

Updated as at November 10, 2006

INTRODUCTION

As a result of negotiations with National Trust Company ("NT") regarding the surplus assets in the Scotiabank Pension Plan for Former Employees of National Trust Company (the "Plan"), your Committee is pleased to announce that a mailing has been sent out to all eligible sharing group members (the "Surplus Sharing Group"). The mailing provides pertinent information in regard to the proposed Plan termination and surplus sharing arrangement (the "Proposal") and includes the following documents:

Instruction Sheet;

Cover Letter from NT;

Member Committee Report;

Detailed Description of the Proposal and Q&A;

Local Information Session Schedule.

This package also contains two copies of a Personal Information Statement, which provides an estimate of your surplus share (note that this is an estimate only - the final amount of surplus that might ultimately be payable to you, should the Proposal proceed, may be higher or lower than the amount that will be shown on your Personal Information Statement). One copy of the Personal Information Statement is to be returned in the envelope provided, so that you can confirm your address and other information shown on the form.

You will also receive an Authorization and Retainer form in the package that **allows you to vote on the Proposal. Please check the "YES" box to support the Proposal and retain Koskie Minsky LLP, and return the Authorization and Retainer form to Koskie Minsky LLP in the envelope provided.**

Please also review the Local Information Session Schedule for information on the sessions that will be held in certain major cities across Canada. We encourage you to attend an information session, if one is being held in your area, to learn more about the Proposal from representatives of NT and Koskie Minsky LLP and your Committee. At that time, you will have an opportunity to ask questions of the lawyers, actuaries and Committee members. (If you cannot attend an information session, but have questions about the Proposal, feel free to contact us by email or telephone. Contact information is set out below.)

PAST WEBSITE UPDATES

In our website updates of June 27, 2006, September 27, 2005, August 12, 2005 and January 16, 2006, you were advised that your Committee and NT had reached an agreement in principle establishing a framework for the negotiation of a formal pension surplus sharing agreement, under which the surplus in the Plan could be shared between eligible members and NT. The terms of the full, detailed surplus sharing proposal have now been successfully agreed upon, and the Surplus Sharing Agreement is currently being finalized.

YOUR COMMITTEE RECOMMENDS THE PROPOSAL AND NEEDS YOUR POSITIVE SUPPORT

The Proposal is beneficial to all members of the Surplus Sharing Group. **Your Committee recommends that all Surplus Sharing Group members vote "YES" to the Proposal and asks that you return your Authorization and Retainer form to Koskie Minsky LLP by December 15, 2006.**

NT supports the efforts of your Committee to reach a mutually-acceptable resolution to this matter, and assures that Scotiabank and NT will take no action against you for joining the member group.

Failing to return your Authorization and Retainer form, with a checked off "YES" box, is tantamount to not supporting the Proposal.

NO DIRECT COST TO YOU

There is no cost to you for the services of **Koskie Minsky LLP**. NT and your Committee have agreed that the legal and actuarial costs of your Committee and the members of the Surplus Sharing Group who retained **Koskie Minsky LLP** will be paid from the surplus as part of the implementation of the Proposal. As well, reimbursement (from the members' surplus share) will be made to those who contributed to the legal fees earlier in the surplus sharing negotiation process and the *Monsanto* litigation.

NEXT STEPS

Once we have received a sufficient number of signed Authorization and Retainer forms, we will enter into the formal Surplus Sharing Agreement with NT. This Agreement, and the associated request to withdraw the surplus after the Plan is terminated, must then be approved by the applicable courts and regulators. Please note that even if the Proposal is accepted by the Surplus Sharing Group, we do not expect that the surplus distribution will occur before the end of 2007.

Your positive support is required to share in surplus monies that you would not have necessarily received without litigation, but for the efforts of your Committee. It is actually your initial and ongoing support that has allowed the Committee to reach the point we are at today.

PAST MEMBER COMMUNICATIONS

On August 11, 2005, eligible Plan members were mailed, to their latest address of record, a package containing two letters and an Authorization and Membership Form. We are pleased to report that approximately 75% of the Member Group has returned their green "Authorization and Membership Form". In a letter dated January 11, 2006, non-responding eligible Plan members were mailed a Reminder Notice because a high level of member consent must be achieved in order to ensure that the surplus funds can be distributed. **Please note that even if you previously returned the green Authorization and Membership Form, you must return the "Authorization and Retainer Form" included in the November 2006 information package sent to you (the orange document), in order to consent to the Proposal.**

If you believe you are an eligible member, and did not receive a package, or if you have moved since returning your form, please notify **Koskie Minsky LLP** at 1-800-451-3225.

Contact Us

Please feel free to contact the **Koskie Minsky LLP** toll-free telephone hotline (1-800-451-3225) and **e-mail** address that have been established to allow you to direct any questions you may have to Koskie Minsky LLP. If you would like to update your address, please do so in writing. You can send this information via fax to 416-204-2897 / or mail to National Trust Pension, c/o Koskie Minsky LLP, 20 Queen Street West, Suite 900, Box 52, Toronto, ON, M5H 3R3 (attention: Communications Department).

Also, you may wish to discuss less technical matters with your Regional Negotiating or Advisory Committee Member.