

Scotia Stock-Indexed GIC – The GIC With Guts®!

The worry-free investment that works as hard as you do

If you're tempted by the higher potential gains of the stock market but a little worried about the downside risk, consider the *Scotia* Stock-Indexed GIC – **the GIC With Guts**. Benefit from the higher growth potential of the stock market while enjoying the peace of mind that comes from knowing your principal is always guaranteed.

- Return is tied to the performance of the S&P/TSX 60* Index, an index that measures Canadian stock market performance.
- 100% RSP/RIF eligible.
- 3-year term.

Here's how it works

- You can purchase a *Scotia* Stock-Indexed GIC anytime with a minimum of \$1,000.
- The 3-year term of your *Scotia* Stock-Indexed GIC starts on the issue date.
- The *Scotia* Stock-Indexed GIC is non-redeemable and non-transferable prior to maturity.
- Your principal earns a potential return based on the percentage increase, if any, in the closing value of the S&P/TSX 60 Index during the period that starts two business days after your GIC issue date and that ends two business days prior to the maturity date of your GIC, up to a specified maximum return.

If the closing index value of the S&P/TSX 60 Index at two business days prior to your *Scotia* Stock-Indexed GIC maturity, is equal to or less than the closing Index value of that Index at two business days after your GIC issue date, your return is 0%, but your principal is guaranteed and will be repaid at maturity.

- Principal and any interest earned are paid at, and not before, maturity.

Here are some examples:

(based on assumptions as noted):

TIME	Apr. 2, 2005 Issue Date	Apr. 4, 2005 Starting Index Value	Mar. 31, 2008 Ending Index Value	Apr. 2, 2008 Maturity Date
Example 1 (when the index increases)		445.60	525.98	Maturity Value: = \$11,804 (= \$10,000 + 18.04%)
Difference between Starting and Ending Index Value = 18.04%				
Example 2 (when the index decreases)		435.60	416.40	Maturity Value: = \$10,000 (= \$10,000 + 0.00%)
Difference between Starting and Ending Index Value = -4.41% return = 0.00% The \$10,000 initial investment is returned				

Examples are for illustrative purposes only
Assumptions: (1) \$10,000 initial investment (2) 20% Maximum Rate of Return

Example 3 (Traditional GIC)

TIME	\$10,000 Principal	Interest Year 1 \$250.00	Interest Year 2 \$256.25	Interest Year 3 \$262.66
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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:

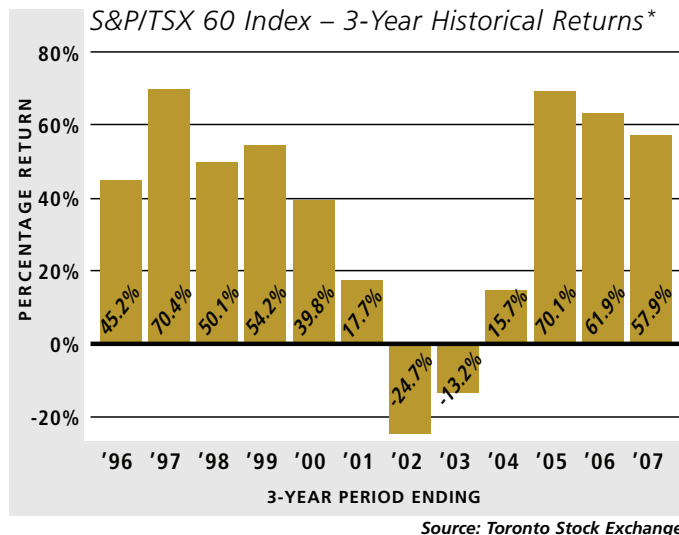
\$10,000 Principal + \$250 interest in Year 1 + \$256.25 interest in Year 2 + \$262.66 interest in Year 3 = a total guaranteed return of \$768.91 which results in a total maturity value of \$10,768.91.

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



S&P/TSX 60[◆] Index Explained

The S&P/TSX 60 Index is made up of 60 of the largest publicly traded, blue chip companies in Canada, from a cross-section of major industry categories. Their stock values are tracked daily and reflected in the Index, which provides an indicator of market performance. Past market performance is not an indicator of future performance.



* All rates of return are historical and not necessarily indicative of future returns.

Keeping track of the index value is easy

The value of the S&P/TSX 60 Index is available daily from your Scotiabank branch representatives. You can also access the Index value on-line at www.scotiabank.com. The value of the S&P/TSX 60 Index is also published daily in the business section of most major newspapers.

Availability

The Scotia Stock-Indexed GIC is issued by The Bank of Nova Scotia (BNS) and its wholly owned subsidiaries, Montreal Trust Company of Canada (MTCC) and National Trust Company (NTC) who each reserve the right to withdraw this offer at any time.

The Scotia Stock-Indexed GIC at a glance

Index	• S&P/TSX 60 [◆]
Minimum Investment	• \$1000
Term	• 3 years from the issue date
Principal Guaranteed	• Yes
Maximum Return	• Set in advance of each new issue. Varies by issue date.
Interim Interest Rate	• Regular 3-year, non-redeemable GIC posted rate at time of purchase - only applicable during the period between your GIC 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.
RSP/RIF Eligible	• Yes
Issuers	• The Bank of Nova Scotia • Montreal Trust Company of Canada • National Trust Company

To make the Scotia Stock-Indexed GIC part of your portfolio, talk to your Scotiabank representative today.

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Specific information about your Scotia Stock-Indexed GIC.

Scotia Stock-Indexed GIC (S&P/TSX 60 Index)

CUSTOMER INITIAL(S) _____

Purchase Amount \$: _____ Purchase Date: _____ **ISSUER:**
Plan Type: _____ Issue Date: _____ The Bank of Nova Scotia
Plan #: _____ Certificate #: _____ Maturity Date: _____ Montreal Trust Company of Canada
 National Trust Company

You understand all of the following information about your Scotia Stock-Indexed GIC:

Interim Period

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

Return

2. The potential for you to earn any return on your Scotia Stock-Indexed GIC issue amount is calculated by measuring the percentage increase, if any, in the closing value of the S&P/TSX60 Index during the period that starts two business days after the issue date and that ends two business days prior to the maturity date, up to a specified maximum return. The maximum return for your GIC over the 3-year term is _____%. It is not an annual rate or rate of return. There is no guaranteed rate of return, and there is a risk that you will not earn any return on your Scotia Stock-Indexed GIC issue amount.

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

Registered deposits

4. If your Scotia Stock-Indexed GIC will be purchased with monies transferred from an RRSP or RRF, your Scotia Stock-Indexed GIC purchase amount will be equal to the amount actually received and the interim interest rate, issue date 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 Scotia Stock-Indexed GIC has received the transferred monies.

Suitability

5. A Scotia Stock-Indexed GIC is different from a fixed rate investment. There is a greater level of risk associated with a Scotia Stock-Indexed GIC than with a fixed rate investment because it does not provide a guaranteed rate of return (with the exception of interim interest earned until its issue date). The Scotia Stock-Indexed GIC will not provide investors with an income stream or return prior to the maturity date and may not provide any return in excess of the GIC issue amount on maturity. Therefore, an investment in the Scotia Stock-Indexed GIC is only suitable for investors prepared to assume risks with an investment whose return is tied to the performance of the S&P/TSX60 Index. The Scotia Stock-Indexed GIC does not have a fixed yield and could produce no yield. Therefore, the Scotia Stock-Indexed GIC is not a suitable investment for investors who need or expect certainty of yield.

Exceptions

6. The term of your Scotia Stock-Indexed GIC is 3 years from its issue date. Your Scotia Stock-Indexed GIC is not redeemable before maturity, except in the event of your death. In that exceptional circumstance, your Scotia Stock-Indexed GIC purchase amount will be paid together with interest calculated from your GIC purchase date to its redemption date at the regular 3-year non-redeemable GIC posted rate of _____% per annum.

7. Your Scotia Stock-Indexed GIC will not be amended, except (a) if the S&P/TSX60 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 (including historical information about previously matured Scotia Stock-Indexed GICs) is available to you at www.scotiabank.com, at any Scotiabank branch or by mail by contacting your branch.

9. After your Scotia Stock-Indexed 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/TSX60 Index and how that measure is related to the return payable under your GIC.

10. The manner in which Scotia Stock-Indexed GICs are structured or administered does not place the issuer in a conflict of interest.

11. A Scotia Stock-Indexed GIC purchase cannot be cancelled.

By signing below, you acknowledge that before entering the agreement to purchase your Scotia Stock-Indexed GIC in person you have received a completed copy of this Scotia Stock-Indexed 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 Scotia Stock-Indexed GIC purchase.

Customer Name(s): _____

Customer Signature(s): _____

Branch Signature: _____ Date: _____

Scotia Stock-Indexed 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 Scotia Stock-Indexed GICs or any member of the public regarding the advisability of investing in securities generally or in Scotia Stock-Indexed GICs particularly, or regarding the usefulness of the S&P/TSX 60, in assessing or tracking stock market performance. S&P's and the TSX's only relationship to The Bank of Nova Scotia is the licensing (or sublicensing) of certain trade-marks and the trade names of S&P and the TSX and/or of the S&P/TSX 60, which are determined, composed and calculated by S&P without regard to The Bank of Nova Scotia or Scotia Stock-Indexed GICs. S&P and the TSX have no obligation to take the needs of The Bank of Nova Scotia or the owners of Scotia Stock-Indexed GICs into consideration in determining, composing or calculating the S&P/TSX 60. 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 Scotia Stock-Indexed GICs to be issued or in the determination or calculation of the equation by which Scotia Stock-Indexed 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 Scotia Stock-Indexed GICs.

S&P and the TSX do not guarantee the accuracy and/or completeness of the S&P/TSX Indexes, 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 Scotia Stock-Indexed GICs, or any other person or entity from the use of the S&P/TSX Indexes (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 express or implied warranty or condition with respect to the S&P/TSX Indexes or any data 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

The Scotia Stock-Indexed GIC.

The Scotia Stock-Indexed GIC is a non-redeemable, non-transferable guaranteed investment certificate whose rate of return, if any, is based on the performance of the S&P/TSX60 Index to a specified maximum. The Scotia Stock-Indexed GIC is available as both a non-registered and registered deposit, 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.

Your principal earns a potential return based on the percentage increase, if any, in the closing value of the S&P/TSX60 Index during the period that starts two business days after your GIC issue date and that ends two business days prior to the maturity date of your GIC, up to a specified maximum return. Principal (the amount you initially invest) plus any interim interest earned until the issue date and any return earned will be paid at maturity. If the closing index value of the S&P/TSX60 Index two business days prior to your GIC maturity date is equal to or less than the closing index value of the S&P/TSX60 Index two business days after your GIC issue date, your return will be 0%.

Your risks.

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

Suitability. Before purchasing a Scotia Stock-Indexed GIC you should consider its suitability in relation to your investment objectives.

Rate of return. The return payable, if any, is based on the performance of the S&P/TSX60 Index. Stock market indices have, in the past, experienced significant movements and it is impossible to know their future direction. The Scotia Stock-Indexed GIC will not yield any return if the closing index value of the S&P/TSX60 Index two business days prior to the GIC maturity date is less than or equal to the closing index value of the S&P/TSX60 Index two business days after the GIC issue date. Since your principal (the amount you initially invest) and any interim interest earned until your GIC issue date is unconditionally guaranteed, you would receive only those amounts in this event. There is no guaranteed rate of return.

Redemption restrictions. The term of your Scotia Stock-Indexed GIC is 3 years from its issue date. Your Scotia Stock-Indexed GIC is not redeemable before maturity, except in the event of death of the GIC owner. In that exceptional circumstance, your Scotia Stock-Indexed GIC purchase amount will be paid together with interest calculated from your GIC purchase date to its redemption date at the regular 3-year non-redeemable GIC posted rate in effect at your GIC issue date.

Market indices. All stock market indices have, in the past, experienced significant movements and it is impossible to know their future direction. Should the S&P/TSX60 Index cease calculation or publication for any reason, the Issuer may determine the rate of return, if any, on your Scotia Stock-Indexed 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 Scotia Stock-Indexed 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 Scotia Stock-Indexed 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 Scotia Stock-Indexed 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 the Canada Revenue Agency. 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 return, if any, received by you on a Scotia Stock-Indexed 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 Scotia Stock-Indexed GIC. Accordingly, you will not ordinarily be required to include in income for any year that ends prior to the determination of the final index level any imputed yield in respect of a Scotia Stock-Indexed GIC.

Interest earned between your purchase date and the issue date of your Scotia Stock-Indexed GIC (interim interest) would be included in your income in the year earned.

Information for non-residents. When a return on a Scotia Stock-Indexed 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 Scotia Stock-Indexed GIC, or on request, to any gross up or other reimbursement of such withholding tax by the issuer.

Information regarding registered plans. Scotia Stock-Indexed 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 Scotia Stock-Indexed GICs received by such plans.

Scotia Stock-Indexed GICs are not eligible for Home Buyer's Plan and Lifelong Learning Plan withdrawals.

For Registered Retirement Income Funds (RRIFs), Scotia Stock-Indexed GICs will be the second last investment in the plan used to fund income payments. (Market Powered™ GICs are the last investment in the plan to fund income payments.) The rate of return payable at maturity will only apply to the remaining principal balance after income payments.

Specific information about your Scotia Stock-Indexed GIC.

Scotia Stock-Indexed GIC (S&P/TSX 60 Index)

CUSTOMER INITIAL(S)

Purchase Amount \$: _____ Purchase Date: _____ **ISSUER:**
Plan Type: _____ Issue Date: _____ The Bank of Nova Scotia
Plan #: _____ Certificate #: _____ Maturity Date: _____ Montreal Trust Company of Canada
 National Trust Company

You understand all of the following information about your Scotia Stock-Indexed GIC:

Interim Period

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

Return

2. The potential for you to earn any return on your Scotia Stock-Indexed GIC issue amount is calculated by measuring the percentage increase, if any, in the closing value of the S&P/TSX60 Index during the period that starts two business days after the issue date and that ends two business days prior to the maturity date, up to a specified maximum return. The maximum return for your GIC over the 3-year term is _____%. It is not an annual rate or rate of return. There is no guaranteed rate of return, and there is a risk that you will not earn any return on your Scotia Stock-Indexed GIC issue amount.
3. Your Scotia Stock-Indexed GIC purchase amount and any interim interest earned prior to your GIC issue date is guaranteed and will be repaid at maturity. Any return earned on your Scotia Stock-Indexed GIC issue amount will also be paid at maturity into the account of your choice.

Registered deposits

4. If your Scotia Stock-Indexed GIC will be purchased with monies transferred from an RRSP or RRIF, your Scotia Stock-Indexed GIC purchase amount will be equal to the amount actually received and the interim interest rate, issue date 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 Scotia Stock-Indexed GIC has received the transferred monies.

Suitability

5. A Scotia Stock-Indexed GIC is different from a fixed rate investment. There is a greater level of risk associated with a Scotia Stock-Indexed GIC than with a fixed rate investment because it does not provide a guaranteed rate of return (with the exception of interim interest earned until its issue date). The Scotia Stock-Indexed GIC will not provide investors with an income stream or return prior to the maturity date and may not provide any return in excess of the GIC issue amount on maturity. Therefore, an investment in the Scotia Stock-Indexed GIC is only suitable for investors prepared to assume risks with an investment whose return is tied to the performance of the S&P/TSX60 Index. The Scotia Stock-Indexed GIC does not have a fixed yield and could produce no yield. Therefore, the Scotia Stock-Indexed GIC is not a suitable investment for investors who need or expect certainty of yield.

Exceptions

6. The term of your Scotia Stock-Indexed GIC is 3 years from its issue date. Your Scotia Stock-Indexed GIC is not redeemable before maturity, except in the event of your death. In that exceptional circumstance, your Scotia Stock-Indexed GIC purchase amount will be paid together with interest calculated from your GIC purchase date to its redemption date at the regular 3-year non-redeemable GIC posted rate of _____% per annum.
7. Your Scotia Stock-Indexed GIC will not be amended, except (a) if the S&P/TSX60 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 (including historical information about previously matured Scotia Stock-Indexed GICs) is available to you at www.scotiabank.com, at any Scotiabank branch or by mail by contacting your branch.
9. After your Scotia Stock-Indexed 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/TSX60 Index and how that measure is related to the return payable under your GIC.
10. The manner in which Scotia Stock-Indexed GICs are structured or administered does not place the issuer in a conflict of interest.
11. A Scotia Stock-Indexed GIC purchase cannot be cancelled.

By signing below, you acknowledge that before entering the agreement to purchase your Scotia Stock-Indexed GIC in person you have received a completed copy of this Scotia Stock-Indexed 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 Scotia Stock-Indexed GIC purchase.

Customer Name(s): _____

Customer Signature(s): _____

Branch Signature: _____ Date: _____

Scotia Stock-Indexed 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 Scotia Stock-Indexed GICs or any member of the public regarding the advisability of investing in securities generally or in Scotia Stock-Indexed GICs particularly, or regarding the usefulness of the S&P/TSX 60, in assessing or tracking stock market performance. S&P's and the TSX's only relationship to The Bank of Nova Scotia is the licensing (or sublicensing) of certain trade-marks and the trade names of S&P and the TSX and/or of the S&P/TSX 60, which are determined, composed and calculated by S&P without regard to The Bank of Nova Scotia or Scotia Stock-Indexed GICs. S&P and the TSX have no obligation to take the needs of The Bank of Nova Scotia or the owners of Scotia Stock-Indexed GICs into consideration in determining, composing or calculating the S&P/TSX 60. 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 Scotia Stock-Indexed GICs to be issued or in the determination or calculation of the equation by which Scotia Stock-Indexed 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 Scotia Stock-Indexed GICs.

S&P and the TSX do not guarantee the accuracy and/or completeness of the S&P/TSX Indexes, 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 Scotia Stock-Indexed GICs, or any other person or entity from the use of the S&P/TSX Indexes (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 express or implied warranty or condition with respect to the S&P/TSX Indexes or any data 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.