

BANK OF NOVA SCOTIA /
Form FWP
March 23, 2011

Filed pursuant to Rule 433
Registration No. 333-164300

**Issuer Free Writing Prospectus
Term Sheet
Dated March 22, 2011**

**The Bank of Nova Scotia
US\$1,000,000,000 2.900% SENIOR NOTES DUE 2016**

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|---|--|
| Issuer: | The Bank of Nova Scotia (the Bank) |
| Title of Securities: | 2.900% Senior Notes due 2016 |
| Aggregate Principal Amount Offered: | US\$1,000,000,000 |
| Maturity Date: | March 29, 2016 |
| Price to Public: | 99.834% of the principal amount of the Securities, plus accrued interest from March 29, 2011, if any |
| Underwriters Fee: | 0.35% |
| Net Proceeds to the Bank after Underwriters Fee and Before Expenses: | US\$994,840,000 |
| Coupon (Interest Rate): | 2.900% |
| Re-offer Yield: | 2.936% |
| Spread to Benchmark Treasury: | T + 90 basis points |
| Benchmark Treasury: | 2.125% due February 29, 2016 |
| Benchmark Treasury Yield: | 2.036% (2.125% due February 29, 2016) |
| Interest Payment Dates: | March 29 and September 29 of each year, beginning on September 29, 2011 |
| Trade Date: | March 22, 2011 |
| Settlement Date: | March 29, 2011; (T+5) |
| CUSIP / ISIN: | 064149D87 / US064149D876 |

Underwriters:

| Underwriter | Principal Amount of Securities to Be Purchased |
|---|---|
| Barclays Capital Inc. | \$ 200,000,000 |
| Merrill Lynch, Pierce, Fenner & Smith Incorporated | 180,000,000 |
| Scotia Capital (USA) Inc. | 180,000,000 |
| Citigroup Global Markets Inc. | 150,000,000 |
| Morgan Stanley & Co. Incorporated | 150,000,000 |
| Goldman, Sachs & Co. | 50,000,000 |
| UBS Securities LLC | 50,000,000 |
| J.P. Morgan Securities LLC | 40,000,000 |
| Total | \$ 1,000,000,000 |

The Bank has filed a registration statement (File No. 333-164300) (including a base shelf prospectus dated January 11, 2010) and a preliminary prospectus supplement dated March 22, 2011 (including the base shelf prospectus, the Prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the Prospectus and the documents incorporated therein by reference that 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 website at www.sec.gov or by visiting the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website, which may be accessed at www.sedar.com. Alternatively, the Bank or any underwriter participating in the offering will arrange to send you the Prospectus and any document incorporated therein by reference if you request such documents by calling Barclays Capital Inc. at 1-888-603-5847, Merrill Lynch, Pierce, Fenner & Smith Incorporated at 1-800-294-1322, Scotia Capital (USA) Inc. at 1-800-372-3930, Citigroup Global Markets Inc. at 1-877-858-5407 or Morgan Stanley & Co. Incorporated at 1-866-718-1649.