



Scotiabank and Kabbage Partner to Provide Small Business Customers with a New, Streamlined Digital Lending Experience

The Platform Partnership is an industry first for an international bank based in Canada

TORONTO, ON and ATLANTA, GA – (June 22, 2016) – Scotiabank customers in Canada and Mexico will be able to apply for and access a small business loan, up to \$100,000, in as little as seven minutes through a new partnership with Kabbage, a leading financial technology and data company and disruptor in the online lending business.

Access to Scotiabank business loans, powered by Kabbage®, will combine the convenience of a six-month (Canada) and 12-month (Mexico) term loan, with the flexibility of a line of credit. Scotiabank will leverage Kabbage's data and technology platform to provide fully automated onboarding, underwriting, servicing and ongoing monitoring throughout the entire customer lifecycle. The Bank is piloting the new lending program in Canada and Mexico through a phased-in approach, beginning by offering the service to its more than 100,000 current non borrowing small business customers in the two launch markets.

Seven facts about the Scotiabank-Kabbage partnership:

- More than 80% of Canadian start-ups used personal financing to finance their new businesses in 2014 because they lacked the credit history or collateral to secure a loan.
- Scotiabank small business customers will be able to apply for a small business loan online and receive a decision and access to funds in minutes, using key business data sources and account information.
- The platform will be available through Scotiabank online banking sites in Canada and Mexico.
- Once approved, customers will have the flexibility to draw the funds as individual term loans, from \$1,000 (specific to Canada), up to the approved loan amount. Each loan can have its own repayment terms.
- Scotiabank is the 3rd international bank and the 1st in Canada to select the Kabbage platform, in the past six months, reinforcing the importance of fueling small business growth across the world, with an unmatched customer experience.
- In October 2015, Kabbage announced that Scotiabank invested in the company's growth. This is another example of the Bank's commitment to providing customers with a digital banking experience, and an example of the work being done at the [Scotiabank Digital Factory](#).
- Existing small business customers, currently not borrowing from Scotiabank, will be able to apply for a Scotiabank *Fastline for business*, powered by Kabbage® loan, beginning July 2016. Scotiabank Mexico customers will be able to apply for a Scotiabank Kabbage loan beginning August 2016.

Quotes:

"The Scotiabank-Kabbage partnership is another significant milestone in the Bank's digital transformation. Scotiabank is embracing technologies that drive new and improved experiences for its

customers worldwide. Small businesses are a very important customer segment in our journey, and this partnership is an example of how banks and FinTechs are working together to provide customers with a better banking experience.”

– James O’ Sullivan, Group Head, Canadian Banking, Scotiabank

“Scotiabank combines the agility of a progressive and technology forward company with the strength and stability of its position as a leading global bank. Today’s announcement further demonstrates the scalability of Kabbage to power lending for organizations worldwide. Working in markets as diverse as Canada and Latin America together with the U.S., Europe and Australia cements our position as the most advanced data and technology platform in lending.”

– Rob Frohwein, Co-founder and CEO, Kabbage

“Our partnership with Kabbage will provide our small business customers in Canada and Mexico with a new digital lending experience. This partnership will allow us to learn from each other and to adapt our value proposition to meet the needs of small business customers. Scotiabank is undergoing a digital transformation and we are delighted to work with Kabbage to accelerate our digital strategy.”

– Nacho Deschamps, Group Head, International Banking and Digital Transformation, Scotiabank

Canada Small Business Facts:

- Employing more than 8.2 million Canadians, small businesses represent 97.9% of Canada’s employer businesses.
- Borrowing activity by Canadian small businesses fell for the 5th consecutive month in April according to data from PayNet.
 - Source: Innovation, Science and Economic Development Canada (June 2016)

Mexico Small Business Facts:

- SME segment is an important engine for Mexico’s GDP. According to 2014 Economic Census in Mexico, Small Businesses generate 40% of the GDP and 60% of formal employments in the country.
- According to the National Institute of Statistics and Geography in Mexico (INEGI), from the ~5 million enterprises in Mexico, over 90% are small businesses.

About Scotiabank

Scotiabank is Canada’s international bank and a leading financial services provider in North America, Latin America, the Caribbean and Central America, and Asia-Pacific. We are dedicated to helping our 23 million customers become better off through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. With a team of more than 89,000 employees and assets of \$895 billion (as at April 30, 2016), Scotiabank trades on the Toronto (TSX: BNS) and New York Exchanges (NYSE: BNS). Scotiabank distributes the Bank’s media releases using Marketwired. For more information, please visit www.scotiabank.com and follow us on Twitter @ScotiabankViews.

About the Digital Factory

The Digital Factory is a hub for creation and incubation of new and partner-led ideas to deliver game-changing solutions for Scotiabank customers. The Digital Factory is a cornerstone of Scotiabank’s digital transformation, and is focused on reinventing how banking serves people by first reinventing the way we work. Visit us at www.scotiabank.com/digitalfactory/. Follow us on Twitter @Scotia_df / Instagram @Scotia_df / Facebook at [Scotiabank Digital Factory](#).

About Kabbage

Kabbage Inc., headquartered in Atlanta, has pioneered the first financial services data and technology platform to provide fully automated funding to small businesses in minutes. Kabbage leverages data generated through business activity such as accounting data, online sales, shipping and dozens of other sources to understand performance and deliver fast, flexible funding in real time. Kabbage is funded and backed by leading investors including Reverence Capital Partners, SoftBank Capital, Thomvest Ventures, Mohr Davidow Ventures, BlueRun Ventures, the UPS Strategic Enterprise Fund, ING, Santander InnoVentures, Scotiabank, and TCW/Craton. All Kabbage and Karrot U.S.-based loans are issued by Celtic Bank, a Utah-Chartered Industrial Bank, Member FDIC. For more information, please visit <http://www.kabbage.com>.

For media enquiries only:

Sean Hamilton
Public, Corporate and Government Affairs
Scotiabank
(416) 866-2054
Sean.Hamilton@scotiabank.com

Katie Hutchison
Public Relations
Kabbage
(415) 361-5481
khutchison@kabbage.com

Jacquelyn Humphrey
Edelman
(416) 850-0383
Jacquelyn.Humphrey@edelman.com