The following table sets forth the quarterly high and low closing levels for the Reference Asset, based on daily closing levels. The closing level of the Reference Asset on November 30, 2015 was 3,506.45. *Past performance of the Reference Asset is not indicative of the future performance of the Reference Asset.*

<b>Quarter Begin</b>	<b>Quarter End</b>	<b>Quarterly High</b>	<b>Quarterly Low</b>	<b>Quarterly Close</b>
1/3/2011	3/31/2011	3,068.00	2,721.24	2,910.91
4/1/2011	6/30/2011	3,011.25	2,715.88	2,848.53
7/1/2011	9/30/2011	2,875.67	1,995.01	2,179.66
10/3/2011	12/30/2011	2,476.92	2,090.25	2,316.55
1/3/2012	3/30/2012	2,608.42	2,286.45	2,477.28
4/2/2012	6/29/2012	2,501.18	2,068.66	2,264.72
7/2/2012	9/28/2012	2,594.56	2,151.54	2,454.26
10/3/2012	12/31/2012	2,659.95	2,427.32	2,635.93
1/2/2013	3/31/2013	2,749.27	2,570.52	2,624.02
4/1/2013	6/28/2013	2,835.87	2,511.83	2,602.59
7/1/2013	9/30/2013	2,936.20	2,570.76	2,893.15
10/1/2013	12/31/2013	3,111.37	2,902.12	3,109.00
1/2/2014	3/31/2014	3,172.43	2,962.49	3,161.60
4/1/2014	6/30/2014	3,314.80	3,091.52	3,228.24
7/1/2014	9/30/2014	3,289.75	3,006.83	3,225.93
10/1/2014	12/31/2014	3,277.38	2,874.65	3,146.43
1/2/2015	3/31/2015	3,731.35	3,007.91	3,697.38
4/1/2015	6/30/2015	3,828.78	3,424.30	3,424.30
7/1/2015	9/30/2015	3,686.58	3,019.34	3,100.67
10/1/2015*	11/30/2015	3,506.45	3,069.05	3,506.45

As of the date of this pricing supplement, available information for the fourth calendar quarter of 2015 includes data for the period from October 1, 2015 through November 30, 2015. Accordingly, the

\* "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only and do not reflect complete data for the fourth calendar quarter of 2015.

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The graph below illustrates the performance of the Reference Asset from January 2, 2004 through November 30, 2015. The dotted line represents a hypothetical Threshold Level of 2805.16 which is equal to 80.00% of the closing level of the Reference Asset on November 30, 2015. ***Past performance of the Reference Asset is not indicative of the future performance of the Reference Asset.***

We obtained the information regarding the historical performance of the Reference Asset in the tables and graph above from Bloomberg Financial Markets.

We make no representation or warranty as to the accuracy or completeness of the information obtained from Bloomberg Financial Markets and have not undertaken an independent review or due diligence of the information. The historical performance of the Reference Asset should not be taken as an indication of its future performance, and no assurance can be given as to the Ending Level of the Reference Asset. We cannot give you assurance that the performance of the Reference Asset will result in any positive return on your initial investment.

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### **Supplemental Plan of Distribution (Conflicts of Interest)**

Pursuant to the terms of a distribution agreement, Scotia Capital (USA) Inc., an affiliate of The Bank of Nova Scotia, will purchase the Securities from The Bank of Nova Scotia for distribution to other registered broker-dealers or will offer the Securities directly to investors.

Scotia Capital (USA) Inc. or one of our affiliates will purchase the aggregate Principal Amount of the Securities and as part of the distribution, will sell the Securities to Wells Fargo Securities LLC at a discount of up to \$27.50 (2.75%) per \$1,000 Principal Amount of the Securities. Wells Fargo Securities, LLC will provide selected dealers, which may include Wells Fargo Advisors, LLC ("WFA"), with a selling concession of up to \$12.50 (1.25%) per \$1,000 Principal Amount of the Securities, and WFA will receive a distribution expense fee of \$0.75 (0.075%) per \$1,000 Principal Amount of the Securities for Securities sold by WFA.

In addition, Scotia Capital (USA) Inc. or another of its affiliates or agents may use this pricing supplement in market-making transactions after the initial sale of the Securities. While the Underwriters may make markets in the Securities, they are under no obligation to do so and may discontinue any market-making activities at any time without notice. See the sections titled "Supplemental Plan of Distribution" in the accompanying prospectus supplement and product prospectus supplement.

The price at which you purchase the Securities includes costs that the Bank, the Underwriters or their affiliates expect to incur and profits that the Bank, the Underwriters or their affiliates expect to realize in connection with hedging activities related to the Securities, as set forth above. These costs and profits will likely reduce the secondary market price, if any secondary market develops, for the Securities. As a result, you may experience an immediate and substantial decline in the market value of your Securities on the Original Issue Date.

### **Conflicts of Interest**

Each of Scotia Capital (USA) Inc., and Scotia Capital Inc. is an affiliate of the Bank and, as such, has a "conflict of interest" in this offering within the meaning

of FINRA Rule 5121. In addition, the Bank will receive the gross proceeds from the initial public offering of the Securities, thus creating an additional conflict of interest within the meaning of Rule 5121. Consequently, the offering is being conducted in compliance with the provisions of Rule 5121. Neither Scotia Capital (USA) Inc. nor Scotia Capital Inc. is permitted to sell Securities in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Bank, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Bank. The Underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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### **The Bank's Estimated Value of the Securities**

The Bank's estimated value of the Securities set forth on the cover of this pricing supplement is equal to the sum of the values of the following hypothetical components: (1) a fixed-income debt component with the same maturity as the Securities, valued using our internal funding rate for structured debt described below, and (2) the derivative or derivatives underlying the economic terms of the Securities. The Bank's estimated value does not represent a minimum price at which the Bank would be willing to buy your Securities in any secondary market (if any exists) at any time. The internal funding rate used in the determination of the Bank's estimated value generally represents a discount from the credit spreads for our conventional fixed-rate debt. The discount is based on, among other things, our view of the funding value of the Securities as well as the higher issuance, operational and ongoing liability management costs of the Securities in comparison to those costs for our conventional fixed-rate debt. For additional information, see "Additional Risk Factors—The Bank's Estimated Value Is Not Determined by Reference to Credit Spreads for Our Conventional Fixed-Rate Debt." The value of the derivative or derivatives underlying the economic terms of the Securities is derived from the Bank's or a third party hedge provider's internal pricing models. These models are dependent on inputs such as the traded market prices of comparable derivative instruments and on various other inputs, some of which are market-observable, and which can include volatility, dividend rates, interest rates and other factors, as well as assumptions about future market events and/or environments. Accordingly, the Bank's estimated value of the Securities is determined when the terms of the Securities are set based on market conditions and other relevant factors and assumptions existing at that time. See "Additional Risk Factors—The Bank's Estimated Value Does Not Represent Future Values of the Securities and May Differ from Others' Estimates."

The Bank's estimated value of the Securities will be lower than the Original Offering Price of the Securities because costs associated with selling, structuring and hedging the Securities are included in the Original Offering Price of the Securities. These costs include the selling commissions paid to the Underwriters and other affiliated or unaffiliated dealers, the projected profits that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the Securities and the estimated cost of hedging our obligations under the Securities. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss. We or one or more of our affiliates will retain any profits realized in hedging our obligations under the Securities. See "Additional Risk Factors—The Bank's Estimated Value of the Securities Will Be Lower Than the Original Offering Price (Price to Public) of the Securities" in this pricing supplement.

## **Additional INFORMATION ABOUT THE SECURITIES**

Please read this information in conjunction with the summary terms on the front cover of this document. Notwithstanding anything to the contrary in the accompanying product prospectus supplement for this Security, the amount you will receive at maturity will be the Redemption Amount at Maturity, defined and calculated as provided in this pricing supplement.

### ***Additional Information About the Terminology Used in this Pricing Supplement***

This pricing supplement uses certain terminology that differs from that used in the accompanying product prospectus supplement. Please read this pricing supplement and the accompany prospectus, prospectus supplement, and product prospectus supplement with the following mapping in mind.

"Security"	The accompanying product prospectus supplement refers to a Security as a "note"
"Original Offering Price"	The accompanying product prospectus supplement refers to the Original Offering Price as the "original issue price"
"Calculation Day"	The accompanying product prospectus supplement refers to a Calculation Day as a "valuation date"
"Capped Value"	The accompanying product prospectus supplement refers to the Capped Value as the "Maximum Redemption Amount"
"Starting Level"	The accompanying product prospectus supplement refers to the Starting Level as the "Initial Level"
"Ending Level"	The accompanying product prospectus supplement refers to the Ending Level as the "Final Level"
"Redemption Amount at Maturity"	The accompanying product prospectus supplement refers to the Redemption Amount at Maturity as the "payment at maturity"
"Threshold Level"	The accompanying product prospectus supplement refers to the Threshold Level as the "Buffer Level"
"Threshold Percentage"	The accompanying product prospectus supplement refers to the Threshold Percentage the a "Buffer Percentage"
"Sponsor"	The accompanying product prospectus supplement refers to the Sponsor as the "Index Sponsor"

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### **Canadian Income Tax Consequences**

The following is a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires, as a beneficial owner, Securities, including entitlement to all payments thereunder, pursuant to this initial offering by the Bank made in connection with the original issuance of Securities 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 any transferee resident (or deemed to be resident) in Canada to whom the purchaser disposes of Securities, does not use or hold Securities in a business carried on in Canada, and is not a “specified non-resident shareholder” of the Bank for purposes of the Act or a non-resident person not dealing at arm’s length with a “specified shareholder” (as defined in subsection 18(5) of the Act) of the Bank (a “Non-Resident Holder”). Special rules, which are not discussed in this summary, may apply to a non-Canadian holder that is an insurer carrying 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 policies and assessing practices of the Canada Revenue Agency (the “CRA”) 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 (Canada) prior to the date hereof (the “Proposals”) and assumes that all Proposals will be enacted in the form proposed. However, no assurances 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 administrative practices or assessing policies, whether by legislative, administrative or judicial action, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary assumes that no interest paid on the Securities will be in respect of a debt or other obligation to pay an amount to a person with whom the Issuer does not deal at arm’s length, within the meaning of the Act.

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

Interest paid or credited or deemed for purposes of the Act to be paid or credited on a Security (including any amount paid at maturity in excess of the Principal Amount and interest deemed to be paid on the Security in certain cases involving the assignment, deemed assignment or other transfer of a Security to the Bank or any other resident or deemed resident of Canada) to a Non-Resident Holder will not be subject to Canadian non-resident withholding tax unless any portion of such interest is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class of shares of the capital stock of a corporation (“Participating Debt Interest”) subject to certain exceptions. Based in part on the published administrative position of the CRA, no portion of the interest paid or credited or deemed to be paid or credited on a Security will be “Participating Debt Interest.”

No other Canadian federal taxes 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 Security, including on a redemption, payment on maturity, repurchase or purchase for cancellation.

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## **U.S. FEDERAL INCOME TAX CONSEQUENCES**

The U.S. federal income tax consequences of your investment in the Securities are uncertain. No statutory, judicial or administrative authority directly discusses how the Securities should be treated for U.S. federal income tax purposes. In the opinion of our special tax counsel, Allen & Overy LLP, which is based on current market conditions, it would be reasonable to treat the Securities as pre-paid cash-settled derivative contracts for U.S. federal income tax purposes. Pursuant to the terms of the Securities, you agree to treat the Securities in this manner for all U.S. federal income tax purposes. If your Securities are so treated, you should generally recognize capital gain or loss upon the sale, exchange, redemption or payment on maturity in an amount equal to the difference between the amount you receive at such time and the amount that you paid for your Securities. Such gain or loss should generally be long-term capital gain or loss if you have held your Securities for more than one year.

For a more detailed discussion of the United States federal income tax consequences with respect to your Securities, you should carefully consider the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences" in the accompanying product prospectus supplement and the discussion set forth in "United States Taxation" of the accompanying prospectus. In particular, U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences—Supplemental U.S. Tax Considerations—U.S. Holders" in the product prospectus supplement and non-U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences—Supplemental U.S. Tax Considerations—Non-U.S. Holders" in the product prospectus supplement. U.S. holders should also review the discussion under "—Treasury Regulations Requiring Disclosure of Reportable Transactions", "—Information With Respect to Foreign Financial Assets" and "—Backup Withholding and Information Reporting" under "United States Taxation" in the prospectus.

Because other characterizations and treatments are possible the timing and character of income in respect of the Securities might differ from the treatment described above. You should carefully review the discussion set forth in "Alternative Treatments" in the product prospectus supplement for the possible tax consequences of different characterizations or treatment of your Securities for U.S. federal income tax purposes. It is possible, for example, that the Internal Revenue Service ("IRS") might treat the Securities as a single debt instrument subject to the special tax rules governing contingent payment debt instruments. Alternatively, the IRS may treat the Securities as a series of derivative contracts, each of which matures on the next rebalancing date of the Reference Asset, in

which case you would be treated as disposing of the Securities on each rebalancing date in return for a new derivative contract that matures on the next rebalancing date, and you would recognize capital gain or loss on each rebalancing date.

The IRS has also issued a notice that may affect the taxation of the Securities. According to IRS Notice 2008-2, the IRS and the Treasury Department are actively considering whether the holder of an instrument such as the Securities should be required to accrue ordinary income on a current basis, and they are seeking comments on the subject. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, holders of the Securities will ultimately be required to accrue ordinary income currently and this could be applied on a retroactive basis. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, of the above considerations. We intend to treat the Securities for U.S. federal income tax purposes in accordance with the treatment described above unless and until such time as the Treasury Department and the IRS determine that some other treatment is more appropriate.

Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "Code") requires withholding (up to 30%, depending on the applicable treaty) on certain financial instruments to the extent that the payments or deemed payments on the financial instruments are contingent upon or determined by reference to actual or estimated U.S.-source dividends. Recently issued final Treasury regulations expand the scope of withholding under Section 871(m) of the Code to apply to certain equity-linked instruments beginning: (i) January 1, 2018, in respect of instruments issued (or significantly modified) on or after January 1, 2016 and before January 1, 2017, and (ii) January 1, 2017, in respect of instruments issued (or significantly modified) on or after January 1, 2017. Accordingly, withholding pursuant to Section 871(m) of the Code generally is not expected to be required on the Securities. If, however, withholding is required, we (and any paying agent) will not be required to pay additional amounts with respect to the amounts so withheld.

Foreign Account Tax Compliance Act. Sections 1471 through 1474 of the Code (which are commonly referred to as "FATCA") generally impose a 30% withholding tax on certain payments, including "pass-thru" payments to certain persons if

the payments are attributable to assets that give rise to U.S.-source income or gain. Withholding pursuant to FATCA on such "pass-thru" payments will commence no earlier than January 1, 2019. Pursuant to recently issued final Treasury regulations and administrative guidance, this withholding tax would not be imposed on payments pursuant to obligations that are executed on or before the date that is six months after the date on which final Treasury regulations defining "foreign passthru payments" are published (and are not materially modified thereafter). Accordingly, FATCA withholding generally is not expected to be required on the Securities. If, however, withholding is required as a result of future guidance, we (and any paying agent) will not be required to pay additional amounts with respect to the amounts so withheld.

Significant aspects of the application of FATCA are not currently clear and Investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

**PROSPECTIVE PURCHASERS OF THE SECURITIES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES TO THEM OF ACQUIRING, HOLDING AND DISPOSING OF SECURITIES AND RECEIVING PAYMENTS UNDER THE SECURITIES.**

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