

Scotia Capital,  
Investor Products Group,  
68<sup>th</sup> Floor – 40 King Street West,  
Toronto, Ontario,  
M5W2X6

Date: October 6, 2008

Re: Amended Notice: SSP106 – The Bank of Nova Scotia Dundee AdvantagePlus™ Focused Income & Growth Deposit Notes (Return of Capital), Series 1 – Protection Event

This notice is to advise holders of The Bank of Nova Scotia - Dundee AdvantagePlus™ Focused Income & Growth Deposit Notes (Return of Capital), Series 1 (the “Notes”) that the Variable Return of the Notes is no longer linked to the portfolio of Shares notionally held in the Equity Account of the Notes. The Value Spread of the Notes declined to \$1.21 per Note at the close of business on September 17, 2008. In accordance with the terms of the Notes, this resulted in a Protection Event whereby the remaining notional assets in the Equity Account were liquidated and notionally invested in the 0.50% coupon Bond in the Bond Account. All cash in the Principal Repayment Account was paid to investors on September 30, 2008, the latest Quarterly Partial Principal Repayment Date. Accordingly, investors received \$0.20 per Note on that date. Following this payment, investors will not receive any further Quarterly Partial Principal Repayments on their Notes and will receive their \$94.80 of Principal Outstanding per Note and a Variable Return at the Maturity Date, which is September 30, 2013. The Variable Return consists of the amount by which NAV<sub>FINAL</sub> exceeds the Original Principal Amount, \$1.41 per Note, and the Additional Amount. The Additional Amount cannot be calculated until the Maturity Date as it consists of the Undiscounted Fixed Amount discounted for a term of one year at the one year Banker’s Acceptance Rate prevailing at the Maturity Date; less the Principal Outstanding at the Maturity Date.

<b>Original Principal Amount</b>	<b>\$100.00</b>	
Quarterly Partial Principal Repayments	\$5.20	Paid to date
Principal Outstanding	\$94.80	Payable at the Maturity Date
<b>Variable Return</b>		
Capital Appreciation	\$1.41	Payable at the Maturity Date
Additional Amount	TBD	Payable at the Maturity Date

Capitalized terms used herein but not defined shall have the meanings given to such terms in the Information Statement dated January 26, 2007.

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.