

A guide to 2011 tax reporting at Scotia Capital Inc.

®Registered trademark of The Bank of Nova Scotia.

Scotia Capital Inc. is a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada.



Scotia Capital Inc. issues several tax slips and supporting documents to assist you in preparing your tax return. This guide outlines the slips and documents you may receive, the information they provide and their purpose. We suggest that you ensure you have all your slips before filing your tax return. It is your responsibility to ensure that all income is reported on your 2011 Income Tax Return, whether or not it is reported on a tax slip.

Although Scotia Capital Inc. has prepared this brochure to assist you, we are not tax advisors and therefore recommend that you consult with your personal tax advisor.

Direct any questions concerning any of the slips to your:

- *ScotiaMcLeod Advisor*
- *ScotiaMcLeod Direct Investing Customer Service Representative*
- *TradeFreedom Customer Support Representative*
- *Scotia iTRADE Customer Service Representative*
- *Scotia Private Client Group Advisor*

ScotiaMcLeod, ScotiaMcLeod Direct Investing, Scotia iTRADE, TradeFreedom and Scotia Private Client Group are divisions of Scotia Capital Inc. Tax receipts are issued for these divisions by Scotia Capital Inc.

Non-Registered Accounts

**T5 Supplementary Statement
of Investment Income**
Relevé 3 for Quebec residents
NR4 for non-residents

Slips are mailed by February 29.

The T5 reports income related to dividends from stocks, interest and accrued interest from bonds, and interest from other debt instruments and cash balances. Income from investments held in \$USD are reported on a separate tax slip. Split shares and specialty products are reported on separate slips and distributed separately. Both a T5 and NR4 will be issued if residency status changed during the year.

**The T5 Summary of Investment
Income and Expense**

Accompanies the tax slip.

The T5 Summary details dividend and interest revenue reported on the T5, as well as any investment interest expense incurred. This is provided for information purposes only and does not need to be filed with your tax return.

**T3 Supplementary Statement of Trust
Income Allocations/Designations**
Relevé 16 for Quebec residents
NR4 for non-residents

Slips are mailed by April 2.

The T3 reports income from income trusts and mutual funds (reported by fund company). This includes totals for all taxable trust unit distributions. Depending on the holdings in your account and the time we receive annual distribution information from the issuers you may receive multiple tax slips up to the end of March.

Non-Registered Accounts - *continued*

T3 Summary of Investment Income

Accompanies the tax slip.

The T3 Summary details all trust or mutual fund unit distributions, including return of capital details. This is provided for information purposes only and does not need to be filed with your tax return.

T5013 Statement of Limited Partnership Units or T5013A Statement of Partnership Income for Tax Shelters and Renounced Resource Expenses

Relevé 15 for Quebec residents

Slips are mailed by April 2.

The T5013 reports gains and losses and/or distributions within a Limited Partnership.

Annual Trading Summary

The Summary is mailed by February 29.

The Annual Trading Summary is prepared to assist you in calculating reportable income associated with activity in your account. This summary, mailed separately, is provided for information purposes only and does not need to be filed with your tax return.

Registered Accounts

T4A Statement of Pension, Retirement, Annuity and Other Income

Relevé 1 for Quebec residents

NR4 for non-residents

All Registered Account T4 slips are mailed by February 29 and NR4s are mailed by April 2.

The T4A reports amounts from a partial withdrawal, full deregistration or refund of excess from a Deferred Profit Sharing Plan. It also includes Educational Assistance Payments (EAP) from a RESP.

T4RSP Statement of Registered Retirement Savings Plan Income

Relevé 2 for Quebec residents

NR4 for non-residents

All Registered Account T4 slips are mailed by February 29 and NR4s are mailed by April 2.

If you withdraw funds from an RRSP you must add the amount of the withdrawal to your income. Scotia Capital Inc. is obligated to withhold tax from the withdrawal and remit to the Canada Revenue Agency (CRA). The amount withheld is an instalment and additional tax may be owing. These amounts are reported on the slip.

Registered Accounts - *continued*

T4RIF Statement of Income from a Registered Retirement Income Fund
Relevé 2 for Quebec residents
NR4 for non-residents

All Registered Account T4 slips are mailed by February 29 and NR4s are mailed by April 2.

All RRIF (Registered Retirement Income Fund) and LIF (Life Income Fund) clients are required to take an annual minimum payment as income each year (other than in the first year). We report the amount paid to you on the slip.

T4PS Statement of Employee Profit Sharing Plan Allocations and Payments

All Registered Account T4 slips are mailed by February 29 and NR4s are mailed by April 2.

The T4PS is issued in reference to company contributions made to Employee Profit Sharing Plan Cash accounts.

Contribution Receipts

Issued by February 29.

Contribution receipts report the value of cash and or securities contributed to your RRSP. One receipt will be issued for contributions made from March 1 through December 31, 2011. A second receipt will be issued for contributions made in the first 60 days of 2012. Please note that contributions made during the first 60 days of 2012 may be applied to either your 2011 or 2012 tax return.

Information regarding U.S. tax reporting

- *Form 1099 reports U.S. source dividend and interest income and is sent, when applicable, to residents and citizens of the U.S.*
-