

THE PINNACLE PORTFOLIOS

Annual Information Form

Pinnacle Balanced Income Portfolio

Pinnacle Conservative Balanced Growth Portfolio

Pinnacle Balanced Growth Portfolio

Pinnacle Conservative Growth Portfolio

Pinnacle Growth Portfolio

December 11, 2009

No securities regulatory authority has expressed an opinion about these units. It is in an offence to claim otherwise.

The Portfolios and the units they offer under this annual information form are not registered with the U.S. Securities and Exchange Commission. Units of the Portfolios may be offered and sold in the United States only in reliance on exemptions from registration.

TABLE OF CONTENTS

	Page
NAME, FORMATION AND HISTORY OF THE PINNACLE PORTFOLIOS	2
INVESTMENT RESTRICTIONS AND PRACTICES.....	3
Related Party Investments	4
DESCRIPTION OF UNITS OF THE PORTFOLIOS.....	4
Distribution Rights	4
Redemption Rights	4
Liquidation Rights	4
Voting Rights	4
HOW UNITS ARE VALUED	5
Calculation of Net Asset Value	5
Valuation of Portfolio Securities and Liabilities	6
PURCHASES AND SWITCHES OF UNITS	7
Service Fees	8
REDEMPTION OF UNITS	8
TAX TREATMENT OF YOUR INVESTMENT	9
Tax Treatment of the Portfolios	10
Tax Treatment of Unitholders	10
Tax Deferred Plans	12
HOW THE PORTFOLIOS ARE MANAGED AND ADMINISTERED	12
Scotia Asset Management L.P.'s Roles	12
Brokerage Arrangements	19
Registrar and Transfer Agent	19
Principal Distributor	19
Custodian of Portfolio Securities	19
Auditor	19
Portfolio Governance	19
OTHER STATUTORY INFORMATION ABOUT THE PORTFOLIOS	21
Principal Holders of Securities	21
Material Contracts	21

TABLE OF CONTENTS

(continued)

	Page
Legal and Administrative Proceedings	23
Other Material Information.....	23

NAME, FORMATION AND HISTORY OF THE PINNACLE PORTFOLIOS

This is the Annual Information Form of Pinnacle Balanced Income Portfolio, Pinnacle Conservative Balanced Growth Portfolio, Pinnacle Balanced Growth Portfolio, Pinnacle Conservative Growth Portfolio and Pinnacle Growth Portfolio (in this document we refer to these funds individually as a “**Portfolio**” or collectively as the “**Portfolios**”).

Scotia Asset Management L.P. (the “**Manager**”, “**we**”, “**us**” and “**our**”), is the manager and the trustee of the Portfolios. The head office and principal place of business of the Portfolios is the head office of Scotia Asset Management L.P. 40 King Street West, 16th Floor, Toronto, Ontario, M5H 1H1. Scotia Asset Management L.P. can also be contacted via telephone toll-free, at 1-800-268-9269 (416-750-3863 in Toronto) or via email through its website at www.scotiabank.com/pinnacleportfolios. Information regarding Scotia Asset Management L.P. can be obtained on its website at www.scotiabank.com/pinnacleportfolios.

ScotiaMcLeod, a division of Scotia Capital Inc., is the principal distributor of each Portfolio. Scotia Capital Inc. is a subsidiary of Scotiabank.

The following chart describes the manner in which each Portfolio was created and any amendments to the Portfolios:

Name of Portfolio	Jurisdiction	Creation and Amendments
Pinnacle Balanced Income Portfolio	Ontario	April 22, 2005 <ul style="list-style-type: none"> • Master Declaration of Trust December 22, 2008 <ul style="list-style-type: none"> • Master Declaration of Trust amended and restated November 1, 2009 <ul style="list-style-type: none"> • Master Declaration of Trust and Management Agreement assigned to Scotia Asset Management L.P. by ScotiaMcLeod
Pinnacle Conservative Balanced Growth Portfolio	Ontario	April 22, 2005 <ul style="list-style-type: none"> • Master Declaration of Trust December 22, 2008 <ul style="list-style-type: none"> • Master Declaration of Trust amended and restated November 1, 2009 <ul style="list-style-type: none"> • Master Declaration of Trust, Supplemental Trust Indentures and Management Agreement assigned to Scotia Asset Management L.P. by ScotiaMcLeod

Name of Portfolio	Jurisdiction	Creation and Amendments
		ScotiaMcLeod
Pinnacle Balanced Growth Portfolio	Ontario	April 22, 2005 <ul style="list-style-type: none"> • Master Declaration of Trust December 22, 2008 <ul style="list-style-type: none"> • Master Declaration of Trust amended and restated November 1, 2009 <ul style="list-style-type: none"> • Master Declaration of Trust, Supplemental Trust Indentures and Management Agreement assigned to Scotia Asset Management L.P. by ScotiaMcLeod
Pinnacle Conservative Growth Portfolio	Ontario	April 22, 2005 <ul style="list-style-type: none"> • Master Declaration of Trust December 22, 2008 <ul style="list-style-type: none"> • Master Declaration of Trust amended and restated November 1, 2009 <ul style="list-style-type: none"> • Master Declaration of Trust, Supplemental Trust Indentures and Management Agreement assigned to Scotia Asset Management L.P. by ScotiaMcLeod
Pinnacle Growth Portfolio	Ontario	April 22, 2005 <ul style="list-style-type: none"> • Master Declaration of Trust December 22, 2008 <ul style="list-style-type: none"> • Master Declaration of Trust amended and restated November 1, 2009 <ul style="list-style-type: none"> • Master Declaration of Trust, Supplemental Trust Indentures and Management Agreement assigned to Scotia Asset Management L.P. by ScotiaMcLeod

INVESTMENT RESTRICTIONS AND PRACTICES

The Portfolios' simplified prospectus contains detailed descriptions of the investment objectives, investment strategies and risk factors for each of the Portfolios. In addition, each Portfolio and each underlying fund in which the Portfolio invests (individually, an “**Underlying Fund**” and collectively, the “**Underlying Funds**”) is

subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102, (the “**Instrument**”) which are designed in part to ensure that the investments of the Portfolios are diversified and relatively liquid and to ensure the appropriate administration of the Portfolios. Each Portfolio is managed in accordance with these restrictions and practices.

Before a fundamental change is made to the fundamental investment objectives of a Portfolio, the prior approval of unitholders of such Portfolio is required. This approval must be given by a resolution passed by at least a majority of the votes cast at a meeting of unitholders of such Portfolio.

Related Party Investments

The Independent Review Committee has reviewed Scotia Asset Management L.P.’s policies and procedures related to investing in securities of related parties and has given its approval, as a standing instruction, for the Portfolios to invest in such related party securities. Pursuant to this standing instruction and any conditions set out in the standing instruction, the Portfolios may purchase common shares and other securities of The Bank of Nova Scotia (“**Scotiabank**”).

DESCRIPTION OF UNITS OF THE PORTFOLIOS

Each of the Portfolios is authorized to issue an unlimited number of units (the “**Units**”), each of which represents an equal undivided interest in the property of the Portfolio. All Units of a Portfolio are of a single class. The Units have the following characteristics.

Distribution Rights

Units will generally be entitled to equal participation in the distribution of the net income of a Portfolio, which is all income and capital gains less expenses and losses of the Portfolio.

Redemption Rights

Holders of Units are entitled to require a Portfolio to redeem their Units as described under “**Redemption of Units**”.

Liquidation Rights

Units of a Portfolio will be entitled to a distribution on liquidation equal to the net assets of the Portfolio, which are the assets less expenses of the Portfolio.

Voting Rights

Each unitholder of a Portfolio is entitled to vote on certain amendments to the Master Declaration of Trust of the Portfolio in accordance with such document or where

required by securities legislation. At a unitholder meeting called to vote on these issues, the unitholder will be entitled to one vote per whole Unit.

The following matters require unitholder approval pursuant to securities legislation:

- changing the basis of the calculation of a fee or expense that is charged to a Portfolio or directly to unitholders in a way that could result in an increase in charges to the Portfolio or the unitholders. No unitholder approval will be required if written notice is sent to all unitholders at least 60 days before the effective date of the change that could result in an increase in charges to the Portfolio;
- introducing a fee or expense, to be charged to a Portfolio or directly to its unitholders by the Portfolio or the manager in connection with holding Units, in a way that could result in an increase in charges to the Portfolio or its unitholders;
- changing the manager of a Portfolio other than to an affiliate of Scotia Asset Management L.P.;
- changing the fundamental investment objectives of a Portfolio;
- decreasing the frequency of the calculation of net asset value (for description of net asset value, please see “**Calculation of Net Asset Value**”);
- only in circumstances where the conditions of National Instrument 81-107 have not been complied with, where a Portfolio undertakes a reorganization with, or transfers its assets to another mutual fund, and the Portfolio ceases to continue after the reorganization and the transaction results in unitholders of the Portfolio becoming unitholders of the other mutual fund; and
- where a Portfolio undertakes a reorganization with, or acquires assets from another mutual fund, continues after such reorganization and the transaction results in the unitholders of the other mutual fund becoming unitholders of the Portfolio and the transaction would be a significant change to the Portfolio.

HOW UNITS ARE VALUED

Calculation of Net Asset Value

How much a Portfolio is worth is called its “**net asset value**”. When a Portfolio calculates its net asset value, it determines the market value of all of its assets and subtracts all of its liabilities. The net asset value of a Unit is determined on any valuation date by dividing the net asset value of the Portfolio by the number of outstanding Units. A Unit’s net asset value is very important because it is the basis on which Units of the Portfolio are

purchased and redeemed. The net asset value per Unit of a Portfolio varies from day to day. Each Portfolio calculates the net asset value of the Units at the close of business on each valuation date. Every day that the Toronto Stock Exchange is open for trading or each other day required for tax, accounting or distribution purposes of each year is a “**Valuation Date**”. In unusual circumstances, calculation of the net asset value per unit may be suspended, subject to obtaining any necessary regulatory approval. Aside from a transactional cash account, the Portfolios intend to invest exclusively in units of the Underlying Funds.

Valuation of Portfolio Securities and Liabilities

The net asset value of a Portfolio must be calculated using the fair value of the Portfolio’s assets and liabilities.

The value of the assets of a Portfolio are calculated using the following valuation principles:

1. the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends or distributions received (or to be received and declared to shareholders of record on a date as of which the net asset value is being determined) and interest, accrued and not yet received, shall be deemed to be the full amount thereof, unless Scotia Asset Management L.P. has determined that any such amount is not worth the full amount thereof, in which event the value shall be the fair value as determined by Scotia Asset Management L.P.;
2. the net asset value of an Underlying Fund is the net asset or similar value of the units of the Underlying Fund as provided by the manager or administrator (or any party acting in a similar capacity) of the Underlying Fund and made available to Scotia Asset Management L.P. as of a date proximate to the relevant Valuation Date, whether or not the units of the Underlying Fund are listed on a stock exchange. If the net asset value or similar value of an Underlying Fund is not available to Scotia Asset Management L.P. on a Valuation Date, the value shall be based on an estimate provided by the manager or administrator (or any other party acting in a similar capacity) of the Underlying Fund or in such other manner as Scotia Asset Management L.P. shall determine. Scotia Asset Management L.P. may rely on any values or quotations that are supplied to it by the manager or administrator (or any other party acting in a similar capacity) of the Underlying Fund and Scotia Asset Management L.P. shall not be required to make any investigations or inquiries as to the accuracy or validity of such values or quotations. Scotia Asset Management L.P. shall be held harmless and shall not be responsible nor liable for any loss or damage resulting or arising from such reliance; and

3. the value of any security or other asset for which a market quotation is not readily available, will be its fair value on that day determined in such manner as Scotia Asset Management L.P. deems to be appropriate.

For the purpose of any conversion of monies from any other currency to Canadian currency, the current rate of exchange as quoted to a Portfolio by its bankers as nearly as practicable at the time as of which the net asset value is being computed shall be used.

Neither Scotia Asset Management L.P. nor ScotiaMcLeod as the predecessor manager has exercised its discretion to deviate from the valuation principles described above in the last three years.

Scotia Asset Management L.P. will deviate from these valuation principles in circumstances where the above methods do not accurately reflect the fair value of a particular security at any particular time, for example, if trading in a security was halted because of significant negative news about a company.

While National Instrument 81-106 requires investment funds, such as the Portfolios, to fair value, it does not require investment funds to determine fair value in accordance with the Canadian Institute of Chartered Accountants (“CICA”) Handbook. The Portfolios calculate the net asset value of the securities of the Portfolios on the basis of the valuation principles set forth in this Annual Information Form. The valuation principles of the Portfolios differ in some respects from the requirements of the CICA Handbook, which are used for financial reporting purposes. The main differences are that we generally will determine the fair value of (i) securities traded on a stock exchange, by using the closing price on the exchange and (ii) bonds, debentures and other debt obligations, by using the average of bid and ask prices, rather than the bid price as required under the CICA Handbook.

PURCHASES AND SWITCHES OF UNITS

Units of the Portfolios are offered for sale on a continuous basis without any sales commissions or other sales charges payable by you on your purchase. The minimum initial investment per Portfolio is \$25,000 and the minimum subsequent investment is \$100. Units will be issued at the net asset value per Unit next determined after the receipt by the Portfolio of the purchase order.

If the Portfolio has not received from you within three business days of the Valuation Date payment in full of the purchase price for your order, together with all necessary documents, then under applicable securities regulations and policies, the Portfolio will be deemed to have received from you and accepted on the next Valuation Date a redemption order for the same number of Units. If the amount of the redemption proceeds exceeds the purchase price of the Units, the surplus will be retained by the Portfolio. If the redemption proceeds are less than the purchase price, the Portfolio will be entitled to reimbursement from your dealer of that amount your dealer which will in turn seek reimbursement from you.

The Manager may reject a purchase order from you if you've made several purchases and redemptions (including switches) of a Portfolio within a short period of time, usually 31 days.

No certificates for the Units will be issued.

Switches are permitted from Units of one Portfolio into Units of another Portfolio provided the minimum investment requirements are met. The rules applicable to purchases and redemptions of Units also apply to switches.

Service Fees

Dealers (including ScotiaMcLeod) are compensated in connection with certain ongoing services they provide to investors in the Portfolios. The Manager of the Portfolios pays no more frequently than monthly, a service fee to dealers at a maximum annual rate of 1.30% of the value of Units you hold.

REDEMPTION OF UNITS

You may require a Portfolio to redeem your Units of the Portfolio by delivering to us a request in writing that a specified dollar amount be redeemed. Units will be redeemed at the net asset value per Unit next determined after the receipt by the Portfolio of the redemption order. Redemption proceeds will be deposited into your account within three business days of receipt of the documents required to complete the redemption. Upon request the Manager will mail to you a cheque representing the redemption proceeds or will deposit the proceeds into a designated account, provided that your cheque in payment for the purchase of any of the Units being redeemed has cleared.

If all necessary documents are not received by the Manager within 10 business days, under applicable securities regulations and policies, the Manager will be deemed to have received and accepted, as at the 10th business day after the redemption, an order for the purchase of an equal number of Units. If the amount of the purchase price exceeds the redemption proceeds of the Units, the Portfolio will be entitled to reimbursement from your dealer which will in turn seek reimbursement from you of that amount together with any additional costs and expenses of collection. If the amount of the purchase price is less than the redemption proceeds, the surplus will be retained by the Portfolio.

The Manager reserves the right to redeem Units in any account at the net asset value thereof if at any time the aggregate net asset value of such Units is less than \$100. The Manager will give 30 days written notice before redeeming such Units.

Each Portfolio reserves the right to suspend the right of redemption or to postpone the date of payment of redeemed Units: (i) for any period during which normal trading is suspended on any stock exchange, options exchange or futures exchange within or outside Canada on which securities of the Portfolios are listed and traded, or on which permitted derivatives are traded, which represent more than 50% by value or underlying market exposure of the total assets of the Portfolios without allowance for liabilities if those

securities or specified derivatives are not traded on any other exchange that represents a reasonably practicable alternative for the Portfolios; or (ii) with the consent of the Canadian securities regulators, for any period during which the Manager determines that conditions exist as a result of which disposal of the assets owned by a Portfolio is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets. In the case of suspension of the right of redemption, you may either withdraw your redemption request or receive payment based on the net asset value per Unit next determined after the termination of the suspension.

A Portfolio may charge you a short-term trading fee of up to 2 percent of the amount you redeem or switch, if you redeem or switch your Units within 31 days of buying them. This fee does not apply to rebalancing that is part of any automatic rebalancing service offered by the Manager. If securities regulations mandate the adoption of specified policies relating to short-term trading, the Portfolios will adopt such policies if and when implemented by the securities regulators. If required, these policies will be adopted without amendment to the simplified prospectus or annual information form of the Portfolios and without notice to you, unless otherwise required by such regulations.

TAX TREATMENT OF YOUR INVESTMENT

In the opinion of Torys LLP, legal counsel to the Portfolios, the following general summary fairly presents the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Tax Act**”), as of the date hereof, for the Portfolios and for unitholders who, for purposes of the Tax Act are individuals (other than trusts) resident in Canada, hold their Units as capital property and deal at arm’s length with the Portfolios. This summary is based upon the current provisions of the Tax Act and regulations thereunder, all specific proposals to amend the Tax Act and such regulations publicly announced by, or on behalf of, the Minister of Finance (Canada) (the “**Minister**”) prior to the date hereof (the “**Tax Proposals**”), and counsel’s understanding of the current published administrative and assessing practices and policies of the Canada Revenue Agency (“**CRA**”). This summary does not take into account or anticipate any changes in the law other than the Tax Proposals whether by legislative, administrative or judicial action, and it does not take into account provincial, territorial or foreign income tax legislation or considerations, which might differ from the federal considerations.

Counsel has been advised that the Portfolios will be “mutual fund trusts” within the meaning of the Tax Act at all material times and this summary assumes this will be the case. If these Portfolios were to fail to qualify as a mutual fund trust at any time, the tax considerations could in some respect be materially different from those described herein.

This summary is not exhaustive of all possible federal income tax considerations. This summary is of a general nature only and does not constitute legal or tax advice to any particular investor. Investors are advised to consult their own tax advisors with respect to their individual circumstances.

Tax Treatment of the Portfolios

Counsel has been advised that the policy of each Portfolio is to distribute its net income and net realized capital gains for each taxation year to unitholders to such an extent that it is not liable in any year for ordinary tax on its net income and net realized capital gains under Part I of the Tax Act (after taking into account any applicable losses and any capital gains refund to which the Portfolio is entitled). The “suspended loss” rules in the Tax Act may prevent a Portfolio from recognizing capital losses on the disposition of securities in certain circumstances, which may increase the amount of net realized capital gains in the Portfolio to be paid to unitholders.

All of a Portfolio’s deductible expenses will be taken into account in determining the income or loss of the Portfolio as a whole and applicable taxes payable by the Portfolio as a whole.

Each Portfolio is required to compute its net income and net realized capital gains in Canadian dollars for purposes of the Tax Act. As a consequence, each Portfolio which holds foreign currency or foreign currency-denominated investments may realize gains or losses by virtue of changes in the value of foreign currency relative to the Canadian dollar.

Generally, a Portfolio is required to treat a gain or loss on derivatives as being on income account for tax purposes rather than being a capital gain or capital loss and will recognize such gain or loss for tax purposes at the time it is realized by the Portfolio.

Recently enacted amendments to the Tax Act significantly change the income tax treatment of most publicly traded trusts and partnerships (other than certain real estate investment trusts) and distributions or allocations, as the case may be, from these entities to their investors (the “**SIFT Rules**”). In particular, certain income earned by these entities will be taxed in a manner similar to income earned by a corporation and distributions or allocations made by these entities to investors will be taxed in a manner similar to dividends from taxable Canadian corporations. This dividend will be deemed as an eligible dividend for the enhanced dividend tax credit if paid or allocated to a resident of Canada. The SIFT Rules are effective for the 2007 taxation year for trusts and partnerships that commenced public trading after October 31, 2006, but will be delayed until the 2011 taxation year for trusts and partnerships that were publicly traded prior to November 1, 2006, provided there is no “undue expansion” of the trust or partnership in the intervening period. If the Underlying Funds in which a Portfolio invests holds interests in publicly traded trusts or partnerships that have become subject to this tax, the amount available for distribution to the Portfolio would be reduced under the SIFT Rules.

Tax Treatment of Unitholders

In computing income for a taxation year for tax purposes, a unitholder of a Portfolio is required to include the portion of the Portfolio’s net income and the taxable portion of the Portfolio’s net realized capital gains (each computed in Canadian dollars) paid or payable by the Portfolio to the unitholder in the year (whether or not those amounts are reinvested in Units of the Portfolio) to the extent that the Portfolio deducts these

amounts in computing its income for tax purposes. Any amount in excess of the net income and net realized taxable capital gains of the Portfolio that is paid or payable to a unitholder in a year should not generally be included in computing such unitholder's income for the year. However, the payment by the Portfolio of such excess amount, other than as proceeds of disposition of a unit or part thereof and other than the portion, if any, of that excess amount that represents the non-taxable portion of net realized capital gains of the Portfolio, will generally reduce the adjusted cost base of a unitholder's Units. If the adjusted cost base of a unitholder's Units would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the unitholder from the disposition of units and the adjusted cost base of the Units will then be increased by the amount of such gain.

Counsel has been advised that each Portfolio designates, to the extent permitted by the Tax Act, the portion of the net income distributed to unitholders as may be reasonably considered to consist of respectively, (i) taxable dividends received by the Portfolio on securities of taxable Canadian corporations; and (ii) net taxable capital gains of the Portfolio. Any such designated amount is deemed for tax purposes to be received or realized by unitholders in the year as a taxable dividend and as a taxable capital gain, respectively. In the case of a unitholder who is an individual, the dividend gross-up and tax credit treatment normally applicable to taxable dividends paid by a taxable Canadian corporation applies to such dividends. An "eligible dividend" as defined in the Tax Act will be entitled to an enhanced gross-up and dividend tax credit. Counsel has been advised that to the extent available under the Tax Act and CRA's administrative practice the Portfolios will pass on to unitholders in respect of eligible dividends the benefit of the enhanced gross-up and dividend tax credit. More specifically, a Portfolio will designate, to the extent permitted, any eligible dividends received by the Portfolio as eligible dividends to the extent such dividends are included in distributions to unitholders. Capital gains so designated will be subject to the general rules relating to the taxation of capital gains. In addition, each Portfolio may similarly make designations in respect of income from foreign sources so that, for the purposes of computing any foreign tax credit to a unitholder, the unitholder is deemed to have paid as tax to the government of a foreign country the portion of the tax paid by the Portfolio to that country that is equal to the unitholder's share of the Portfolio's income from sources in that country. Counsel has been advised that unitholders will be advised each year of the composition of amounts distributed to them.

Upon the actual or deemed disposition of a Unit of a Portfolio, including the redemption of a Unit on a switch between one Portfolio and another Portfolio, a capital gain (or a capital loss) is generally realized to the extent that the proceeds of disposition of the Unit exceed (or are exceeded by) the adjusted cost base to the unitholder of the Unit and any reasonable costs of disposition. Unitholders of a Portfolio must calculate the adjusted cost base separately for Units of each Portfolio owned. In general, the adjusted cost base of each Unit of a particular Portfolio held by a unitholder is the amount by which the total amount paid for all Units of that Portfolio (including the amount of Portfolio distributions reinvested in additional Units of that Portfolio) exceeds the adjusted cost base of Units redeemed and the total of all returns of capital received on the Units divided by the total number of Units of that Portfolio held by the unitholder.

One-half of a capital gain or a capital loss is generally taken into account in determining taxable capital gains and allowable capital losses. Allowable capital losses may only be deducted against taxable capital gains, subject to detailed rules in the Tax Act.

Tax Deferred Plans

Counsel has been advised that all of the Portfolios are registered investments for tax purposes. Provided that a Portfolio qualifies as a “mutual fund trust” or a “registered investment” under the Tax Act at all times, Units of the Portfolios will at all times be “qualified investments” for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts. However, you may be subject to a penalty tax if the Units are a “prohibited investment” for the purposes of a tax-free savings account as set out in the Tax Act. Unitholders should consult their own tax advisors in this regard.

Alternative Minimum Tax

Individuals, including certain trusts and estates, are subject to an alternative minimum tax. Such persons may be liable for this alternative minimum tax resulting from realized capital gains or dividends in respect of Units of a Portfolio.

HOW THE PORTFOLIOS ARE MANAGED AND ADMINISTERED

Scotia Asset Management L.P.’s Roles

Scotia Asset Management L.P. is the manager of each Portfolio.

As manager, Scotia Asset Management L.P. is responsible for providing, or arranging for the provision of, the services and facilities necessary for the operation of the Portfolios, as well as all general management and administrative services. As manager, Scotia Asset Management L.P. receives a fee from each Portfolio which includes compensation for Scotia Asset Management L.P.’s services as trustee of each Portfolio.

As trustee, Scotia Asset Management L.P. has legal title to the assets on the terms outlined in the Portfolios’ Master Declaration of Trust.

As portfolio advisor, Scotia Asset Management L.P. analyses potential investments and makes investment decisions. It is responsible for managing the investment portfolios of the Portfolios. The Portfolios provide access to the same portfolio advisors as the Underlying Funds in which they invest. The individual providing advice is as follows:

Portfolio Advisor	Current Title	Length of Service with Portfolio Advisor	Principal occupation in the last 5 years
John Vermeer	Portfolio Manager	13 years	From November 2009 to present – Portfolio Manager of Scotia Asset Management L.P.

			<p>From December 2006 to November 2009 – Portfolio Manager, Scotia Cassels Investment Counsel Limited</p> <p>From May 2003 to December 2006 – Research Analyst, Scotia Cassels Investment Counsel Limited</p>
--	--	--	---

Directors of the General Partner of Scotia Asset Management L.P.

The names and municipalities of residence of the directors and officers of Scotia Asset Management G.P. Inc., the general partner of the Manager, their principal occupations over the past five years, and the positions and offices held with Scotia Asset Management G.P. Inc. are as follows:

Name and Municipality of Residence	Position with Scotia Asset Management G.P. Inc.	Principal occupation in the past five years
Barbara F. Mason Toronto, Ontario	Chair of the Board and Director	<p>From October 2008 to present – Executive Vice President, Wealth Management, Canada, BNS</p> <p>From April 2008 to present – President and Director, Scotia Capital Inc.</p> <p>From May 2006 to October 2008 – Executive Vice-President, Wealth Management, BNS</p> <p>From January 2005 to May 2006 – Executive Vice-President, Marketing, Sales and Service, BNS</p> <p>From December 2003 to January 2005 - Managing Director & Head, Retail Marketing, BNS</p>
Glen B. Gowland Caledon, Ontario	Chief Executive Officer and Director	<p>From November 2009 to present – Chief Executive Officer and Director, Scotia Asset Management G.P. Inc.</p> <p>From November 2009 to present – Chief Executive Officer, SAM</p> <p>From June 2006 to present – President and Chief Executive Officer, Scotia Securities Inc.</p> <p>From November 2006 to present - Managing Director and Head, Mutual Funds, BNS</p> <p>From August 2005 to November 2006 – Managing Director, Business Development, Wealth Management, BNS</p> <p>From February 2004 to August 2005 - District Vice President, Toronto Centre, BNS</p>

Name and Municipality of Residence	Position with Scotia Asset Management G.P. Inc.	Principal occupation in the past five years
Walter A. Pavan Oakville, Ontario	Chief Financial Officer and Director	<p>From November 2009 to present – Chief Financial Officer and Director, Scotia Asset Management G.P. Inc.</p> <p>From November 2009 to present – Chief Financial Officer, SAM</p> <p>From May 2002 to present – Vice President, BNS and Managing Director, Scotia Capital Inc.</p> <p>From February 1990 to present - Vice President, Treasurer & Chief Financial Officer, Scotia Securities Inc.</p>
Edna A. Chu Toronto, Ontario	Vice President, Compliance and Director	<p>From November 2009 to present – Vice President, Compliance and Director, Scotia Asset Management G.P. Inc.</p> <p>From September 2006 to present - Vice President, Compliance, Scotia Securities Inc.</p> <p>From September 2006 to present - Vice President, Deputy Head, Compliance, Wealth Management, BNS</p> <p>From March 2004 to August 2006 – Assistant Vice President, Compliance, CMA Holdings Incorporated and its subsidiaries and affiliates</p>
Helena Lau Toronto, Ontario	Secretary	<p>From June 2006 to present – Senior Assistant Manager Subsidiaries and Assistant Secretary, BNS</p> <p>Prior to June 2006 – Corporate Law Clerk, BMO Nesbitt Burns Inc.</p>
Catherine A. Welling Mississauga, Ontario	Director	<p>From March 2009 to present – Managing Director and Head, Scotia Private Client Group, BNS</p> <p>From January 2006 to March 2009 – Managing Director and Head, Online Brokerage, ScotiaMcLeod Direct Investing, Scotia Capital Inc.</p> <p>From September 2008 to March 2009 – Director and Co-Chief Executive Officer and Alternate Designated Person, E*Trade Canada Securities Corporation</p> <p>From September 2007 to November 2008 – President & CEO, TradeFreedom Securities Inc.</p> <p>From November 2001 to January 2006 – Managing Director, Private Client and Field Support, Scotia Cassels Investment Counsel Limited</p>

Name and Municipality of Residence	Position with Scotia Asset Management G.P. Inc.	Principal occupation in the past five years
		From March 2002 to June 2006 – Director and Managing Director, Scotia Cassels U.S. Investment Counsel Inc.
Hamish B. Angus Toronto, Ontario	Director	From September, 2004 to present – Managing Director & Head, ScotiaMcLeod Full Service Brokerage, Scotia Capital Inc.
P.D. Michael Henry Mississauga, Ontario	Director	From October 2008 to present – Senior Vice President, Sales & Service, Personal & Commercial Banking, BNS From March 2006 to October 2008 – Managing Director, Private Client and Institutional, Scotia Cassels Investment Counsel Limited From June 2003 to March 2006 – District Vice President, North Toronto, BNS
Tony Cestra Oakville, Ontario	Director	From May 2009 to present - Managing Director & Head, Equity Investments & Pension Assets, BNS From May 2006 to April 2009 – Managing Director & Head, Private Equity Investments, BNS From May 2002 to May 2006 – Managing Director, Private Equity Investments, BNS
Brian McChesney Unionville, Ontario	Director	From July 1985 to present - Managing Director, Scotia Capital Inc.

The names and municipalities of residence of the officers and directors of Scotia Asset Management L.P., their principal occupations over the past five years, and the positions and offices held with Scotia Asset Management L.P. are as follows:

Name and Municipality of Residence	Position with Scotia Asset Management L.P.	Principal occupation in the past five years
Barbara F. Mason Toronto, Ontario	Chair of the Board	From November 2009 to present – Chair of the Board, Scotia Asset Management L.P. From November 2009 to present – Chair of the Board and Director, Scotia Asset Management G.P. Inc. From October 2008 to present – Executive Vice President, Wealth Management, Canada, BNS

Name and Municipality of Residence	Position with Scotia Asset Management L.P.	Principal occupation in the past five years
		<p>From April 2008 to present – President and Director, Scotia Capital Inc.</p> <p>From March 2007 to November 2009 – Chair of the Board, Scotia Cassels Investment Counsel Limited</p> <p>From January 2007 to November 2009 – Director, Scotia Cassels Investment Counsel Limited</p> <p>From May 2006 to October 2008 – Executive Vice-President, Wealth Management, BNS</p> <p>From January 2005 to May 2006 – Executive Vice-President, Marketing, Sales and Service, BNS</p> <p>From December 2003 to January 2005 - Managing Director & Head, Retail Marketing, BNS</p>
<p>Glen B. Gowland Caledon, Ontario</p>	<p>Chief Executive Officer</p>	<p>From November 2009 to present – Chief Executive Officer, Scotia Asset Management L.P.</p> <p>From November 2009 to present – Chief Executive Officer and Director, Scotia Asset Management G.P. Inc.</p> <p>From November 2006 to November 2009 – President and Chief Executive Officer, Scotia Securities Inc.</p> <p>From November 2006 to present - Managing Director and Head, Mutual Funds, BNS</p> <p>From August 2005 to November 2006 – Managing Director, Business Development, Wealth Management, BNS</p> <p>From February 2004 to August 2005 - District Vice President, Toronto Centre, BNS</p>
<p>John T. Varao Oakville, Ontario</p>	<p>Chief Investment Officer</p>	<p>From November 2009 to present – Chief Investment Officer, Scotia Asset Management L.P.</p> <p>From November 2009 to present – President and Director, Scotia Asset Management U.S. Inc.</p> <p>From April 2007 to November 2009 – Chief Executive Officer, President and Chief Investment Officer, Scotia Cassels Investment Counsel Limited</p> <p>From April 2007 to October 2009 – President and Director, Scotia Cassels U.S. Investment Counsel Inc.</p>

Name and Municipality of Residence	Position with Scotia Asset Management L.P.	Principal occupation in the past five years
		<p>From April 2003 to April 2007 – Senior Vice President, Canadian Equities, RBC Asset Management Inc.</p> <p>Prior to April 2003 – Vice President and Portfolio Manager, Canadian Equities, RBC Asset Management Inc.</p>
<p>Walter A. Pavan Oakville, Ontario</p>	<p>Chief Financial Officer</p>	<p>From November 2009 to present – Chief Financial Officer, Scotia Asset Management L.P.</p> <p>From November 2009 to present – Chief Financial Officer, Scotia Asset Management G.P. Inc.</p> <p>From May 2002 to present – Vice President, BNS and Managing Director, Scotia Capital Inc.</p> <p>Prior to November 2009 - Vice President, Treasurer & Chief Financial Officer, Scotia Securities Inc.</p>
<p>M. Catherine Tuckwell Toronto, Ontario</p>	<p>Chief Compliance Officer</p>	<p>From November 2009 to present – Chief Compliance Officer, Scotia Asset Management L.P.</p> <p>From November 2009 to present – Chief Compliance Officer and Director, Scotia Asset Management U.S. Inc.</p> <p>From December 1998 to present – Chief Compliance Officer, Scotia Cassels Investment Counsel Limited</p> <p>From June 2002 to October 2009 – Chief Compliance Officer and Director, Scotia Cassels U.S. Investment Counsel Inc.</p>
<p>Cameron R. Winser Georgetown, Ontario</p>	<p>Officer</p>	<p>From November 2009 to present – Officer, Scotia Asset Management L.P.</p> <p>From October 2007 to November 2009 – Director, U.S. Equities, Scotia Cassels Investment Counsel Limited</p> <p>From October 2005 to September 2007 –Portfolio Manager, RBC Asset Management</p> <p>From July 2002 to October 2005, Derivatives / Quantitative Analyst and Trader, RBC Asset Management</p>

Name and Municipality of Residence	Position with Scotia Asset Management L.P.	Principal occupation in the past five years
Tuula Jalasjaa Mississauga, Ontario	Managing Director and Head, Investment Management Distribution	<p>From November 2009 to present – Managing Director and Head, Investment Management Distribution, Scotia Asset Management L.P.</p> <p>From November 2009 to present – Director, Scotia Asset Management U.S. Inc.</p> <p>From October 2008 to October 2009 – Managing Director and Head, Investment Management Distribution, Scotia Cassels Investment Counsel Limited</p> <p>From November 2009 to October 2009 – Director, Scotia Cassels U.S. Investment Counsel, Inc.</p> <p>From November 2004 to October 2008 – Vice President, Strategic Business Development, Global Transaction Banking, BNS</p>
Helena Lau Toronto, Ontario	Secretary	<p>From November 2009 to present – Secretary, Scotia Asset Management L.P.</p> <p>From November 2009 to present – Secretary, Scotia Asset Management G.P. Inc.</p> <p>From June 2006 to present – Senior Assistant Manager Subsidiaries and Assistant Secretary, BNS</p> <p>From January 2007 to November 2009 – Secretary, Scotia Cassels Investment Counsel Limited</p> <p>Prior to June 2006 – Corporate Law Clerk, BMO Nesbitt Burns Inc.</p>
H. Danby Routledge Colborne, Ontario	Trading Officer and Designated Compliance Officer, Exempt Market Dealer, Scotia Asset Management L.P.	<p>From November 2009 to present – Trading Officer and Designated Compliance Officer, Exempt Market Dealer, Scotia Asset Management L.P.</p> <p>From December 2007 to October 2009 -Trading Officer and Designated Compliance Officer, Scotia Cassels Investment Counsel Limited</p> <p>From May 1994 to present – Officer, Integra Capital Corporation</p> <p>From May 1994 to December 2007 – Trading Officer</p>

Brokerage Arrangements

The purchase and sale of portfolio securities for a Portfolio is arranged through registered brokers and dealers selected by the portfolio advisor. If otherwise consistent with best execution in the opinion of the portfolio advisor, portfolio transactions may be executed with Scotia Capital Inc. Where purchases of the same security are being made by the portfolio advisor for the Portfolios and other accounts, the portfolio advisor is required to effect transactions on an equitable basis according to the size of the respective purchase commitments.

Registrar and Transfer Agent

International Financial Data Services (Canada) Limited (“**IFDS**”), Toronto, Ontario, is the registrar and transfer agent of the Portfolios and maintains the register of Units of the Portfolios at its principal office in Toronto, Ontario.

Principal Distributor

ScotiaMcLeod, a division of Scotia Capital Inc., Toronto, Ontario, is the principal distributor of each Portfolio. Scotia Capital Inc. is a subsidiary of Scotiabank.

Custodian of Portfolio Securities

The Custodian for the Portfolios is State Street Trust Company Canada, Toronto, Ontario.

The Custodian Agreement permits State Street Trust Company Canada to appoint sub-custodians. State Street Trust Company Canada may appoint sub-custodians on the same terms and conditions it has with each of the Portfolios.

Auditor

The independent auditor of each of the Portfolios is PricewaterhouseCoopers LLP whose office is located in Toronto, Ontario.

Portfolio Governance

The Manager is responsible for the day-to-day administration and management of the Portfolios.

The Manager complies with National Instrument 81-105, *Mutual Fund Sales Practices*. The Manager has a code of ethics for personal investing which addresses certain potential conflicts of interest with respect to the Portfolios. In addition, the Manager has adopted guidelines for business conduct, which also addresses certain internal conflicts.

The Instrument prohibits the Manager from voting the securities of the Underlying Funds for which Scotia Asset Management L.P. is also the manager. Accordingly, where

the Underlying Funds are managed by the Manager, securities of those Underlying Funds will not be voted. We may arrange for these securities to be voted by unitholders of the applicable Portfolio. However, given the costs and complexity of doing so, we may not arrange for a flow-through of voting rights.

Short-term Trades

Short-term trading by investors can increase a Portfolio's expenses, which impacts all investors in the Portfolio, and can affect the economic interest of long-term investors. Short-term trading can affect a Portfolio's performance by forcing the portfolio advisor to keep more cash in the Portfolio than would otherwise be required. To discourage short-term trading, a Portfolio may charge a fee of 2% of the amount an investor sells or switches, if an investor sells or switches units within 31 days of buying them. The fee may not apply to:

- transactions that do not exceed a certain minimum dollar amount, as determined by the Manager from time to time;
- trade corrections or any other transactions initiated by Scotia Asset Management L.P. as manager or portfolio advisor of the Portfolios;
- transfers of Units of one Portfolio between two accounts belonging to the same unitholder;
- regularly scheduled RIF or LIF payments; and
- regularly scheduled Automatic Withdrawal Plan payments.

IFDS monitors trading within the Portfolios on a daily basis and provides Scotia Asset Management L.P. with a daily report on short-term trading activity in the Portfolios.

Independent Review Committee

On May 1, 2007, ScotiaMcLeod, as predecessor manager to Scotia Asset Management L.P., appointed an Independent Review Committee ("**IRC**"), the governance agency for the Portfolios as contemplated by National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**"). The IRC became operational under NI 81-107 on November 1, 2007 and its current members are Eric F. Kirzner, Robert S. Bell and D. Murray Paton. The members of the IRC are independent from, and not associates or affiliates of, Scotia Asset Management L.P., ScotiaMcLeod, Scotiabank or any of the Portfolios' portfolio advisors. The IRC must act in the best interests of the Portfolios' unitholders.

The mandate of the IRC is to:

- (a) review a conflict of interest matter, including any related policies and procedures, referred to it by the Manager and make recommendations to

the Manager regarding whether the proposed action of the Manager in respect of the conflict of interest matter achieves a fair and reasonable result for the applicable Portfolios;

- (b) consider and approve, if deemed appropriate, the Manager's decision on a conflict of interest matter that the Manager refers to the IRC for approval; and
- (c) perform such other duties and provide such other recommendations and approvals as may be permitted under applicable securities laws.

NI 81-107 also requires that Scotia Asset Management L.P. have policies and procedures related to conflicts of interest.

Each member of the IRC will receive a fee for each meeting of the IRC attended by the member as well as an annual retainer and will be reimbursed for reasonable expenses incurred. These fees and expenses will be allocated among the Portfolios in a manner considered fair and reasonable by the Manager.

OTHER STATUTORY INFORMATION ABOUT THE PORTFOLIOS

Principal Holders of Securities

As at December 8, 2009, The Bank of Nova Scotia owns directly or indirectly 100% of Scotia Asset Management L.P. and of Scotia Asset Management G.P. Inc.

As at November 30, 2009, no person or company owns beneficially, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Units of any of the Portfolios.

As at December 8, 2009, IRC members in aggregate, did not own beneficially, directly or indirectly, more than ten percent of the outstanding Units of a Portfolio. As at December 8, 2009, IRC members did not own other than common shares of The Bank of Nova Scotia. Such holdings represented less than 1% of the outstanding common shares of SThe Bank of Nova Scotia.

Material Contracts

Copies of the Master Declaration of Trust, Supplemental Trust Indentures, the Master Management Agreement, the Master Distributorship Agreement and the Custodian Agreement, (the "**Material Contracts**") are available for inspection at the head office of the Manager during normal business hours.

Master Declaration of Trust and Supplemental Trust Indentures

ScotiaMcLeod settled the Portfolios pursuant to the Master Declaration of Trust and Supplemental Trust Indentures and has assigned its role as trustee to Scotia Asset Management L.P.

Each Portfolio is established by a supplemental trust indenture (“**Supplemental Trust Indenture**”) which incorporates by reference the Master Declaration of Trust.

The Manager may terminate a Portfolio at any time by giving each unitholder at least 60 days’ prior written notice. During this 60 day period, and with the approval of the Ontario Securities Commission, the right of unitholders of the Portfolio to require payment for their Units may be suspended.

Master Management Agreement

The Master Management Agreement was assigned to Scotia Asset Management L.P. by ScotiaMcLeod both as trustee and manager, effective as of November 1, 2009. As manager, Scotia Asset Management L.P. receives a fee from each Portfolio pursuant to the terms of the Master Management Agreement. The Portfolios are required to pay federal goods and services tax (GST) and any other taxes which may be imposed on the fees they pay to the manager. The Portfolios pay all of their operating expenses. The Master Management Agreement may be terminated by the Manager giving the Portfolios 90 days’ prior written notice or such shorter number of days as the Manager and the Portfolios may agree. The Master Management Agreement may be terminated by a Portfolio by a resolution passed by two-thirds of the votes cast by unitholders of the Portfolio at a meeting called for this purpose. For such a meeting, a quorum of unitholders representing at least one-third of the Units of the Portfolio is required. Lastly, the Master Management Agreement may be terminated immediately in the event of a bankruptcy or winding-up of the Manager or the Portfolios.

Master Distributorship Agreement

The Amended and Restated Master Distributorship Agreement dated as of November 1, 2009 is between Scotia Capital Inc. and the Manager on behalf of each of the Portfolios. No fees are payable to ScotiaMcLeod by a Portfolio under these Agreement. The Agreement may be terminated by ScotiaMcLeod or with the consent of both ScotiaMcLeod and the Manager. The Agreement may also be terminated by the Manager by a resolution passed by two-thirds of the votes cast by unitholders of the Portfolio at a meeting called for this purpose. For such a meeting, a quorum of unitholders representing at least one-third of Units of the Portfolio is required.

Custodian Agreement

The Custodian Agreement for the Portfolios is between the Portfolios and State Street Trust Company Canada, dated as of January 29, 2002.

The Portfolios pay the Custodian all reasonable fees and expenses for custodial services, including safekeeping and administrative services. The Custodian Agreement may be terminated by either party giving 90 days’ prior written notice to the other party.

Legal and Administrative Proceedings

There are no ongoing legal and administrative proceedings against the Manager relating to investors in the Portfolios or the Portfolios themselves.

Other Material Information

Dealer-Managed Funds

Subject to certain conditions, each of the Underlying Funds received an exemption from the Canadian securities regulators to invest in certain debt securities which, in the absence of such exemption, would be prohibited under the Instrument. Pursuant to the exemption, the Underlying Funds may:

- (a) invest in non-government debt securities even if a related party acts as an underwriter of such securities; and
- (b) purchase from, or sell to, related dealers that are principal dealers in the Canadian debt securities market, non-government debt securities or government debt securities in the secondary market.

In accordance with the terms and conditions of the exemption, the Underlying Funds will maintain policies and procedures in place to ensure that:

- (a) there is compliance with the conditions of the exemption;
- (b) investments in non-government debt securities underwritten by a related underwriter are made in accordance with criteria for allocating such debt securities amongst the Underlying Funds;
- (c) written records of the details of each of the transactions completed in reliance on the exemption are maintained; and
- (d) transactions completed in reliance on the exemption are reviewed to ensure that they are made in the best interests of the applicable Underlying Funds.

The Underlying Funds may expand their participation in affiliated dealer underwritings if permitted by the securities regulatory authorities.

AUDITORS' CONSENT

We have read the simplified prospectus and the related annual information form of the Pinnacle Balanced Income Portfolio, Pinnacle Conservative Balanced Growth Portfolio, Pinnacle Balanced Growth Portfolio, Pinnacle Conservative Growth Portfolio and Pinnacle Growth Portfolio (the Portfolios) dated December 11, 2009 relating to the issue and sale of units of the Portfolios. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use through incorporation by reference in the above-mentioned simplified prospectus of our report to the unitholders of the Portfolios on the statements of investment portfolio as at December 31, 2008, the statements of net assets as at December 31, 2008 and 2007, and the statements of operations and changes in net assets for the years then ended. Our report is dated March 9, 2009.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants

Toronto, Ontario
December 11, 2009

CERTIFICATES OF THE FUNDS AND THE MANAGER

December 11, 2009

Pinnacle Balanced Income Portfolio
Pinnacle Conservative Balanced Growth Portfolio
Pinnacle Balanced Growth Portfolio
Pinnacle Conservative Growth Portfolio
Pinnacle Growth Portfolio
(collectively, the “**Portfolios**”)

This annual information form, together with the simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the Canadian provinces and territories and do not contain any misrepresentations.

“Glen Gowland”

Glen Gowland
Chief Executive Officer
Scotia Asset Management G.P. Inc.,
as General Partner for and on behalf of
Scotia Asset Management L.P.

“Walter Pavan”

Walter Pavan
Chief Financial Officer
Scotia Asset Management G.P. Inc., as
General Partner for and on behalf of
Scotia Asset Management L.P.

ON BEHALF OF

the Board of Directors of Scotia Asset Management G.P. Inc., as General Partner for and on behalf of Scotia Asset Management L.P., the Manager and Trustee of the Portfolios

“Barbara F. Mason”

Barbara F. Mason
Director

“Edna A. Chu”

Edna A. Chu
Director

CERTIFICATE OF THE PRINCIPAL DISTRIBUTOR OF THE FUNDS

December 11, 2009

Pinnacle Balanced Income Portfolio

Pinnacle Conservative Balanced Growth Portfolio

Pinnacle Balanced Growth Portfolio

Pinnacle Conservative Growth Portfolio

Pinnacle Growth Portfolio

(collectively, the “**Portfolios**”)

To the best of our knowledge, information and belief, this annual information form, together with the simplified prospectus required to be sent or delivered to a purchaser during the currency of this annual information form and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the Canadian provinces and territories and do not contain any misrepresentations.

Scotia Capital Inc. as principal distributor
of the Portfolios

“Hamish Angus”

Hamish Angus

Director

THE PINNACLE PORTFOLIOS

Pinnacle Balanced Income Portfolio

Pinnacle Conservative Balanced Growth Portfolio

Pinnacle Balanced Growth Portfolio

Pinnacle Conservative Growth Portfolio

Pinnacle Growth Portfolio

Managed by:

Scotia Asset Management L.P.

Scotia Plaza

40 King Street West

Toronto, Ontario

M5H 1H1

Toll Free: 1-800-268-9269

(416-750-3863 in Toronto)

Additional information about the Portfolios is available in the Portfolios' annual information form, their most recently filed annual and interim management reports of fund performance and their most recently filed annual and interim financial statements. These documents are incorporated by reference into this simplified prospectus which means they legally form part of this document just as if they were printed in it.

You can get a copy of the Portfolios' annual information form, management reports of fund performance, and financial statements at your request, and at no cost, by calling toll free 1-800-268-9269 (416-750-3863 in Toronto), or by email through the Pinnacle website at www.scotiabank.com/pinnacleportfolios.

These documents and other information about the Portfolios such as information circulars and material contracts, are also available on the SEDAR website at www.sedar.com, or on the Pinnacle website at www.scotiabank.com/pinnacleportfolios.

EACH OF SCOTIA ASSET MANAGEMENT L.P. AND SCOTIA CAPITAL INC. IS A CORPORATE ENTITY SEPARATE FROM, ALTHOUGH WHOLLY-OWNED BY, THE BANK OF NOVA SCOTIA