

BANK OF NOVA SCOTIA /

Form 424B2

April 28, 2014

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**Registration No. 333-185049**

Pricing Supplement dated April 24, 2014 to the

Prospectus dated August 1, 2013

Prospectus Supplement dated August 8, 2013 and Product Prospectus Supplement (Equity Securities Linked Notes and Exchange Traded Fund Linked Notes, Series A) dated August 8, 2013

**The Bank of Nova Scotia**

**\$519,000**

**Autocallable Contingent Interest Barrier Notes, Series A  
Linked to the Common Stock of Keurig Green Mountain Inc.**

**Due April 29, 2017**

The Autocallable Contingent Interest Barrier Notes, Series A (the "Notes") linked to the common stock of Keurig Green Mountain Inc. (the "Reference Asset") are subject to investment risks including possible loss of the Principal Amount invested due to the negative performance of the Reference Asset and the credit risk of The Bank of Nova Scotia. As used in this pricing supplement, the "Bank," "we," "us" or "our" refers to The Bank of Nova Scotia.

The amount that you will be paid on your Notes at maturity will depend on the performance of the Reference Asset and will be calculated as follows:

If the Closing Price of the Reference Asset on the Final Valuation Date is greater than or equal to the Barrier Price: (i) the Principal Amount *plus* (ii) the final Contingent Interest Payment.

If the Closing Price of the Reference Asset on the Final Valuation Date is less than the Barrier Price: (i) the Principal Amount *plus* (ii) the Principal Amount *multiplied by* the Percentage Change.

A Contingent Interest Payment will be paid to you on each quarterly Contingent Interest Payment Date if the Closing Price of the Reference Asset on the immediately preceding Valuation Date is equal to or greater than the Barrier Price. Otherwise, no Contingent Interest Payment will be payable with respect to that Valuation Date.

If the Closing Price of the Reference Asset on any Valuation Date after the third Valuation Date (i.e. on any Valuation Date falling during the period starting on April 24, 2015, and ending on, and including, the Final Valuation Date) is greater than or equal to the Initial Price, we will automatically call the Notes and pay you on the applicable Call Payment Date your initial investment plus the applicable Contingent Interest Payment for that Valuation Date and no further amounts will be owed to you. If, as of the Maturity Date, the Notes have not been called, investors may have

downside market exposure to the Reference Asset at maturity, subject to any contingent repayment of your initial investment.

The Notes will not be listed on any U.S. securities exchange or automated quotation system.

**You will not participate in any appreciation of the Reference Asset.** The Notes do not constitute a direct investment in the Reference Asset. By acquiring Notes, you will not have a direct economic or other interest in, claim or entitlement to, or any legal or beneficial ownership of the Reference Asset, and will not have any rights as a shareholder of the related issuer including, without limitation, any voting rights or rights to receive dividends or other distributions.

Reference Asset	Contingent Interest Rate (per annum)	Initial Price	Barrier Price	CUSIP / ISIN
Common stock of Keurig Green Mountain Inc.	15.00%	\$94.09	\$58.806  (62.50% of the Initial Price)	064159EQ5 / US064159EQ50

The difference between the estimated value<sup>1</sup> of your Notes and the original issue price reflects costs that the Bank or its affiliates expect to incur and profits that the Bank or its affiliates expect to realize in connection with hedging activities related to the Notes. These costs and profits will likely reduce the secondary market price, if any secondary market develops, for the Notes. As a result, you may experience an immediate and substantial decline in the market value of your Notes on the Trade Date and you may lose a substantial portion of your initial investment. The Bank's profit in relation to the Notes will vary based on the difference between (i) the amounts received by the Bank in connection with the issuance and the reinvestment return received by the Bank in connection with those funds and (ii) the costs incurred by the Bank in connection with the issuance of the Notes and any hedging transactions. The Bank's affiliates may also realize a profit that will be based on the (i) cost of creating and maintaining the hedging transactions minus (ii) the payments received on the hedging transactions.

**Neither the United States Securities and Exchange Commission ("SEC") nor any state securities commission has approved or disapproved of the Notes or passed upon the accuracy or the adequacy of this document, the accompanying prospectus, prospectus supplement or product prospectus supplement. Any representation to the contrary is a criminal offense. The NOTES ARE NOT INSURED BY THE Canada Deposit Insurance Corporation pursuant to the *Canada Deposit Insurance Corporation Act*, the United States Federal Deposit Insurance Corporation, or any other governmental agency of Canada, the United States or any other jurisdiction.**

Scotia Capital (USA) Inc., our affiliate, will purchase the Notes from us for distribution to other registered broker-dealers or will offer the Notes directly to investors. Scotia Capital (USA) Inc. or any of our affiliates or agents may use this final pricing supplement in market-making transactions in the Notes after their initial sale. Unless we, Scotia Capital (USA) Inc. or another of our affiliates or agents selling such Notes to you informs you otherwise in the confirmation of sale, this pricing supplement is being used in a market-making transaction. See "Supplemental Plan of Distribution (Conflicts of Interest)" in this pricing supplement and "Supplemental Plan of Distribution" on page PS-43 of the accompanying product prospectus supplement.

Offering of Notes	Price to Public <sup>2</sup>	Underwriting Commissions <sup>3</sup>	Proceeds to The Bank of Nova Scotia <sup>4</sup>
	Percentage / Total	Percentage / Total	Percentage / Total

Notes linked to the common stock of	100.00% /		
Keurig Green Mountain Inc.	\$519,000.00	2.7414% / \$14,227.87	97.2586% / \$504,772.13

**Investment in the Notes involves certain risks. You should refer to “Additional Risk Factors” in this pricing supplement and “Additional Risk Factors Specific to the Notes” beginning on page PS-5 of the accompanying product prospectus supplement and “Risk Factors” beginning on page S-2 of the accompanying prospectus supplement and page 6 of the accompanying prospectus.**

We may decide to sell additional Notes after the date of this pricing supplement, at issue prices and with underwriting discounts and net proceeds that differ from the amounts set forth above.

We will deliver the Notes in book-entry form through the facilities of The Depository Trust Company (“DTC”) on or about April 29, 2014 against payment in immediately available funds.

### **Scotia Capital (USA) Inc.**

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<sup>1</sup> The estimated value of the Notes on the Trade Date as determined by the Bank is approximately \$941.30 (94.13%) per \$1,000 Principal Amount of the Notes, which is less than the Original Issue Price of the Notes. See “The Bank’s Estimated Value of the Notes” in this pricing supplement for additional information.

<sup>2</sup> Certain accounts will pay a purchase price of at least \$972.00 (97.20%) per \$1,000 Principal Amount of the Notes, and third party distributors involved in such transactions may charge a discretionary fee with respect to such sales.

<sup>3</sup> Scotia Capital (USA) Inc. or one of our affiliates will purchase the Notes at the Principal Amount and as part of the distribution of the Notes will pay varying discounts and underwriting commissions of up to \$28.00 (2.80%) per \$1,000 Principal Amount of the Notes. Scotia Capital (USA) Inc. will separately receive a structuring and development fee of up to \$0.50 (0.05%) per \$1,000 Principal Amount of the Notes. See “Supplemental Plan of Distribution (Conflicts of Interest)” in this pricing supplement.

<sup>4</sup> Excludes profits from hedging. For additional considerations relating to hedging activities see “Additional Risk Factors—The Inclusion of Dealer Spread and Projected Profit from Hedging in the Original Issue Price is Likely to Adversely Affect Secondary Market Prices” in this pricing supplement.

## Summary

The information in this “Summary” section is qualified by the more detailed information set forth in this pricing supplement, the prospectus, the prospectus supplement, and the product prospectus supplement, each filed with the SEC. See “Additional Terms of Your Notes” in this pricing supplement.

**Issuer:** The Bank of Nova Scotia (the “Bank”)  
**Type of Notes:** Autocallable Contingent Interest Barrier Notes, Series A  
**Minimum Investment and Denominations:** \$1,000 and integral multiples of \$1,000 in excess thereof  
**Principal Amount:** \$1,000 per Note  
**Original Issue Price:** 100% of the Principal Amount of each Note  
**Currency:** U.S. Dollars  
**Pricing Date:** April 24, 2014  
**Trade Date:** April 24, 2014  
**Original Issue Date:** April 29, 2014

Three scheduled Trading Days prior to the related Contingent Interest Payment Date, except that the Valuation Date immediately preceding the Maturity Date, which we refer to as the “Final Valuation Date”, shall be the third scheduled Trading Day prior to the Maturity Date.

### Valuation Dates:

The Valuation Dates could be delayed by the occurrence of a market disruption event. See “General Terms of the Notes—Market Disruption Events” beginning on page PS-25 in the accompanying product prospectus supplement.

### Trading Day:

See “Special Calculation Provisions – Trading Day” on page PS-32 in the accompanying product prospectus supplement

### Call Feature:

If the Closing Price of the Reference Asset on any Valuation Date after the third Valuation Date (i.e. on any Valuation Date falling during the period starting on April 24, 2015, and ending on, and including, the Final Valuation Date) is greater than or equal to the Initial Price, we will automatically call such Notes and pay you on the applicable Call Payment Date your initial investment plus the applicable Contingent Interest Payment for that Valuation Date and no further amounts will be owed to you. If, as of the Maturity Date, the Notes have not been called, investors may have downside market exposure to the Reference Asset at maturity, subject to any contingent repayment of your initial investment.

The Contingent Interest Payment Date following the relevant Valuation Date.

**Call Payment Date:** The Call Payment Date will be postponed by the same number of Trading Days as the applicable Valuation Date if a market disruption event occurs or is continuing as described in the accompanying product prospectus supplement.

**Maturity Date:**

April 29, 2017. The Maturity Date is subject to the Call Feature and may be postponed upon the occurrence of a market disruption event as described “General Terms of the Notes—Maturity Date” on page PS-24 in the accompanying product prospectus supplement.

**Principal at Risk:**

You may lose all or a substantial portion of your initial investment at maturity if there is a percentage decrease from the Initial Price to the Final Price of more than the Barrier Percentage.

Scotia Capital (USA) Inc. or one of our affiliates will purchase the Notes at the Principal Amount and as part of the distribution of the Notes, will pay varying discounts and underwriting commissions of up to \$28.00 (2.80%) per \$1,000 Principal Amount of the Notes. Certain accounts will pay a purchase price of at least \$972.00 (97.20%) per \$1,000 Principal Amount of the Notes, and third party distributors involved in such transactions may charge a discretionary fee with respect to such sales. Scotia Capital (USA) Inc. may separately receive a structuring and development fee of up to \$0.50 (0.05%) per \$1,000 Principal Amount of the Notes.

**Fees and Expenses:**

The price at which you purchase the Notes includes costs that the Bank or its affiliates expect to incur and profits that the Bank or its affiliates expect to realize in connection with hedging activities related to the Notes, as set forth above. These costs and profits will likely reduce the secondary market price, if any secondary market develops, for the Notes. As a result, you may experience an immediate and substantial decline in the market value of your Notes on the Trade Date. See “Additional Risks—The Inclusion of Dealer Spread and Projected Profit from Hedging in the Original Issue Price is Likely to Adversely Affect Secondary Market Prices” in this pricing supplement.

**Contingent Interest Payment Dates:**

The 29th calendar day of each April, July, October and January, commencing on July 29, 2014 and ending on the Maturity Date (the Maturity Date being the Contingent Interest Payment Date with respect to the Final Valuation Date) or if such day is not a Business Day, the next following Business Day.

A Contingent Interest Payment, calculated as set forth below, will be paid to you on a Contingent Interest Payment Date if the Closing Price of the Reference Asset on the Valuation Date immediately preceding the relevant Contingent Interest Payment is equal to or greater than the Barrier Price.

**Contingent Interest Payments:**

Otherwise, no Contingent Interest Payment will be payable on such Contingent Interest Payment Date.

The Contingent Interest Payment per \$1,000 Principal Amount with respect to a given Valuation Date is calculated as follows:

$$\text{Principal Amount} \times \text{Contingent Interest Rate} \times 1/4$$

**Contingent Interest Payments on the Notes are not guaranteed. The Bank will not pay you the Contingent Interest Payment if the Closing Price of the Reference Asset on the applicable Valuation Date is less than the Barrier Price.**

**Contingent Interest Rate:**

On a per annum basis for the Notes, as follows:

**Offering of Notes**

**Contingent  
Interest Rate  
(per annum)**

Notes linked to the common stock of Keurig Green Mountain  
Inc.

15.00%

**Payment at Maturity:** The Payment at Maturity will be based on the performance of the Reference Asset and will be calculated as follows:

If the Final Price is greater than or equal to the Barrier Price and the Notes have not been called, then the Payment at Maturity will equal:

Principal Amount + Contingent Interest Payment for the Maturity Date

If the Final Price is less than the Barrier Price, then the Payment at Maturity will equal:

Principal Amount + (Principal Amount × Percentage Change)

*If the Final Price is less than the Barrier Price on the Maturity Date, you will suffer a loss on your initial investment in an amount equal to the Percentage Change. Accordingly, you could lose up to 100% of your initial investment.*

**Initial Price:** \$94.09

**Final Price:**

The Closing Price of the Reference Asset on the Final Valuation Date

For any date of determination and with respect to a Reference Asset, the closing price of such Reference Asset published on the applicable Bloomberg page or any successor page on Bloomberg or any successor service, as applicable. In certain special circumstances, the Closing Price will be determined by the Calculation Agent, in its discretion, and such determinations will, under certain circumstances, be confirmed by an independent calculation expert. See “General Terms of the Notes—Unavailability of the Level of the Reference Asset on a Valuation Date” beginning on page PS-24, “General Terms of the Notes—Market Disruption Events” beginning on page PS-25 and “Appointment of Independent Calculation Experts” on page PS-33 in the accompanying product prospectus supplement.

**Closing Price**

The applicable Bloomberg page for the Notes as of the date of this pricing supplement is as follows:

**Offering of Notes**

**Bloomberg Page**

Notes linked to the common stock of Keurig Green Mountain Inc. GMCR UW<Equity>

The Percentage Change, expressed as a percentage, with respect to the Payment at Maturity, is calculated as follows:

**Percentage Change:**

$$\frac{\text{Final Price} - \text{Initial Price}}{\text{Initial Price}}$$

Initial Price

For the avoidance of doubt, the Percentage Change may be a negative value.

**Barrier Event:**

Applicable

<b>Barrier Price and Barrier Percentage:</b>	<b>Offering of Notes</b>	<b>Barrier Percentage (of Initial Price)</b>	<b>Barrier Price</b>
	Notes linked to the common stock of Keurig Green Mountain Inc.	37.50%	\$58.806
<b>Monitoring Period:</b>	Final Valuation Date Monitoring, as described in the accompanying product prospectus supplement		
<b>Form of Notes:</b>	Book-entry		
<b>Calculation Agent:</b>	Scotia Capital Inc., an affiliate of the Bank		
<b>Status:</b>	The Notes will constitute direct, unsubordinated and unsecured obligations of the Bank ranking <i>pari passu</i> with all other direct, unsecured and unsubordinated indebtedness of the Bank from time to time outstanding (except as otherwise prescribed by law). Holders will not have the benefit of any insurance under the provisions of the <i>Canada Deposit Insurance Corporation Act</i> , the U.S. <i>Federal Deposit Insurance Act</i> or under any other deposit insurance regime of any jurisdiction.		
<b>Tax Redemption:</b>	The Bank (or its successor) may redeem the Notes, in whole but not in part, at a redemption price determined by the Calculation Agent in a manner reasonably calculated to preserve your and our relative economic positions, if it is determined that changes in tax laws or their interpretation will result in the Bank (or its successor) becoming obligated to pay additional amounts with respect to the Notes. See "Tax Redemption" below.		
<b>Listing:</b>	The Notes will not be listed on any securities exchange or quotation system.		
<b>Use of Proceeds:</b>	General corporate purposes		
<b>Clearance and Settlement:</b>	Depository Trust Company		
<b>Business Day:</b>	New York and Toronto		
<b>Terms Incorporated:</b>	All of the terms appearing above the item under the caption "General Terms of the Notes" beginning on page PS-21 in the accompanying product prospectus supplement, as modified by this pricing supplement.		

**INVESTING IN THE NOTES INVOLVES SIGNIFICANT RISKS. YOU MAY LOSE YOUR ENTIRE PRINCIPAL AMOUNT. ANY PAYMENT ON THE NOTES, INCLUDING ANY REPAYMENT OF PRINCIPAL, IS SUBJECT TO THE CREDITWORTHINESS OF THE BANK. IF THE BANK WERE TO DEFAULT ON ITS PAYMENT OBLIGATIONS YOU MAY NOT RECEIVE ANY AMOUNTS OWED TO YOU UNDER THE NOTES AND YOU COULD LOSE YOUR ENTIRE INVESTMENT.**



### **Additional Terms Of Your Notes**

You should read this pricing supplement together with the prospectus dated August 1, 2013, as supplemented by the prospectus supplement dated August 8, 2013 and the product prospectus supplement (Equity Securities Linked Notes and Exchange Traded Fund Linked Notes, Series A) dated August 8, 2013, relating to our Senior Note Program, Series A, of which these Notes are a part. Capitalized terms used but not defined in this pricing supplement will have the meanings given to them in the product prospectus supplement. In the event of any conflict, this pricing supplement will control. *The Notes may vary from the terms described in the accompanying prospectus, prospectus supplement, and product prospectus supplement in several important ways. You should read this pricing supplement, including the documents incorporated herein, carefully.*

This pricing supplement, together with the documents listed below, contains the terms of the Notes and supersedes all prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in “Additional Risk Factors Specific to the Notes” in the accompanying product prospectus supplement, as the Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the Notes. You may access these documents on the SEC website at [www.sec.gov](http://www.sec.gov) as follows (or if that address has changed, by reviewing our filings for the relevant date on the SEC website at

<http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0000009631>):

Prospectus dated August 1, 2013:

[http://www.sec.gov/Archives/edgar/data/9631/000089109213006699/e54840\\_424b3.htm](http://www.sec.gov/Archives/edgar/data/9631/000089109213006699/e54840_424b3.htm)

Prospectus Supplement dated August 8, 2013:

[http://www.sec.gov/Archives/edgar/data/9631/000089109213006938/e54968\\_424b3.htm](http://www.sec.gov/Archives/edgar/data/9631/000089109213006938/e54968_424b3.htm)

Product Prospectus Supplement (Equity Securities Notes and Exchange Traded Fund Linked Notes, Series A), dated August 8, 2013:

[http://www.sec.gov/Archives/edgar/data/9631/000089109213006940/e54969\\_424b5.htm](http://www.sec.gov/Archives/edgar/data/9631/000089109213006940/e54969_424b5.htm)

**The Bank of Nova Scotia has filed a registration statement (including a prospectus, a prospectus supplement, and a product prospectus supplement) with the SEC for the offering to which this pricing supplement relates.**

**Before you invest, you should read those documents and the other documents relating to this offering that we have filed with the SEC for more complete information about us and this offering. You may obtain these documents without cost by visiting EDGAR on the SEC Website at [www.sec.gov](http://www.sec.gov), or accessing the links above. Alternatively, The Bank of Nova Scotia, any agent or any dealer participating in this offering will arrange to send you the prospectus, the prospectus supplement and the product prospectus supplement if you so request by calling 1-416-866-3672.**

### **Investor Suitability**

The Notes may be suitable for you if:

- You fully understand the risks inherent in an investment in the Notes, including the risk of losing your entire initial investment.

- You can tolerate a loss of all or a substantial portion of your initial investment and are willing to make an investment that has the downside market risk of an investment in the Reference Asset.

- You do not believe that the Final Price will decline below the Barrier Price.

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You understand and accept that you will not participate in any appreciation in the Reference Asset and that your potential return at maturity or upon exercise of the call feature is limited to the aggregate amount of the Contingent Interest Payments received prior to or at maturity.

You can tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside fluctuations in the price of the Reference Asset.

You seek current income from your investment but understand that the interest on the Notes is contingent on the performance of the Reference Asset, and you understand that you may not receive any Contingent Interest Payment at all for one or more quarterly periods during the term of the Notes.

You are willing to hold the Notes that will be called on any Valuation Date after the third Valuation Date on which the Reference Asset closes at or above the Initial Price, or you are otherwise willing to hold the Notes to maturity, a term of approximately three years, and accept that there may be little or no secondary market for the Notes.

You are willing to assume the credit risk of the Bank for all payments under the Notes, and understand that if the Bank defaults on its obligations you may not receive any amounts due to you including any repayment of principal.

The Notes may not be suitable for you if:

You do not fully understand the risks inherent in an investment in the Notes, including the risk of losing your entire initial investment.

You require an investment designed to guarantee a full return of principal at maturity.

You cannot tolerate a loss of all or a substantial portion of your initial investment and are not willing to make an investment that has the downside market risk of an investment in the Reference Asset.

You believe that the price of the Reference Asset will decline below the Barrier Price during the term of the Notes and the Final Price will likely decline below the Barrier Price, or you believe the Reference Asset will appreciate over the term of the Notes by an amount in excess of the aggregate amount of Contingent Interest Payments received prior to and at maturity.

You seek an investment that participates in the appreciation in the Price of the Reference Asset or has unlimited return potential.

You cannot tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside fluctuations in the Price of the Reference Asset.

You do not seek current income from your investment or you are unwilling to receive interest that is contingent on the performance of the Reference Asset.

You prefer to receive dividends paid on the Reference Asset.

You are unable or unwilling to hold the Notes that will be called on any Valuation Date after the third Valuation Date on which the price of the Reference Asset closes at or above the Initial Price, or you are otherwise unable or unwilling to hold the Notes to maturity, a term of approximately three years, or you seek an investment for which there will be a secondary market.

You are not willing to assume the credit risk of the Bank for all payments under the Notes.

**The investor suitability considerations identified above are not exhaustive. Whether or not the Notes are a suitable investment for you will depend on your individual circumstances and you should reach an investment decision only after you and your investment, legal, tax, accounting and other advisors have carefully considered the suitability of an investment in the Notes in light of your particular circumstances. You should also review “Additional Risk Factors” in this pricing supplement and the “Additional Risk Factors Specific to the Notes” beginning on page PS-5 of the Product Prospectus Supplement for Equity Securities Linked Notes and Exchange Traded Fund Linked Notes, Series A for risks related to an investment in the Notes.**

**EVENTS OF DEFAULT AND ACCELERATION**

If the Notes have become immediately due and payable following an event of default (as defined in the accompanying prospectus) with respect to the Notes, the Calculation Agent will determine the default amount as described below.

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### ***Default Amount***

The default amount for your Notes on any day (except as provided in the last sentence under “Default Quotation Period” below) will be an amount, in the specified currency for the principal of your Notes, equal to the cost of having a qualified financial institution, of the kind and selected as described below, expressly assume all our payment and other obligations with respect to your Notes as of that day and as if no default or acceleration had occurred, or to undertake other obligations providing substantially equivalent economic value to you with respect to your Notes. That cost will equal:

- the lowest amount that a qualified financial institution would charge to effect this assumption or undertaking, plus the reasonable expenses, including reasonable attorneys’ fees, incurred by the trustees of your Notes in preparing any documentation necessary for this assumption or undertaking.

During the default quotation period for your Notes, described below, the trustees and/or the Bank may request a qualified financial institution to provide a quotation of the amount it would charge to effect this assumption or undertaking. If either party obtains a quotation, it must notify the other party in writing of the quotation. The amount referred to in the first bullet point above will equal the lowest — or, if there is only one, the only — quotation obtained, and as to which notice is so given, during the default quotation period. With respect to any quotation, however, the party not obtaining the quotation may object, on reasonable and significant grounds, to the assumption or undertaking by the qualified financial institution providing the quotation and notify the other party in writing of those grounds within two business days after the last day of the default quotation period, in which case that quotation will be disregarded in determining the default amount.

### ***Default Quotation Period***

The default quotation period is the period beginning on the day the default amount first becomes due (the “due date”) and ending on the third business day after that day, unless:

- no quotation of the kind referred to above is obtained, or
- every quotation of that kind obtained is objected to within five business days after the due day as described above.

If either of these two events occurs, the default quotation period will continue until the third business day after the first business day on which prompt notice of an objection is given as described above. If that quotation is objected to as described above within five business days after that first business day, however, the default quotation period will continue as described in the prior sentence and this sentence.

***Qualified Financial Institutions***

For the purpose of determining the default amount at any time, a qualified financial institution must be a financial institution organized under the laws of any jurisdiction in the United States of America, Europe or Japan, which at that time has outstanding debt obligations with a stated maturity of one year or less from the date of issue and that is, or whose securities are, rated either:

- A-1 or higher by Standard & Poor's Ratings Services, or any successor, or any other comparable rating then used by that rating agency, or
- P-1 or higher by Moody's Investors Service or any successor, or any other comparable rating then used by that rating agency.

If the Notes have become immediately due and payable following an event of default, you will not be entitled to any additional payments with respect to the Notes. For more information, see "Description of the Debt Securities We May Offer— Events of Default" beginning on page 22 of the accompanying prospectus.

## **Tax Redemption**

The Bank (or its successor) may redeem the Notes, in whole but not in part, at a redemption price determined by the Calculation Agent in a manner reasonably calculated to preserve your and our relative economic position, 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 the Pricing Date (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 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 a payment is due, additional amounts with respect to the Notes; or
- on or after the Pricing Date (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, that such change, amendment or action is applied to the Notes by the taxing authority and that, 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 a payment 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).

The redemption price will be determined by the Calculation Agent in its discretion and such determination will, under certain circumstances, be confirmed by an independent calculation expert. See "Appointment of Independent Calculation Experts" on page PS-33 in the accompanying product prospectus supplement.

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 that the Bank is entitled to redeem such Notes pursuant to their terms in whole only.

The Bank will give notice of intention to redeem such Notes to holders of the Notes not more than 45 nor less than 30 days prior to the date fixed for redemption specifying, among other things, the date fixed for redemption, and promptly after the redemption date, it will give notice of the redemption price.

Other than as described above and as provided under the Call Feature, the Notes are not redeemable prior to their maturity.

#### **Hypothetical Payments AT MATURITY On the Notes**

The examples set out below are included for illustration purposes only. The hypothetical Percentage Changes used to illustrate the calculation of the Payment at Maturity (rounded to two decimal places) are not estimates or forecasts of the Initial Price, the Final Price or the Closing Price of the relevant Reference Asset on any Valuation Date or on any Trading Day prior to the Maturity Date. All examples assume that a holder purchased Notes with an aggregate Principal Amount of \$1,000.00, Initial Price of \$200.00, a Barrier Price of \$160.00 (80% of the Initial Price), and the Contingent Interest Payment equal to the



Principal Amount multiplied by the Contingent Interest Rate of 10.00% per annum (2.50% per quarter), and that no market disruption event occurs on any Valuation Date. Amounts below may have been rounded for ease of analysis.

**Example 1. Notes are Called on the Fourth Valuation Date (and the Closing Price of the Reference Asset never closes below the Barrier Price on any Valuation Date)**

Valuation Date	Closing Price	Payment (per Note)
First	\$190.00 (greater than the Barrier Price)	\$25.00 (Contingent Interest Payment)
Second	\$180.00 (greater than the Barrier Price)	\$25.00 (Contingent Interest Payment)
Third	\$185.00 (greater than the Barrier Price)	\$25.00 (Contingent Interest Payment)
Fourth*	\$205.00 (greater than the Barrier Price; greater than the Initial Price – callable)	\$1,025.00 (Principal Amount plus Contingent Interest Payment)

If the Closing Prices on each of the first, second and third Valuation Dates are greater than the Barrier Price, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. If on the fourth Valuation Date the Closing Price is \$250.00, which is greater than the Initial Price of \$200.00 and the Barrier Price, the Notes will be automatically called. The Bank will pay you on the applicable Call Payment Date \$1,025.00 per Note, reflecting the Principal Amount plus the applicable Contingent Interest Payment. In addition to earlier Contingent Interest Payments, the Bank will have paid you a total of \$1,100.00 per Note.

**Example 2. Notes are Not Called and the Closing Price of the Reference Asset closes below the Barrier Price on a Valuation Date**

Valuation Date	Closing Price	Payment (per Note)
First	\$190.00 (greater than the Barrier Price)	\$25.00 (Contingent Interest Payment)
Second	\$150.00 (less than the Barrier Price)	\$0.00 (No Contingent Interest Payment)
Third	\$190.00 (greater than the Barrier Price)	\$25.00 (Contingent Interest Payment)
Fourth through Eleventh*	\$195.00 (greater than the Barrier Price; less than the Initial	On each Contingent Payment Date, \$25.00, for a total of \$200.00

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	Price – not callable)	(Contingent Interest Payments)
	\$190.00	\$1,025.00
Final Valuation Date*	(greater than the Barrier Price; less than the Initial Price – not callable)	(Principal Amount plus Contingent Interest Payment at Maturity)

If the Closing Prices on each of the first and third Valuation Dates are greater than the Barrier Price, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. If the Closing Price on the second Valuation Date is less than the Barrier Price, no Contingent Interest Payment will be made on the relevant Contingent Interest Payment Date. If the Closing Prices on each of the fourth through eleventh Valuation Dates are greater than the Barrier Price but less than the Initial Price, Contingent Interest Payments will be made on the relevant Contingent Interest Dates and the Notes will not be called. If on the Final Valuation Date, the Final Price is \$190.00, which is greater than the Barrier Price but less than the Initial Price, the Bank will pay at maturity a total of \$1,025.00 per Note, reflecting the Principal Amount plus the applicable Contingent Interest Payment. In addition to earlier Contingent Interest Payments, the Bank will have paid you a total of \$1,275.00 per Note.

**Example 3. Notes are Not Called and the Closing Price of the Reference Asset never closes below the Barrier Price on any Valuation Date**

Valuation Date	Closing Price	Payment (per Note)
First through Third	\$165.00 (greater than the Barrier Price)	On each Contingent Payment Date, \$25.00, for a total of \$75.00 (Contingent Interest Payments)
Fourth through Eleventh*	\$190.00 (greater than the Barrier Price; less than the Initial Price – not callable)	On each Contingent Payment Date, \$25.00, for a total of \$200.00 (Contingent Interest Payments)
Final Valuation Date*	\$195.00 (greater than the Barrier Price; less than the Initial Price – not callable)	\$1,025.00 (Principal Amount plus Contingent Interest Payment at Maturity)

If the Closing Prices on each of the first through third Valuation Dates are greater than the Barrier Price, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. If the Closing Prices on each of the fourth through eleventh Valuation Dates are greater than the Barrier Price but less than the Initial Price on each of the Valuation Dates, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates and the Notes will not be called. If on the Final Valuation date, the Final Price is \$190.00, which is greater than the Barrier Price but less than the Initial Price, the Bank will pay at maturity a total of \$1,025.00 per Note, reflecting the Principal Amount plus the applicable Contingent Interest Payment. In addition to earlier Contingent Interest Payments, the Bank will have paid you a total of \$1,300.00 per Note.

**Example 4. The Notes are Not Called and the Final Price of the Reference Asset is below the Barrier Price**

Valuation Date	Closing Price	Payment (per Note)
First through Third	\$190.00 (greater than the Barrier Price)	On each Contingent Payment Date, \$25.00 , for a total of \$75.00 (Contingent Interest Payments)
Fourth through Eleventh*	\$185.00 (greater than the Barrier Price; less than the Initial Price – not callable)	On each Contingent Payment Date, \$25.00 , for a total of \$200.00 (Contingent Interest Payments)
Final Valuation Date*	\$100.00	\$1,000.00 + (\$1,000.00 X Percentage Change) =

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(less than the Barrier Price; less than the Initial Price; representing a Percentage Change of -50.00%)	$\$1,000.00 + [\$1,000.00 \times (-50.00\%)] =$ \$500.00 (Payment at Maturity)
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If the Closing Prices on each of the first through third Valuation Dates are greater than the Barrier Price, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. If the Closing Prices on each of the fourth through eleventh Valuation Dates are greater than the Barrier Price but less than the Initial Price on each of the Valuation Dates, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates and the Notes will not be called. If on the Final Valuation Date the Final Price is less than the Barrier Price and less than the Initial Price, the Bank will pay you at maturity the Principal Amount plus the product of the Principal Amount and Percentage Change equaling \$500.00 per Note. When added to the Contingent Interest Payment of \$275.00 paid in respect of prior Valuation Dates, the Bank will have paid you approximately \$775.00 per Note.

**\* The Call Feature is applicable starting on the fourth Valuation Date.**

*Any payment on the Notes, including any repayment of principal, is subject to the creditworthiness of the Bank. If the Bank were to default on its payment obligations, you may not receive any amounts owed to you under the Notes and you could lose your entire investment.*

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## **ADDITIONAL RISK FACTORS**

An investment in the Notes involves significant risks. In addition to the following risks included in this pricing supplement, we urge you to read “Additional Risk Factors Specific to the Notes” beginning on page PS-5 of the accompanying product prospectus supplement and “Risk Factors” beginning on page S-2 of the accompanying prospectus supplement and on page 6 of the accompanying prospectus.

You should understand the risks of investing in the Notes and should reach an investment decision only after careful consideration, with your advisers, of the suitability of the Notes in light of your particular financial circumstances and the information set forth in this pricing supplement and the accompanying prospectus, prospectus supplement and product prospectus supplement.

### **The Inclusion of Dealer Spread and Projected Profit from Hedging in the Original Issue Price is Likely to Adversely Affect Secondary Market Prices**

Assuming no change in market conditions or any other relevant factors, the price, if any, at which Scotia Capital (USA) Inc. or any other party is willing to purchase the Notes at any time in secondary market transactions will likely be significantly lower than the original issue price, since secondary market prices are likely to exclude commissions paid with respect to the Notes and the cost of hedging our obligations under the Notes that are included in the original issue price. The cost of hedging includes the projected profit that we and/or our affiliates may realize in consideration for assuming the risks inherent in managing the hedging transactions. These secondary market prices are also likely to be reduced by the costs of unwinding the related hedging transactions. In addition, any secondary market prices may differ from values determined by pricing models used by Scotia Capital (USA) Inc. as a result of dealer discounts, mark-ups or other transaction costs.

### **Risk of Loss at Maturity**

Any payment on the Notes at maturity depends on the Final Price of the Reference Asset. The Bank will only repay you the full Principal Amount of your Notes if the Final Price is equal to or greater than the Barrier Price. If the Final Price is less than the Barrier Price you will lose all or a substantial portion of your initial investment in an amount equal to the negative Percentage Change. ***Accordingly, you may lose your entire investment in the Notes if the percentage decline from the Initial Price to the Final Price is greater than the Barrier Percentage.***

**You will not Receive any Contingent Interest Payment for any Quarterly Period where the Closing Price on the related Valuation Date is less than the Barrier Price**

You will receive a Contingent Interest Payment with respect to a quarterly period only if the Closing Price on the related Valuation Date is greater than or equal to the Barrier Price. If the Closing Price remains below the Barrier Price on each Valuation Date over the term of the securities, you will not receive any Contingent Interest Payment.

**The Automatic Call Feature Limits your Potential Return**

The appreciation potential of the Notes as of any Valuation Date is limited to your initial investment plus the applicable Contingent Interest Payment otherwise due on such day pursuant to the Contingent Interest Payment feature. In addition, if the Notes are called, which may occur as early as the fourth Valuation Date, the amount of interest payable on the Notes may be less than the full amount of interest that would have been payable if the Notes had not been called prior to maturity. If the Notes are automatically called, you will lose the opportunity to continue to accrue and be paid interest from the relevant Call Payment Date to the scheduled Maturity Date, and the total return on the Notes could be minimal. Because of the automatic call feature, the term of your investment in the Notes may be limited to a period that is shorter than the original term of the Notes. There is no guarantee that you would be able to reinvest the proceeds from an investment in the Notes at a comparable return for a similar level of risk in the event the Notes are automatically called prior to the maturity date.

**The Downside Market Exposure to the Reference Asset is Subject to the Barrier Percentage Only at Maturity**

You should be willing to hold your Notes to maturity. If you are able to sell your Notes prior to maturity in the secondary market, you may have to sell them at a loss relative to your initial investment even if the price of the Reference Asset at such time is not below the Barrier Price.

**Higher Interest Rates are generally associated with a greater risk of loss**

Greater expected volatility with respect to a Note's Reference Asset reflects a higher expectation as of the Trade Date that the price of the Reference Asset could decline by more than the Barrier Percentage on the Final Valuation Date. This greater expected risk will generally be reflected in a higher Contingent Interest Payable on that Note. However, while the Contingent Interest Rate is set on the Trade Date, the Reference Asset's volatility can change significantly over the term of the Notes. The price of the Reference Asset could fall sharply, which could result in a significant loss of principal.