

BANK OF NOVA SCOTIA /  
Form FWP  
August 09, 2011

Filed pursuant to Rule 433  
Registration No. 333-174823

**Issuer Free Writing Prospectus  
Pricing Term Sheet  
Dated August 8, 2011**

**THE BANK OF NOVA SCOTIA  
4.00% CALLABLE FIXED RATE SENIOR NOTES DUE 2023, SERIES A**

**Issuer:** The Bank of Nova Scotia (the Bank )

**Title of Securities:** 4.00% Callable Fixed Rate Senior Notes due 2023, Series A (the Notes )

**Maturity Date:** August 11, 2023

**Interest Payment Dates:** February 11<sup>th</sup> and August 11<sup>th</sup>, commencing on February 11, 2012

**First Call Date:** August 11, 2014

**Price to Public:** 100%

**Trade Date:** August 8, 2011

**Settlement Date:** August 11, 2011; (T+3)

**CUSIP/ISIN:** 064159 AG1/US064159AG15

**The following discussion under the heading Tax Redemption supplements the discussion set forth in the Bank's Preliminary Pricing Supplement with respect to the Notes, dated July 13, 2011, and forms a part of the offering of the Notes.**

**Tax Redemption**

The Bank (or its successor) may redeem the Notes, in whole but not in part, at a redemption price equal to the principal amount thereof together with accrued and unpaid interest to the date fixed for redemption, upon the giving of a notice as described below, if:

as a result of any change (including any announced prospective change) in or amendment to the laws (or any regulations or rulings promulgated thereunder) of Canada (or the jurisdiction of organization of the successor to the Bank) or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in official position regarding the application or interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after August 8, 2011 (or, in the case of a successor to the Bank, after the date of succession), and which in the written opinion to the Bank (or its

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successor) of legal counsel of recognized standing has resulted or will result (assuming, in the case of any announced prospective change, that such announced change will become effective as of the date specified in such announcement and in the form announced) in the Bank (or its successor) becoming obligated to pay, on the next succeeding date on which interest is due, additional amounts with respect to the Notes; or

on or after August 8, 2011 (or, in the case of a successor to the Bank, after the date of succession), any action has been taken by any taxing authority of, or any decision has been rendered by a court of competent jurisdiction in, Canada (or the jurisdiction of organization of the successor to the Bank) or any political subdivision or taxing authority thereof or therein, including any of those actions specified in the paragraph immediately above, whether or not such action was taken or decision was rendered with respect to the Bank (or its successor), or any change, amendment, application or interpretation shall be officially proposed, which, in any such case, in the written opinion to the Bank (or its successor) of legal counsel of recognized standing, will result (assuming, in the case of any announced prospective change, that such announced change will become effective as of the date specified in such announcement and in the form announced) in the Bank (or its successor) becoming obligated to pay, on the next succeeding date on which interest is due, additional amounts with respect to the Notes;

and, in any such case, the Bank (or its successor), in its business judgment, determines that such obligation cannot be avoided by the use of reasonable measures available to it (or its successor).

In the event the Bank elects to redeem the Notes pursuant to the provisions set forth in the preceding paragraph, it shall deliver to the Trustees a certificate, signed by an authorized officer, stating (i) that the Bank is entitled to redeem such Notes pursuant to their terms and (ii) the principal amount of the Notes to be redeemed.

Notice of intention to redeem such Notes will be given to holders of the Notes not more than 45 nor less than 30 days prior to the date fixed for redemption and such notice will specify, among other things, the date fixed for redemption and the redemption price.

**Other Information**

The Bank has filed a registration statement (File No. 333-174823) (including a base shelf prospectus dated January 11, 2010 as amended by amendment No. 1 thereto dated June 29, 2011, a prospectus supplement dated July 12, 2011, a product supplement dated July 12, 2011 and a preliminary pricing supplement dated July 13, 2011 (collectively, the prospectus )) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the Bank has filed with the SEC for more complete information about the Bank and this offering. You may obtain these documents for free by visiting EDGAR on the SEC web site at [www.sec.gov](http://www.sec.gov). Alternatively, the Bank, any underwriter or any dealer participating in the offering will arrange to send to you the prospectus if you request it by calling Scotia Capital (USA) Inc. at (212) 225-5687. Any disclaimer or other notice that may appear below is not applicable to this communication and should be disregarded. Such disclaimer or notice was automatically generated as a result of this communication being sent by Bloomberg or another email system.