

Get exposure to the stock market with principal protection and a guaranteed minimum return.

Introducing the *Market Powered*[™] GIC

GICs will always be considered safe-haven investments for your portfolio. Yet with interest rates hovering near 40-year lows, you may feel you're missing out on the higher returns often generated in the stock market.

Now you can go for growth and have your principal guaranteed with the *Market Powered* GIC. The *Market Powered* GIC is available as a 3-year and a 5-year registered and non-registered GIC.

Here's how it works

The *Market Powered* GIC delivers the upside potential of stock market performance with a guaranteed return, all in one simple investment solution. Ideal for both RSP and non-RSP portfolios, the *Market Powered* GIC gives you:

- Guaranteed principal.
- Guaranteed annual interest rate determined at the time you invest.
- Guaranteed interest paid annually* or at maturity* (or monthly* for Non-Registered and RIF accounts) determined at the time you invest.
- Potential to earn additional income is based on the S&P/TSX 60 Index.

Calculating your potential additional returns

The potential additional return is based on the performance of the S&P/TSX 60 Index (up to a specified maximum return).

$$\frac{\text{Average Index Value} - \text{Opening Index Value}}{\text{Opening Index Value}} = \text{Additional Return}^{\wedge}$$

Average Index Value (AIV)

The AIV is calculated by averaging the value of the S&P/TSX 60 Index at 60 points in time for the 5-year *Market Powered* GIC and 36 points in time for the 3-year *Market Powered* GIC over the term of your investment.

Opening Index Value (OIV)

The opening value of the S&P/TSX 60 Index is set at the close of business, two business days after your GIC issue date.

Potential Maximum Additional Return

The potential maximum additional return is the maximum percentage rate of return your investment can earn based on the growth of the S&P/TSX 60 Index.

[^] Additional Return cannot exceed the specified maximum return.

For index values, contact your Scotiabank representative or visit www.scotiabank.com/marketpoweredgic

Note: Changes in the value of the S&P/TSX 60 Index will affect the amount of the additional return payable under the *Market Powered* GIC. If the difference between the average value of the S&P/TSX 60 Index at maturity is less than or equal to the opening index value, the additional return will be zero.

Investing in a *Market Powered* GIC is different than investing directly in the securities that make up the S&P/TSX 60 Index. For example, when you invest in a *Market Powered* GIC you participate in the appreciation, if any, of the average value of the S&P/TSX 60 Index. You are not entitled to receive any dividends paid on the securities that make up the index, however, your principal will be protected and you will earn guaranteed annual interest on your principal.

* Subject to minimum investment requirements.



S&P/TSX 60 Index

Historical Performance

This chart is a record of historical performance only and should not be taken as an indicator of the future performance of either the index or your GIC. The historical performance is shown from June 2002 to June 2007. The return on your GIC will be calculated in accordance with the formula set out in the previous page under "Calculating your potential additional returns", for the applicable period of your GIC.



Market Powered GIC in action

You are guaranteed an annual return, plus the potential for an additional return based on the performance of the S&P/TSX 60 Index, up to a specified maximum return (Example 1). If the index declines during the term of your GIC, you will only receive the guaranteed annual interest income (Example 2).

	Example 1 <i>Market Powered GIC</i>	Example 2 <i>Market Powered GIC</i>
Guaranteed Interest Return (compounded annually)	\$1,040.81	\$1,040.81
Additional Return $\frac{(AIV-OIV)}{OIV}$	$\frac{125-100}{100} = 25\%^{\Delta \dagger}$ = \$2,500	$\frac{75-100}{100} = 0\%$ = \$0
Investment Value at Maturity	$\$10,000 + \$1,040.81 + \$2,500 = \mathbf{\$13,540.81}$ <small>Return of Principal Guaranteed Interest Return Additional Return</small>	$\$10,000 + \$1,040.81 + \$0.00 = \mathbf{\$11,040.81}$ <small>Return of Principal Guaranteed Interest Return Additional Return</small>

*AIV: 125; OIV: 100

*AIV: 75; OIV: 100

^Δ Return cannot exceed specified maximum return.

[†] In this example, this rate of return is not an annual rate and reflects the return over the term of the investment.

Examples are for illustrative purposes only and are not based on historical index values. Past market performance is not an indicator of future market performance.

Assumptions: (1) \$10,000 initial investment (2) 2% guaranteed annual interest rate (3) Maximum Return for this issue is set at 30%

Example 3 Traditional GIC

If you had chosen to invest the \$10,000 into a traditional 3 year GIC with annual compounding at 2.5%, the return would have been:

\$10,000 Principal + \$250 interest in Year 1 + \$256.25 interest in Year 2 + \$262.66 interest in Year 3
= a total guaranteed return of \$768.91 which results in a total maturity value of \$10,768.91.

Examples are for illustrative purposes only. Past market performance is not an indicator of future market performance.

Market Powered GIC at a glance

Minimum Investment	<ul style="list-style-type: none"> • \$1,000 for annual or annual compound interest payments (Canadian dollars only) • \$5,000 for monthly interest payments (Canadian dollars only)
Term	<ul style="list-style-type: none"> • 3 years or 5 years from issue date • Non-transferable and non-redeemable until maturity
Guaranteed Annual Interest Rate	<ul style="list-style-type: none"> • Set on the first day of sales for each new issue. Varies by issue date.
Maximum Return	<ul style="list-style-type: none"> • Set on the first day of sales for each new issue. Varies by issue date.
Interim Interest Rate	<ul style="list-style-type: none"> • For the 3-year <i>Market Powered</i> GIC, regular 3-year non-redeemable GIC posted rate at time of purchase. For the 5-year <i>Market Powered</i> GIC, regular 5-year, non-redeemable GIC posted rate at time of purchase. The interim interest rate is only applicable during the period between your purchase date and the GIC issue date • On the issue date, the interim interest earned is added to the initial investment amount and becomes the issue amount, which is fully guaranteed
Index	<ul style="list-style-type: none"> • S&P/TSX 60 Index
RSP/RIF Eligible	<ul style="list-style-type: none"> • Yes
CDIC Eligible	<ul style="list-style-type: none"> • Yes
Interest Payment Frequency	<p>RRSPs:</p> <ul style="list-style-type: none"> • Guaranteed annual interest income – compounded annually and paid at maturity (with \$1,000 minimum investment) • Potential additional returns - paid at maturity <p>RRIFs:</p> <ul style="list-style-type: none"> • Guaranteed annual interest income – compounded annually and paid at maturity (with \$1,000 minimum investment) <p>OR</p> <ul style="list-style-type: none"> • Guaranteed monthly interest income calculated and paid monthly (with \$5,000 minimum investment) • Potential additional returns - paid at maturity <p>Non-registered Plans:</p> <ul style="list-style-type: none"> • Guaranteed annual interest income – compounded annually and paid at maturity or paid annually (with \$1,000 minimum investment) <p>OR</p> <ul style="list-style-type: none"> • Guaranteed monthly interest income calculated and paid monthly (with \$5,000 minimum investment) • Potential additional returns - paid at maturity
Issuers†	<ul style="list-style-type: none"> • The Bank of Nova Scotia • Montreal Trust Company of Canada • National Trust Company

To make the *Market Powered* GIC part of your investment portfolio, talk to your Scotiabank representative today.

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™ Trademark of The Bank of Nova Scotia

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† The Bank of Nova Scotia, Montreal Trust Company of Canada and National Trust Company each reserve the right to withdraw this offer at any time.

Specific information about the *Market Powered*[™] GIC you have purchased.

Purchase Amount \$: _____ Purchase Date: _____

Plan Type: _____ Issue Date: _____

Plan #: _____ Certificate #: _____ Maturity Date: _____

TERM: ☐ 3 years ☐ 5 years

ISSUER: ☐ The Bank of Nova Scotia
☐ Montreal Trust Company of Canada
☐ National Trust Company

GUARANTEED INTEREST PAYMENT OPTIONS

- ☐ Compounded Annually and Paid at Maturity (Registered and Non-Registered - \$1,000 Minimum Investment)
☐ Calculated and Paid Annually (Non-Registered only - \$1,000 Minimum Investment)
☐ Guaranteed Monthly Interest Payment Option - Calculated and Paid Monthly
(Non-Registered and RIF only - \$5,000 Minimum Investment)

ANNUAL INTEREST PAYMENT OPTION

The guaranteed annual interest rate for this issue is _____. This is an annual rate.

OR

MONTHLY INTEREST PAYMENT OPTION (RIF AND NON REGISTERED ONLY)

The guaranteed annual interest rate for this issue is _____. This is an annual rate.

You understand all of the following information about your *Market Powered* GIC:

Interim Period

1. Interim interest will be earned on your *Market Powered* GIC purchase amount from your purchase date to your *Market Powered* GIC issue date at the regular 3 or 5 year non-redeemable GIC posted rate in effect at your GIC purchase date (refer to paragraph 6 for that rate). On your *Market Powered* GIC issue date, the interim interest earned is added to your purchase amount and becomes your *Market Powered* GIC issue amount, which is fully guaranteed.

Return

2. The potential for you to earn any additional return on your *Market Powered* GIC issue amount is based on the performance of the S&P/TSX 60 Index up to the specified maximum return. The maximum additional return for your GIC over the term is _____. It is not an annual rate or rate of return. There is no guarantee that you will earn an additional return.

Your principal investment amount (the amount you initially invest, plus any interest earned until the issue date) has two components to its total rate of return:

- A guaranteed annual interest rate, and
- The potential for an additional return based on the performance of the S&P/TSX 60 Index, up to a specified maximum return. The additional return, if any, will be paid at maturity.

Potential additional return is determined by calculating the difference between the average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC and the opening index value for your *Market Powered* GIC divided by the opening index value, up to the specified maximum return. The average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC is equal to the average of the S&P/TSX 60 Index values of 60 observation points for the 5-year term *Market Powered* GIC or 36 observation points for the 3-year term *Market Powered* GIC. The first 59 (5-year term *Market Powered* GIC) or 35 (3-year term *Market Powered* GIC) observation points occur at the close of business on the third Thursday of each month following the month your *Market Powered* GIC is issued. The final observation point occurs at the close of business on the date that is two business days prior to the maturity date of your *Market Powered* GIC. The opening index value for your *Market Powered* GIC is the value of the S&P/TSX 60 Index at the close of business on the date that is two business days after the issue date of your *Market Powered* GIC.

3. Your *Market Powered* GIC purchase amount and any interim interest earned prior to your GIC issue date is guaranteed and will be repaid at maturity. Any additional return earned on your *Market Powered* GIC issue amount will also be paid at maturity into the account of your choice.

Registered deposits

4. If your *Market Powered* GIC will be purchased with monies transferred from an RRSP or RRIF, your *Market Powered* GIC purchase amount will be equal to the amount actually received and the interim interest rate, issue date, guaranteed annual interest rate and maximum return for your GIC will be based on the date the transferred monies are received, not the date on which the transfer request is initiated. The specifics of this information will be provided to you after the issuer of your *Market Powered* GIC has received the transferred monies.

Suitability

5. A *Market Powered* GIC is different from a fixed rate investment. There is a greater level of risk associated with a *Market Powered* GIC than with a fixed rate investment because a portion of your potential return does not provide a guaranteed rate of return.

Exceptions

6. The term of your *Market Powered* GIC is 3 or 5 years from its issue date. Your *Market Powered* GIC is not redeemable before maturity, except in the event of your death. In that exceptional circumstance, your *Market Powered* GIC purchase amount will be paid together with interest calculated from your GIC purchase date to its redemption date at the regular 3 or 5 year non redeemable GIC posted rate of _____% per annum.
7. Your *Market Powered* GIC will not be amended, except (a) if the S&P/TSX 60 Index ceases calculation or publication; or (b) if there is a market disruption or other event beyond the reasonable control of the issuer of your GIC which has a materially adverse effect on the issuer's ability to calculate a rate of return for your GIC, to manage the related risk, or otherwise perform its obligations.

More information

8. Complete information is available to you at www.scotiabank.com, at any Scotiabank branch or by mail by contacting your branch.
9. After your *Market Powered* GIC is issued, the following information is available on request: (a) the net asset value of your GIC on the date you specify and how that value is related to the return payable under your GIC; or (b) the last available measure before the date you specify of the S&P/TSX 60 Index and how that measure is related to the return payable under your GIC.
10. The manner in which the *Market Powered* GICs are structured or administered does not place the issuer in a conflict of interest.
11. A *Market Powered* GIC purchase cannot be cancelled.

By signing below, you acknowledge that before entering the agreement to purchase your *Market Powered* GIC in person you have received a completed copy of this *Market Powered* GIC Fact Sheet and that we have orally disclosed to you the information in the paragraphs numbered 1 to 11 above prior to or at the time of entering into the agreement. You further acknowledge that you have received and read a copy of the Investment Companion Booklet. You agree to be bound by all of the terms, conditions and other provisions in this Fact Sheet and those terms, conditions and other provisions in the Investment Companion Booklet that relate to your *Market Powered* GIC purchase.

Customer Name(s): _____

Customer Signature(s): _____

Branch Signature: _____ Date: _____

Market Powered GICs are not sponsored, endorsed, sold or promoted by Standard & Poor's ("S&P"), a division of The McGraw-Hill Companies Inc., or The Toronto Stock Exchange ("TSX"). S&P and the TSX make no representation, condition or warranty, expressed or implied, to the owners of *Market Powered* GICs or any member of the public regarding the advisability of investing in securities generally or in *Market Powered* GICs particularly, or the ability of the S&P/TSX Indices to track general stock market performance or any other economic factors. S&P's and the TSX's only relationship to The Bank of Nova Scotia is the licensing (or sublicensing) of certain trademarks and trade names of S&P and the TSX and/or of the S&P/TSX Indices which is determined, composed and calculated by S&P without regard to The Bank of Nova Scotia or *Market Powered* GICs. S&P and the TSX have no obligation to take the needs of The Bank of Nova Scotia or the owners of *Market Powered* GICs into consideration in determining, composing or calculating the S&P/TSX Indices. S&P and the TSX are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of *Market Powered* GICs to be issued or in the determination or calculation of the equation by which the *Market Powered* GICs are to be converted into cash. S&P and the TSX have no obligation or liability in connection with the administration, marketing or issuing of *Market Powered* GICs.

S&P and the TSX do not guarantee the accuracy and/or the completeness of the S&P/TSX Indices, or any data included therein, and S&P and the TSX shall have no liability for any errors, omissions or interruptions therein. S&P and the TSX make no warranty, condition or representation, express or implied, as to results to be obtained by The Bank of Nova Scotia, owners of *Market Powered* GICs, or any other person or entity from the use of the S&P/TSX Indices (or any data included therein). S&P and the TSX make no express or implied warranties, representations or conditions, and expressly disclaim all warranties or conditions of merchantability, merchantable quality or fitness for a particular purpose or use and any other express or implied warranty or condition with respect to the S&P/TSX Indices or any data included therein. Without limiting any of the foregoing, in no event shall S&P or the TSX have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

TERMS & CONDITIONS

Market Powered GICs.

Market Powered GICs are non-redeemable, non-transferable guaranteed investment certificates whose total rates of return are based on two components: a guaranteed annual interest rate, and the potential for an additional return based on the performance of the S&P/TSX 60 Index, up to a specified maximum return. The additional returns, if any, will be paid at maturity.

Market Powered GICs are available as both non-registered and registered deposits, subject to the terms of the particular plan. You should read the following summary and the detailed description of features contained in this Fact Sheet.

The Bank of Nova Scotia, Montreal Trust Company of Canada and National Trust Company are each referred to as "the Issuer."

Calculation of your rate of return.

The *Market Powered* GIC has two components to its total rate of return: a guaranteed annual interest rate based on current interest rates, set on the first day of sales for each new issue, and the potential for an additional return based on the performance of the S&P/TSX 60 Index.

You may elect either:

For investments of \$1,000 or more, interest will be calculated and paid, at your option, either annually (non-registered only) or at maturity (registered and non-registered).

OR

For investments in non-registered or RIF accounts of \$5,000 or more, interest will be calculated and paid monthly.

Potential additional return is determined by the difference between the average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC and the opening index value for your *Market Powered* GIC divided by the opening index value.

- The average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC is equal to the average of the S&P/TSX 60 Index values of 60 observation points for the 5-year term *Market Powered* GIC or 36 observation points for the 3-year term *Market Powered* GIC. The first 59 (5-year term *Market Powered* GIC) or 35 (3-year term *Market Powered* GIC) observation points occur at the close of business on the third Thursday of each month following the month your *Market Powered* GIC is issued. The final observation point occurs at the close of business on the date that is two business days prior to the maturity date of your *Market Powered* GIC. The opening index value for your *Market Powered* GIC is the value of the S&P/TSX 60 Index at the close of business on the date that is two business days after the issue date of your *Market Powered* GIC. If the average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC is less than or equal to the opening index value for your *Market Powered* GIC, your additional return is 0%.
- Your principal investment amount (the amount you initially invest, plus any interest earned until the issue date) is guaranteed and is repaid at maturity.

Your risks.

You must be aware of, and carefully consider the following:

Suitability: Before purchasing a *Market Powered* GIC you should consider its suitability in relation to your investment objectives.

Rate of return: The additional return payable, if any, is based on the performance of the S&P/TSX 60 Index. Stock market indices have, in the past, experienced significant movements and it is impossible to know their future direction. *Market Powered* GICs will not yield any additional return if the average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC is less than or equal to the opening index value for your *Market Powered* GIC (refer to "Calculation of your rate of return" for the method of determining these index values). In this event, since your principal investment amount (the amount you initially invest, plus any interest earned until the issue date) is unconditionally guaranteed, you would receive only your principal investment amount together with the interest earned on that amount at the guaranteed annual interest rate. There is no guarantee of an additional return.

Redemption and transfer restrictions: *Market Powered* GICs are not redeemable before maturity, except in the event of death of the GIC owner. In these exceptional circumstances, the full amount of the *Market Powered* GIC may be withdrawn and interest will be calculated and paid at the guaranteed annual interest up to the date of redemption. In no circumstances are *Market Powered* GICs transferable.

Market indices: Should the S&P/TSX 60 Index cease calculation or publication for any reason, the Issuer may determine the rate of return, if any, on your *Market Powered* GIC as it deems appropriate, and in the course of such determination may consult with independent calculation agents.

Extraordinary events: There is always the possibility of a market disruption or other event beyond the reasonable control of the Issuer, which may have a materially adverse effect on the Issuer's ability to calculate a rate of return on the *Market Powered* GIC, to manage the related risk, or otherwise perform its obligations. Should such an event occur, the Issuer may, acting reasonably, take such actions as it deems appropriate including, without limitation, adjusting or delaying calculation or payment of any return on the *Market Powered* GIC.

Tax considerations.

Information for Canadian Residents with non-registered investments: The following summarizes the principal Canadian federal income tax considerations generally applicable to an individual who, for the purposes of the Income Tax Act (Canada) (the "Act"), is a resident of Canada, deals at arm's length with the Issuer and holds a *Market Powered* GIC to maturity outside of a registered retirement savings plan, registered retirement income fund or deferred profit sharing plan. This summary is based on the Act and the Regulations made under the Act as in force on the date of these Terms and Conditions, all specific proposals to amend the Act or Regulations publicly announced by the Minister of Finance prior to the date of these Terms and Conditions and the current administrative practices and policies of Revenue Canada. Provincial and foreign income tax considerations are not addressed.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular investor. No representation with respect to Canadian federal income tax considerations to any particular investor is made herein. You should consult your own tax advisor with respect to your particular circumstances.

When returns are to be included in income: In general, the additional return, if any, on a *Market Powered* GIC would be included in your income in the year it is paid. The interest accrual rules will not ordinarily apply in respect of the holding of a *Market Powered* GIC. Accordingly, with the exception of the guaranteed annual interest amount, you will not ordinarily be required to include in income for any year that ends prior to the determination of the final average index level any imputed yield in respect of a *Market Powered* GIC.

Interest earned between your investment purchase date and the issue date of your *Market Powered* GIC (interim interest) and the guaranteed annual interest amount would be included in your income in the year earned.

Information for non-residents. When a return on a *Market Powered* GIC is paid or credited to a person who is non-resident of Canada, such amount may be subject to 25% non-resident withholding tax under the Act subject to reduction under the terms of any applicable income tax treaty. Such person shall not be entitled under the *Market Powered* GIC, or on request, to any gross up or other reimbursement of such withholding tax by the issuer.

Information regarding registered plans: *Market Powered* GICs will be qualified investments for registered retirement savings plans, registered retirement income funds and deferred profit sharing plans and may be held in such plans subject to the terms of the particular plan. No tax will be payable in respect of any return on *Market Powered* GICs received by such plans.

For registered retirement income funds (RRIFs): *Market Powered* GICs will be the last investment in the plan used to fund income payments. Any additional return payable at maturity will only apply to the remaining principal balance after income payments.

Specific information about the *Market Powered*[™] GIC you have purchased.

Purchase Amount \$: _____ Purchase Date: _____

Plan Type: _____ Issue Date: _____

Plan #: _____ Certificate #: _____ Maturity Date: _____

TERM: ☐ 3 years ☐ 5 years

ISSUER: ☐ The Bank of Nova Scotia
☐ Montreal Trust Company of Canada
☐ National Trust Company

GUARANTEED INTEREST PAYMENT OPTIONS

- ☐ Compounded Annually and Paid at Maturity (Registered and Non-Registered - \$1,000 Minimum Investment)
☐ Calculated and Paid Annually (Non-Registered only - \$1,000 Minimum Investment)
☐ Guaranteed Monthly Interest Payment Option - Calculated and Paid Monthly
(Non-Registered and RIF only - \$5,000 Minimum Investment)

ANNUAL INTEREST PAYMENT OPTION

The guaranteed annual interest rate for this issue is _____. This is an annual rate.

OR

MONTHLY INTEREST PAYMENT OPTION (RIF AND NON REGISTERED ONLY)

The guaranteed annual interest rate for this issue is _____. This is an annual rate.

You understand all of the following information about your *Market Powered* GIC:

Interim Period

- Interim interest will be earned on your *Market Powered* GIC purchase amount from your purchase date to your *Market Powered* GIC issue date at the regular 3 or 5 year non-redeemable GIC posted rate in effect at your GIC purchase date (refer to paragraph 6 for that rate). On your *Market Powered* GIC issue date, the interim interest earned is added to your purchase amount and becomes your *Market Powered* GIC issue amount, which is fully guaranteed.

Return

- The potential for you to earn any additional return on your *Market Powered* GIC issue amount is based on the performance of the S&P/TSX 60 Index up to the specified maximum return. The maximum additional return for your GIC over the term is _____. It is not an annual rate or rate of return. There is no guarantee that you will earn an additional return.

Your principal investment amount (the amount you initially invest, plus any interest earned until the issue date) has two components to its total rate of return:

- A guaranteed annual interest rate, and
- The potential for an additional return based on the performance of the S&P/TSX 60 Index, up to a specified maximum return. The additional return, if any, will be paid at maturity.

Potential additional return is determined by calculating the difference between the average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC and the opening index value for your *Market Powered* GIC divided by the opening index value, up to the specified maximum return. The average value of the S&P/TSX 60 Index during the term of your *Market Powered* GIC is equal to the average of the S&P/TSX 60 Index values of 60 observation points for the 5-year term *Market Powered* GIC or 36 observation points for the 3-year term *Market Powered* GIC. The first 59 (5-year term *Market Powered* GIC) or 35 (3-year term *Market Powered* GIC) observation points occur at the close of business on the third Thursday of each month following the month your *Market Powered* GIC is issued. The final observation point occurs at the close of business on the date that is two business days prior to the maturity date of your *Market Powered* GIC. The opening index value for your *Market Powered* GIC is the value of the S&P/TSX 60 Index at the close of business on the date that is two business days after the issue date of your *Market Powered* GIC.

- Your *Market Powered* GIC purchase amount and any interim interest earned prior to your GIC issue date is guaranteed and will be repaid at maturity. Any additional return earned on your *Market Powered* GIC issue amount will also be paid at maturity into the account of your choice.

Registered deposits

4. If your *Market Powered* GIC will be purchased with monies transferred from an RRSP or RRIF, your *Market Powered* GIC purchase amount will be equal to the amount actually received and the interim interest rate, issue date, guaranteed annual interest rate and maximum return for your GIC will be based on the date the transferred monies are received, not the date on which the transfer request is initiated. The specifics of this information will be provided to you after the issuer of your *Market Powered* GIC has received the transferred monies.

Suitability

5. A *Market Powered* GIC is different from a fixed rate investment. There is a greater level of risk associated with a *Market Powered* GIC than with a fixed rate investment because a portion of your potential return does not provide a guaranteed rate of return.

Exceptions

6. The term of your *Market Powered* GIC is 3 or 5 years from its issue date. Your *Market Powered* GIC is not redeemable before maturity, except in the event of your death. In that exceptional circumstance, your *Market Powered* GIC purchase amount will be paid together with interest calculated from your GIC purchase date to its redemption date at the regular 3 or 5 year non redeemable GIC posted rate of _____% per annum.
7. Your *Market Powered* GIC will not be amended, except (a) if the S&P/TSX 60 Index ceases calculation or publication; or (b) if there is a market disruption or other event beyond the reasonable control of the issuer of your GIC which has a materially adverse effect on the issuer's ability to calculate a rate of return for your GIC, to manage the related risk, or otherwise perform its obligations.

More information

8. Complete information is available to you at www.scotiabank.com, at any Scotiabank branch or by mail by contacting your branch.
9. After your *Market Powered* GIC is issued, the following information is available on request: (a) the net asset value of your GIC on the date you specify and how that value is related to the return payable under your GIC; or (b) the last available measure before the date you specify of the S&P/TSX 60 Index and how that measure is related to the return payable under your GIC.
10. The manner in which the *Market Powered* GICs are structured or administered does not place the issuer in a conflict of interest.
11. A *Market Powered* GIC purchase cannot be cancelled.

By signing below, you acknowledge that before entering the agreement to purchase your *Market Powered* GIC in person you have received a completed copy of this *Market Powered* GIC Fact Sheet and that we have orally disclosed to you the information in the paragraphs numbered 1 to 11 above prior to or at the time of entering into the agreement. You further acknowledge that you have received and read a copy of the Investment Companion Booklet. You agree to be bound by all of the terms, conditions and other provisions in this Fact Sheet and those terms, conditions and other provisions in the Investment Companion Booklet that relate to your *Market Powered* GIC purchase.

Customer Name(s): _____

Customer Signature(s): _____

Branch Signature: _____ Date: _____

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