



Scotia Capital,
Investor Products Group,
68th Floor – 40 King Street West,
Toronto, Ontario,
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Date: October 1, 2009

Re: Notice of Substitution Event – The Bank of Nova Scotia – Callable Global Infrastructure Deposit Notes, Series 1 (the “Notes”)

This notice is to advise holders of Notes that a “Substitution Event”, as defined in the Information Statement dated January 8, 2008 (the “Information Statement”), has occurred in respect of Suez SA, one of the Companies whose Shares are included in the Basket. On July 16, 2008 the Shareholders of Suez SA approved the merger of Suez SA with Gas de France. The merger was effective on July 22, 2008. Odd lots of Shares of Suez SA currently trade in the CVRMR (Delisted securities compartment of Euronext) and will stop trading on June 22, 2010.

In accordance with the terms and conditions of the Notes, Scotia Capital, in its capacity as Calculation Agent for the Notes, has replaced Shares of Suez SA in the Basket with Shares of GDF Suez. In order to properly reflect the performance of Shares of Suez SA in the Basket from the Issue Date to October 22, 2008, the Calculation Agent has deemed the Initial Price of the Shares of GDF Suez, for all purposes associated with the Notes, to be 39.14 Euros

GDF Suez offers a full range of natural gas and associated energy services throughout the world. GDF Suez trades on the Euronext Paris stock exchange under the symbol GDF. Investors may obtain additional information concerning GDF Suez at www.gdfsuez.com

Capitalized terms used but not defined herein have the meanings ascribed thereto in the Information Statement.

If you have any questions please contact your Investment Advisor or call 416-863-7891 or 1-866-416-7891.

Regards,
Investor Products Group, Scotia Capital
on behalf of The Bank of Nova Scotia.