



*Scotia Capital,
Investor Products Group,
68th Floor – 40 King Street West,
Toronto, Ontario,
M5W2X6*

Date: September 17, 2008

Re: SSP101 – BNS Dundee AdvantagePlus™ Focused Income & Growth Deposit Notes (Yield), Series 1 – Protection Event

This notice is to advise holders of The Bank of Nova Scotia Dundee AdvantagePlus™ Focused Income & Growth Deposit Notes (Yield), 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 \$1.41 per Note at the close of business on September 16, 2008. As per the terms of the Note, 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 Distribution Account will be paid to investors on September 20, 2008, the next Quarterly Coupon Payment Date. Accordingly, investors will receive \$0.27 per Note. Following this payment, investors will not receive any further interest payments on their Notes and will receive their \$100 of principal per Note and a Variable Return of \$1.04, for total proceeds of \$101.04 per Note at the maturity date, December 20, 2012.

Capitalized terms used herein but not defined shall have the meanings given to such terms in the Information Statement dated October 23, 2006.

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.