

Scotia® Accelerated-Rate GIC Terms and Conditions

STEP UP TO HIGHER RATES AND INCREASED FLEXIBILITY!

The Scotia® Accelerated-Rate GIC is a 5-year term investment that offers annual interest rates that increase each year of the term. Minimum investment is \$1,000.

This GIC also offers you the flexibility to extend your term on the third or fourth anniversary dates. If interest rates go up, you can benefit from the higher interest rates by reinvesting the redemption proceeds into a new non-redeemable GIC with a term that is equal to, or longer than, the remaining term of your Scotia Accelerated-Rate GIC. If interest rates stay the same or decline you will continue to earn interest at the original rate on your Scotia Accelerated-Rate GIC.

Now that's the peace of mind you want from a long-term GIC!

For Specific Information about your Scotia Accelerated-Rate GIC please refer to the Investment Directions Form.

Calculation of Interest

Interest on the Scotia Accelerated-Rate GIC is calculated and accrued daily from the issue date up to, but not including, the maturity date. To calculate the daily interest, we divide the annual interest rate by 365. We multiply that figure by the GIC book value to determine how much interest to accrue each day.

For Scotia GICs that do not pay interest during their term ("Compound Interest GICs"), interest is paid upon maturity. During a leap year you earn interest on the leap day and we pay it on the next interest payment date.

For GICs where interest is paid during the term (monthly, semi-annually or annually), the GIC book value on a specific date is equal to the original face amount less all partial redemptions up to that date. For Compound Interest GICs, the GIC book value is equal to the original face amount less all partial redemptions plus compound interest earned up to that date. In each case, GIC book value is represented in the currency of the investment.

The GIC book value of a Compound Interest GIC is paid to you on the maturity date, provided however that if the maturity date does not fall on a business day then the term of the GIC will be extended to the next business day and the payment made on that day. In that case, interest will be calculated up to, but not including, that day.

Pre-booking Policy

If annual interest rates for the Scotia Accelerated-Rate GIC on the date the money is invested (settlement rates) have changed from the annual interest rates shown on your Investment Directions Form (pre-booking rates), Scotiabank will compare the effective yields of the pre-booking rates and the settlement rates. The annual rates with the higher effective yield will be applied.

CDIC insurance eligibility

The Scotia Accelerated-Rate GIC is eligible for CDIC insurance. Only deposits held in Canadian currency, having a term of five years or less and payable in Canada are insurable under the Canada Deposit Insurance Corporation Act.

Automatic Renewal

Maturing funds will be automatically renewed in accordance with any written renewal instructions that you have given us prior to maturity. If you have not given us any instructions, your funds will be reinvested to another GIC with the same type and with the same term. You may contact us to cancel the new GIC within 10 business days after the renewal or reinvestment date.

Redemption

Scotia Accelerated-Rate GICs are not redeemable prior to maturity.

Customer Name: _____ Customer Signature: _____

Branch Signature: _____ Date: _____

© Registered trademark of The Bank of Nova Scotia.

For Customer Contact Centre use only (or if the Investment Directions Form is unavailable)

Specific Information about the Scotia Accelerated-Rate GIC

Issued By: The Bank of Nova Scotia National Trust Company
 Montreal Trust Company of Canada Scotia Mortgage Corporation

PURCHASE AMOUNT \$	ISSUE DATE	MATURITY DATE
PLAN NUMBER (IF APPLICABLE)	PLAN TYPE	

Interest rates and payment frequency selected below are in effect on the above noted Issue Date.

Paid Annually Paid Semi-Annually Paid Monthly (Minimum Investment \$5,000)
 Compounded Annually Compounded Semi-Annually

Interest rates

Year 1	Year 2	Year 3	Year 4	Year 5
%	%	%	%	%

Effective Yield = %

Scotia® Accelerated-Rate GIC Terms and Conditions

STEP UP TO HIGHER RATES AND INCREASED FLEXIBILITY!

The Scotia® Accelerated-Rate GIC is a 5-year term investment that offers annual interest rates that increase each year of the term. Minimum investment is \$1,000.

This GIC also offers you the flexibility to extend your term on the third or fourth anniversary dates. If interest rates go up, you can benefit from the higher interest rates by reinvesting the redemption proceeds into a new non-redeemable GIC with a term that is equal to, or longer than, the remaining term of your Scotia Accelerated-Rate GIC. If interest rates stay the same or decline you will continue to earn interest at the original rate on your Scotia Accelerated-Rate GIC.

Now that's the peace of mind you want from a long-term GIC!

For Specific Information about your Scotia Accelerated-Rate GIC please refer to the Investment Directions Form.

Calculation of Interest

Interest on the Scotia Accelerated-Rate GIC is calculated and accrued daily from the issue date up to, but not including, the maturity date. To calculate the daily interest, we divide the annual interest rate by 365. We multiply that figure by the GIC book value to determine how much interest to accrue each day.

For Scotia GICs that do not pay interest during their term ("Compound Interest GICs"), interest is paid upon maturity. During a leap year you earn interest on the leap day and we pay it on the next interest payment date.

For GICs where interest is paid during the term (monthly, semi-annually or annually), the GIC book value on a specific date is equal to the original face amount less all partial redemptions up to that date. For Compound Interest GICs, the GIC book value is equal to the original face amount less all partial redemptions plus compound interest earned up to that date. In each case, GIC book value is represented in the currency of the investment.

The GIC book value of a Compound Interest GIC is paid to you on the maturity date, provided however that if the maturity date does not fall on a business day then the term of the GIC will be extended to the next business day and the payment made on that day. In that case, interest will be calculated up to, but not including, that day.

Pre-booking Policy

If annual interest rates for the Scotia Accelerated-Rate GIC on the date the money is invested (settlement rates) have changed from the annual interest rates shown on your Investment Directions Form (pre-booking rates), Scotiabank will compare the effective yields of the pre-booking rates and the settlement rates. The annual rates with the higher effective yield will be applied.

CDIC insurance eligibility

The Scotia Accelerated-Rate GIC is eligible for CDIC insurance. Only deposits held in Canadian currency, having a term of five years or less and payable in Canada are insurable under the Canada Deposit Insurance Corporation Act.

Automatic Renewal

Maturing funds will be automatically renewed in accordance with any written renewal instructions that you have given us prior to maturity. If you have not given us any instructions, your funds will be reinvested to another GIC with the same type and with the same term. You may contact us to cancel the new GIC within 10 business days after the renewal or reinvestment date.

Redemption

Scotia Accelerated-Rate GICs are not redeemable prior to maturity.

Customer Name: _____ Customer Signature: _____

Branch Signature: _____ Date: _____

© Registered trademark of The Bank of Nova Scotia.

For Customer Contact Centre use only (or if the Investment Directions Form is unavailable)

Specific Information about the Scotia Accelerated-Rate GIC

Issued By: The Bank of Nova Scotia National Trust Company
 Montreal Trust Company of Canada Scotia Mortgage Corporation

PURCHASE AMOUNT \$	ISSUE DATE	MATURITY DATE
PLAN NUMBER (IF APPLICABLE)	PLAN TYPE	

Interest rates and payment frequency selected below are in effect on the above noted Issue Date.

Paid Annually Paid Semi-Annually Paid Monthly (Minimum Investment \$5,000)
 Compounded Annually Compounded Semi-Annually

Interest rates

Year 1	Year 2	Year 3	Year 4	Year 5
%	%	%	%	%

Effective Yield = %