

FUND FACTS

Scotia Private Pools™

1832 Asset Management L.P.

Scotia Private Strategic Balanced Pool - Pinnacle Series

A November 30, 20XX

This document contains key information you should know about Scotia Private Strategic Balanced Pool (Pinnacle Series). You can find more details in the fund's simplified prospectus. Ask your representative for a copy, contact 1832 Asset Management L.P. (the "Manager") at 1-800-268-9269 or fundinfo@scotiabank.com, or visit www.scotiabank.com/scotiaprivatepools.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

B Quick Facts

Date series started:	(Pinnacle Series) October 6, 1997	Fund manager:	1832 Asset Management L.P.
Total value of the fund on September 30, 20XX:	\$32,162,101	Portfolio manager:	Gryphon Investment Counsel Inc.
Management expense ratio (MER):	0.33%	Distributions:	End of quarter (income), End of year (capital gains)
		Minimum investment:	\$1,000 initial, \$500 additional

What does the fund invest in?

The fund invests primarily in large capitalization stocks of Canadian corporations and Canadian government bonds. Up to 30% of the Fund's assets may be invested in foreign securities.

The charts below give you a snapshot of the fund's investments on September 30, 20XX. The fund's investments will change.

Top 10 investments (September 30, 20XX)

1. Government of Canada 5.75% due Jun. 1, 2029	8.7%
2. Government of Canada 4.25% due Jun. 1, 2018	8.4%
3. Government of Canada 2.00% due Jun. 1, 2016	8.3%
4. Government of Canada 2.00% due Dec. 1, 2014	5.5%
5. Government of Canada 1.00% due Feb. 1, 2015	4.6%
6. Royal Bank of Canada	3.3%
7. Toronto-Dominion Bank, The	3.0%
8. Suncor Energy, Inc.	2.7%
9. Bank of Nova Scotia, The	2.7%
10. Government of Canada 2.75% due Jun. 1, 2022	2.5%

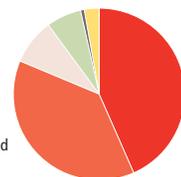
Total percentage of top 10 investments: 49.7%

Total number of investments: 118

Investment mix (September 30, 20XX)

Asset Mix

43.4%	Canadian Equities
37.9%	Federal Bonds
8.6%	International Equities
6.6%	U.S. Equities
0.7%	Corporate Bonds
2.8%	Cash, Other Assets and Liabilities



How risky is it?

The value of the fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

The Manager has rated the risk of this fund as **medium**.

This rating considers how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the fund's returns, see the Risk section in the fund's simplified prospectus.

No guarantees

Like most mutual funds, this fund does not provide any guarantees; you may not get back the amount of money you invest.

Getting to know your Fund Facts document

Understanding your investments is an important part of making informed decisions. A Fund Facts document provides you with valuable information about a mutual fund; such as its past performance, costs and breakdown of investment assets; so that you and your financial advisor can select the mutual funds that are right for you.

A Mutual fund can be purchased as a trust or as a part of corporation, with each having their own distinct advantages. Some funds can be purchased in more than one series, including Series A, Premium Series, Series F, Series I, Series T, Advisor Series and Series M. Each Series option is intended for different types of investors. Series A units are available to all investors. Please refer to the Fund's Simplified Prospectus for more information about the eligibility criteria for other Series.

A Filing Date

The date in this section indicates the **filing date** of the fund facts document with securities regulators.

B Quick facts

This section provides legal and background information on the fund, including:

- The **date the Fund series was created** and became available for investors to purchase;
- The **total value** of all units of the fund held by investors – in every series – as of the indicated date;
- The **management expense ratio (MER)**, a measure of how much it costs a mutual fund company to operate the fund, and thus the cost to an investor for investing in the fund. The ratio is calculated by dividing the fund's operating expenses – such as administration and management fees – by the average dollar value of its total assets, to come up with a percentage;
- The **portfolio manager**, which is the company providing investment management services to the fund;

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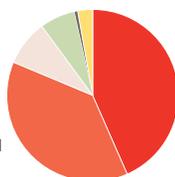
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For more information about the risk rating and specific risks that can affect the fund's returns, see the Risk section in the fund's simplified prospectus.

E No guarantees

Like most mutual funds, this fund does not provide any guarantees; you may not get back the amount of money you invest.

Quick facts - (continued)

- If the fund earns any cash or capital **distributions**, the expected frequency and date at which they are paid out;
- The **minimum investment** required for both the first-time purchase and repeat purchases of the fund.

C What does the fund invest in?

The opening paragraph describes the type of investments the fund primarily invests in, including any maximum amount that may be invested in foreign securities.

- The **top 10 investments** percentage. These represent the largest holdings of the fund;
- The **total** number of **investments** held by the fund;
- What percentage of the fund the top 10 investments make up, by net asset value;
- The **investment mix** of this series of fund, broken down by asset class, industry sector or geography, depending on what type of investments the fund holds.

Because the information in this section can change from month to month, it is only current as of the date indicated next to each heading.

D How risky is it?

Like almost all investments, mutual funds involve some degree of risk. The level of investment risk is determined by the fund's investment objectives, the type of securities it invests in, as well as many other factors. A fund's risk level is rated as low, low to medium, medium, medium to high, or high.

E Are there any guarantees?

Some investment products provide investors with guarantees, such as protection of the principal amount invested. Like most mutual funds, this fund does not provide any guarantees.

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Scotia Private Strategic Balanced Pool - Pinnacle Series

F How has the fund performed?

This section tells you how Pinnacle Series units of the fund have performed over the past 10 years. Returns are after expenses have been deducted. These expenses reduce the fund's return.

Year-by-year returns

This chart shows how Pinnacle Series units of the fund have performed in each of the past 10 calendar years. The fund dropped in value in 2 of the 10 years. The range of returns and change from year to year can help you assess how risky the fund has been in the past. It does not tell you how the fund will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for Pinnacle Series units of the fund in a 3-month period over the past 10 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested \$1,000 at the beginning of the period
Best return	20.01%	July 31, 2005	Your investment would rise to \$1,200
Worst return	-19.96%	November 30, 2008	Your investment would drop to \$800

Average return

A person who invested \$1,000 in Pinnacle Series units of the fund 10 years ago now has \$1,711. This works out to be an annual compound return of 5.52%.

G Who is this fund for?

Investors who:

- want both interest income and growth through strategic asset allocation among the three major asset classes
- invest for the medium to long term
- are comfortable with the ups and downs of the stock market

H A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan (RRSP) or a Tax-Free Savings Account (TFSA).

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you receive them in cash or reinvest them.

I How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Pinnacle Series units of the fund. The fees and expenses including any commissions can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost. The charges, fees and expenses are different for each series. Ask about other series that may be suitable for you.

1. Sales charges

Pinnacle Series units of this fund are classified as 'no-load', meaning there are no sales charges when you buy units through the Manager or our affiliates.

F How has the fund performed?

A chart displaying **year-by-year returns** shows you how the fund has performed in each of the 10 most recent calendar years (or each of the completed calendar years in which the fund has been in existence).

- A table showing you the best and worst returns of the fund indicates the funds' highest and lowest returns during a 3-month period over the past 10 years (or since inception), as well as how much \$1,000 invested in this class of the fund would have been worth if invested during this period.
- The average return indicates how much \$1,000 invested in this class of the fund 10 years ago (or since inception) is worth today, as well as the percentage annual compound return during this period.

G Who is this Fund for?

This section describes the key factors to consider when deciding whether the fund is the right investment choice for you.

H A word about tax

Investing has tax consequences. This section talks about tax impacts as well as possible ways to reduce your tax burden.

I How much does it cost?

Most mutual funds charge a fee to investors to cover the expenses of managing and administering a fund. This section provides you with a detailed explanation of those costs.

- A **sales charge**, or a fund "load", is a fee that may be charged when you buy or sell units of the fund. certain types of funds do not charge fees and are called no-load. With a front-load fee, you pay the investment firm upfront when you buy the fund; with a deferred sales charge, the investment firm is paid when you sell.

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Scotia Private Strategic Balanced Pool - Pinnacle Series

2. Fund expenses

You do not pay these expenses directly; however, they affect you because they reduce the fund's returns.

As of June 30, 20XX, the Pinnacle Series expenses of the fund were 0.36% of its value. This equals \$3.60 for every \$1,000 invested.

	Annual rate (as a % of the fund's value)
Management expense ratio (MER) This is the total of the fund's management fee and operating expenses.	0.33%
Trading expense ratio (TER) These are the fund's trading costs.	0.03%
Fund expenses	0.36%

J More about the trailing commission

The Manager does not pay your investment firm a trailing commission.

3. Other fees

You may have to pay other fees when you buy, hold, sell or switch units of the fund.

Fee	What you pay
• Short-term trading fee	2% of the value of units you sell or switch within 31 days of buying them. This fee goes to the fund.
• Management fee	If you purchase Pinnacle Series units through a Pinnacle Program Agreement with ScotiaMcLeod you will have to pay a fee for the services offered under that Agreement. This fee will be paid on a quarterly basis and the payment can only be made through the redemption of Pinnacle Series units unless otherwise permitted by ScotiaMcLeod. The maximum annual fee charged is 2.50%. Any fees for purchase of Pinnacle Series units outside the Pinnacle Program are negotiated separately with your dealer and the Manager.

K What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

L For more information

Contact 1832 Asset Management L.P. or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

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Website: www.scotiabank.com/scotiaprivatepools

To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.

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Scotia Private Pools are managed by 1832 Asset Management L.P., a limited partnership, the general partner of which is wholly owned by The Bank of Nova Scotia. The Scotia Private Pools are available through ScotiaMcLeod®. ScotiaMcLeod is a division of Scotia Capital Inc. which is wholly owned by The Bank of Nova Scotia. Scotia Capital Inc. is a member of the Canadian Investor Protection Fund and the Investment Industry Regulatory Organization of Canada.

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed or insured by the Canada Deposit Insurance Corporation or any other government deposit insurer and their values change frequently. Past performance may not be repeated.

How much does it cost? (continued)

A *low-load* fee is also paid when you sell, but the amount of the fee decreases faster than in the case of a deferred sales charge.

- The **fund expenses** table shows you all of the expenses for the fund, as of the indicated date. These expenses generally consist of the management expense ratio (MER – see section B for an explanation) and the trading expense ratio (TER), the costs for trading the securities inside the fund's portfolio. A fund that is actively traded (meaning the manager buys and sells more often) tends to have a higher TER because the manager tries to outperform the market by picking and actively trading securities. A passively traded fund (such as an index fund) tries to mimic the returns of the index it follows, and so has a lower TER.

J Trailing commission

The trailing commission is a fee the fund manager pays to your investment firm. It is paid out of the management fee and depends on the type of sales charge the fund has. You will see it listed both as a percentage of the fund's value and as an equivalent dollar amount for every \$1,000 invested.

- Any **other fees** you may have to pay, such as a short-term trading fee or a switch fee, are listed here. In general, these fees are charged to discourage frequent trading of the fund.

K What if I change my mind?

You may decide, after you purchase the fund, that it is not right for you. Some of the rights and options available to you as an investor are listed here.

L For more information

Remember, you can find more information on any of the terms or concepts introduced in this document through your financial advisor or by visiting Scotiabank.com/privatepools.com

You can also learn more about investing in mutual funds in the brochure **understanding mutual funds**, which is available on the website of the Canadian securities administrators at www.securities-administrators.ca.