Gol Intelligent Airlines Inc.
Form 6-K
May 11, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of May, 2011
(Commission File No. 001-32221) ,

GOL LINHAS AÉREAS INTELIGENTES S.A.

(Exact name of registrant as specified in its charter)

(Translation of Registrant's name into English)
GOL INTELLIGENT AIRLINES INC.

R. Tamoios, 246
Jd. Aeroporto
04630-000 São Paulo, São Paulo
Federative Republic of Brazil
(Address of Regristrant's principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ___X___ Form 40-F ______
Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ______ No ___X___

If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):

GOL Records Total Demand Growth of 13.9%

Total demand reaches its highest April level since the Company began

São Paulo,May 11, 2011 – GOL Linhas Aéreas Inteligentes S.A. (BM&FBovespa: GOLL4 and NYSE: GOL) (S&P/Fitch:BB-/BB-, Moody's: Ba3), the largest low-cost and low-fare airline in Latin America,**recorded a 13.9% increase in demand on its route network, with a load factor of 71.3%.**

Demand

Demand on the domestic market grew by 13.8% over the same period last year, mainly due to the 4 days period between the Tiradentes national holiday (Thursday) and Easter Sunday, differently from the same period last year. This favored leisure trips, whose share of national traffic was higher than in April 2010. As a result of the high passenger flows during the extended holiday, on April 25 (one day after the end of the holiday weekend), the Company transported 128,737 passengers, the highest number in a single day since its inception in 2001. In comparison with March 2011, demand fell by 6.2% given that Carnival fell in the latter month.

International demand climbed by 14.4% over the same period last year, mainly for the same reason mentioned above, in addition to: (i) the launch of new international destinations between the two periods (Barbados and Buenos Aires/Aeroparque); (ii) operations in partnership with travel agencies to sell block seating on flights in order to increase sales to the leisure travelers; and (iii) the 9.7% appreciation of the Real against the U.S. dollar, favoring the expansion of international tourism. In comparison with the month before, demand decreased by 23.5% for the same reason that affected domestic demand in the same period.

Operating Data	**April 2011(*)(**)**	**April 2010(*)(**)**	**% Chg. (YoY)**	**Março 2011(*)(**)**	**% Chg. (MoM)**
Total System					
ASK (mm) (1)	3,718.4	3,701.4	0.5%	4,114.1	-9.6%
RPK (mm) (2)	2,651.6	2,328.5	13.9%	2,883.2	-7.9%
Load Factor(3)	**71.3%**	**62.9%**	**+8.4 p.p.**	**70.1%**	**+1.2 p.p.**
Domestic Market					
ASK (mm) (1)	3,371.6	3,355.5	0.5%	3,688.6	-8.5%
RPK (mm) (2)	2,434.0	2,138.3	13.8%	2,598.3	-6.2%
Load Factor (3)	**72.2%**	**63.7%**	**+8.5 p.p.**	**70.4%**	**+1.8 p.p.**
International Market					

ASK (mm) (1)	346.8	345.9	0.3%	425.5	-18.4%
RPK (mm) (2)	217.5	190.2	14.4%	284.9	-23.5%
Load Factor(3)	**62.7%**	**55.0%**	**+7.7 p.p.**	**66.9%**	**-4.2 p.p.**

(*) April 2011 – preliminary figures; April 2010 – management figures adjusted to comply with the new National Civil Aviation Agency (ANAC) methodology; March 2011– ANAC figures.

(**) Considering the new calculation methodology introduced by ANAC's 2010 DCA Manual.

Supply

Supply moved up by 0.5% year-on-year, due to the Company's continuing commitment to keeping supply aligned with market demand in a responsible manner. The Company therefore seeks to improve aircraft productivity by increasing the load factor and reducing charter flights (whose aircraft consume more fuel). In comparison with March 2011, supply fell by 9.6% due to the fact that Carnival fell in the latter month and to the lower mumber of days (30 days in April, versus 31 in March).

Load Factor and Yield

GOL's total load factor came to 71.3% (8.4 p.p. up year-on-year and 1.2 p.p. more than the month before). Yield in April stood at 19.00 cents (R$).

(1) Available seat kilometers (ASK) is the sum of the products obtained by multiplying the number of seats available on each flight stage by the distance of the average flight stage.

(2) Revenue passenger kilometers (RPK) is the sum of the products obtained by multiplying the number of revenue passengers carried on each flight stage by the average stage distance.

(3) Load factor is the percentage of aircraft seating capacity effectively used, which is calculated by dividing the number of passenger-kilometers flown by the number of seat-kilometers available.

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Media Relations

About GOL Linhas Aéreas Inteligentes S.A.

GOL Linhas Aéreas Inteligentes S.A. (NYSE: GOL and BM&FBOVESPA: GOLL4), (S&P/Fitch: BB-/BB-, Moody`s: Ba3), the largest low-cost and low-fare airline in Latin America, offers more than 900 daily flights to 59 destinations that connect all the important cities in Brazil and 14 major destinations in South America and Caribbean. The Company operates a young, modern fleet of Boeing 737 Next Generation aircraft, the safest and most comfortable of its class, with high aircraft utilization and efficiency levels. Fully committed to seeking innovative solutions through the use of cutting-edge technology, the Company - via its GOL, VARIG, GOLLOG, SMILES and VoeFácil brands - offers its clients easy payment facilities, a wide range of complementary services and the best cost-benefit ratio in the market.

This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of GOL. These are merely projections and, as such, are based exclusively on the expectations of GOL's management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in GOL's filed disclosure documents and are,

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therefore, subject to change without prior notice.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 11, 2011

GOL LINHAS AÉREAS INTELIGENTES S.A.

By: /S/ Leonardo Porciúncula Gomes Pereira

Name: Leonardo Porciúncula Gomes Pereira
Title: Executive Vice-President and Chief Financial Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates offuture economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will a ctually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

Field: /Sequence -->

Hypothetical Payments AT MATURITY On the Notes

The examples set out below are included for illustration purposes only. The hypothetical Percentage Changes of the Reference Asset 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 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 $36.77, a Barrier Price of $29.416 (80% of the Initial Price), and the Contingent Interest Payment equal to the Principal Amount multiplied by the Contingent Interest Rate of 9.00% per annum (2.25% 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	$31.00 (greater than the Barrier Price; less than Initial Price – not callable)	$22.50 (Contingent Interest Payment)
Second	$32.00 (greater than the Barrier Price; less than Initial Price – not callable)	$22.50 (Contingent Interest Payment)
Third	$35.50 (greater than the Barrier Price; less than Initial Price – not callable)	$22.50 (Contingent Interest Payment)
Fourth	$39.00 (greater than the Initial Price – callable)	$1022.50 (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 but less than the Initial Price, the Notes will not be called and Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. If on the fourth Valuation Date the Closing Price is $39.00, which is greater than the Initial Price of $36.77 and the Barrier Price, the Notes will be automatically called. The Bank will pay you on the applicable Call Payment Date $1,022.50 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 $1,090.00 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	$35.00 (greater than the Barrier Price; less than Initial Price – not callable)	$22.50 (Contingent Interest Payment)
Second	$26.00 (less than the Barrier Price and Initial Price - not callable)	$0.00 (No Contingent Interest Payment)
Third through Eleventh	$31.00 (greater than the Barrier Price; less than the Initial Price – not callable)	On each Contingent Payment Date, $22.50, for a total of $202.50 (Contingent Interest Payments)
Final Valuation Date	$35.00 (greater than the Barrier Price and less than the Initial Price)	$1,022.50 (Principal Amount plus final Contingent Interest Payment)

If the Closing Prices on each of the first, and third 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 Payment Dates. If the Closing Price on the second Valuation Date is less than the Barrier Price and the Initial Price, no Contingent Interest Payment

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will be made on the relevant Contingent Interest Payment Date. In each case the Notes will not be called. If on the Final Valuation Date, the Final Price is $35.00, which is greater than the Barrier Price, the Bank will pay at maturity a total of $1,022.50 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 $1,247.50 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 Eleventh	$34.00 (greater than the Barrier Price; less than the Initial Price – not callable)	On each Contingent Payment Date, $22.50, for a total of $247.50 (Contingent Interest Payments)
Final Valuation Date	$34.00 (greater than the Barrier Price; less than the Initial Price – not callable)	$1,022.50 (Principal Amount plus final Contingent Interest Payment)

If the Closing Prices on each of the 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 $34.00, which is greater than the Barrier Price, the Bank will pay at maturity a total of $1,022.50 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 $1,270.00 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 to Eleventh	$34.00 (greater than the Barrier Price; less than Initial Price- not callable)	On each Contingent Payment Date, $22.50, for a total of $247.50 (Contingent Interest Payments)
Final Valuation Date	$21.00 (lower than the Barrier Price, and representing a Percentage Change of approximately -42.89%)	$1000 + [$1000 X Percentage Change]= $1000 + [$1000 X (-42.89%)] = $571.10 (Payment at Maturity)

If on the first through eleventh Valuation Dates the Closing Prices were greater than the Barrier Price but less than the Initial Price, Contingent Interest Payments will be made on the relevant Contingent Interest Payment Dates. In each case the Notes will not be called. If on the Final Valuation Date the Final Price is below the Barrier Price, the Bank will pay you at maturity the Principal Amount plus the product of the Principal Amount and Percentage Change equaling approximately $571.10 per Note. When added to the Contingent Interest Payment of $247.50 paid in respect of prior Valuation Dates, The Bank will have paid you approximately $818.60 per Note.

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 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 subsidiaries 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, meaning the percentage decline from the Initial Price to the Final Price is greater than 20%, 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 20%.***

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.

Your Return on the Notes is Expected to be Limited to the Contingent Interest Payments Paid on the Notes

The Payment at Maturity will not exceed the Principal Amount plus the final Contingent Interest Payment and any positive return you receive on the Notes will be composed solely by the sum of the Contingent Interest Payments received prior to and at maturity. Therefore, if the appreciation of the Reference Asset exceeds the sum of the Contingent Interest Payments, the Notes will provide less opportunity to participate in the appreciation of the Reference Asset than an investment in a security linked to the Reference Asset providing full participation in the appreciation. Accordingly, the return on the Notes may be less than the return would be if you made an investment in a security directly linked to the positive performance of the Reference Asset.

The Notes Differ from Conventional Debt Instruments

The Notes are not conventional notes or debt instruments. The return that you will receive on the Notes, which could be negative, may be less than the return you could earn on other investments. Even if your return is positive, your return may be less than the return you would earn if you bought a conventional senior interest bearing debt security of the Bank.

Your Investment is Subject to the Credit Risk of The Bank of Nova Scotia

The Notes are senior unsecured debt obligations of The Bank of Nova Scotia, and are not, either directly or indirectly, an obligation of any third party. As further described in the accompanying prospectus, prospectus supplement and product prospectus supplement, the Notes will rank on par with all of the other unsecured and unsubordinated debt obligations of The Bank of Nova Scotia, except such obligations as may be preferred by operation of law. Any payment to be made on the Notes, including the return of the Principal Amount at Maturity, depends on the ability of The Bank of Nova Scotia to satisfy its obligations as they come due. As a result, the actual and perceived creditworthiness of The Bank of Nova Scotia may affect the market value of the Notes and, in the event The Bank of Nova Scotia were to default on its obligations, you may not receive the amounts owed to you under the terms of the Notes. If you sell the Notes prior to maturity, you may receive substantially less than the Principal Amount of your

Notes.

The Notes are Subject to Market Risk

The return on the Notes is directly linked to the performance of the Reference Asset and the extent to which the Percentage Change is positive or negative. The prices of the Reference Asset can rise or fall sharply due to factors specific to the Reference Asset as well as general market factors, such as general market volatility and prices, interest rates and economic and political conditions.

The Contingent Interest Payment, if Any, is Paid on a Quarterly Basis and is Based Solely on the Closing Price of the Reference Asset on the Specified Valuation Dates

Whether the quarterly Contingent Interest Payment will be made with respect to a Valuation Date will be based on the Closing Price on such date or the Final Price, as applicable. As a result, you will not know whether you will receive the quarterly Contingent Interest Payment until the related Valuation Date. Moreover, because the quarterly Contingent Interest Payment is based solely on the Closing Price on a specified Valuation Date, if such Closing Price is less than the Barrier Price, you will not receive any quarterly Contingent Interest Payment with respect to such Valuation Date, even if the Closing Price of the Reference Asset was higher on other days during the term of the Notes.

The Payment at Maturity Is Not Linked to the Price of the Reference Asset at Any Time Other Than the Final Valuation Date

The Payment at Maturity will be based on the Final Price (subject to adjustments as described). Therefore, for example, if the closing price of the Reference Asset declined substantially as of the final Valuation Date compared to the Trade Date, the Payment at Maturity may be significantly less than it would otherwise have been had the Payment at Maturity been linked to the closing price of the Reference Asset prior to the final Valuation Date. Although the actual price of the Reference Asset at maturity or at other times during the term of the Notes may be higher than the Final Price, your Payment at Maturity will not benefit from the closing price of the Reference Asset at any time other than the Final Valuation Date.

If the Price of the Reference Asset Changes, the Market Value of Your Notes May Not Change in the Same Manner

Your Notes may trade quite differently from the performance of the Reference Asset. Changes in the price of the Reference Asset may not result in a comparable change in the market value of your Notes. We discuss some of the reasons for this disparity under "—The Price at Which the Notes may be Sold prior to Maturity will Depend on a Number of Factors and May Be Substantially Less Than the Amount for Which They Were Originally Purchased" below.

Holding the Notes is Not the Same as Holding the Reference Asset, and You Will Have No Ownership Rights in the Reference Asset

Holding the Notes is not the same as holding the Reference Asset. As a holder of the Notes, you will not be entitled to the voting rights or rights to receive dividends or other distributions or other rights that holders of the Reference Asset would enjoy.

We Have No Affiliation With the Issuer of the Reference Asset

The issuer of the Reference Asset is not an affiliate of the Bank and is not involved in any of the Bank's offerings of Notes pursuant to this pricing supplement in any way. Consequently, we have no control of the actions of the issuer of the Reference Asset, including any corporate actions of the type that would require the calculation agent to adjust the payment to you. The issuer of the Reference Asset has no obligation to consider your interest as an investor in the Notes in taking any corporate actions that might affect the value of the Notes. None of the money you pay for the Notes will go to the issuer of the Reference Asset.

In addition, as we are not affiliated with the issuer of the Reference Asset, we do not assume any responsibility for the adequacy of the information about the Reference Asset or its issuer contained in this pricing supplement or any of the Reference Asset issuer's publicly available filings. We are not responsible for any issuer's public disclosure of information on itself or the Reference Asset, whether contained in Securities Exchange Commission filings or otherwise. As an investor in the Notes, you should make your own investigation into the Reference Asset.

We May Exercise Any and All Rights We May Have As a Lender to or a Security Holder of the Issuer of the Reference Asset

If we or any of our affiliates are lenders to, or hold securities of, the issuer of the Reference Asset, we will have the right, but not the obligation, to exercise or refrain from exercising our rights as a lender to, or holder of securities of such issuer. Any exercise of our rights as a lender or holder of securities of the issuer of the Reference Asset, or our refraining from such exercise, will be made without regard to your interests and could affect the value of the Notes.

We Cannot Assure You that the Public Information Provided on the Issuer of the Reference Asset is Accurate or Complete

All disclosures contained in this pricing supplement regarding the issuer of the Reference Asset are derived from publicly available documents and other publicly available information. We have not participated, and will not participate, in the preparation of such documents or made any due diligence inquiry with respect to the issuer of the Reference Asset in connection with the offering of the Notes. We do not make any representation that such publicly available documents or any other publicly available information regarding the issuer of the Reference Asset are accurate or complete, and are not responsible for public disclosure of information by the issuer of the Reference Asset, whether contained in filings with the SEC or otherwise. Furthermore, we cannot give any assurance that all events occurring prior to the date of this pricing supplement, including events that would affect the accuracy or completeness of the public filings of the issuer of the Reference Asset or the value of the Reference Asset (and therefore the closing price of the Reference Asset on a Valuation Date, the Final Price and whether there will be an automatic call), will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclosure material future events concerning the issuer of the Reference Asset could affect whether there will be an automatic call, the amount you will receive at maturity (assuming no automatic call) and, therefore, the trading price of the Notes. Any prospective investor of the Notes should undertake an independent investigation of the issuer of the Reference Asset as in its judgment is appropriate to make an informed decision with respect to an investment in the Notes.

There are Single Stock Risks Associated with the Reference Asset

The price of the Reference Asset can rise or fall sharply due to factors specific to that Reference Asset and its issuer, such as stock price volatility, earnings, financial conditions, corporate, industry and regulatory developments, management changes and decisions and other events, as well as general market factors, such as general stock market volatility and levels, interest rates and economic and political conditions. You, as an investor in the Notes, should make your own investigation into the Reference Asset issuer and the Reference Asset for your Notes. For additional information, see "Information Regarding the Reference Asset" in this pricing supplement and the Reference Asset issuer's SEC filings. **We urge you to review financial and other information filed periodically by the Reference Asset issuer with the SEC.**

No Assurance that the Investment View Implicit in the Notes Will Be Successful

It is impossible to predict with certainty whether and the extent to which the price of the Reference Asset will rise or fall. There can be no assurance that the percentage decline from the Initial Price to the Final Price will not be greater than the Barrier Percentage. The Final Price may be influenced by complex and interrelated political, economic, financial and other factors that affect the Reference Asset. You should be willing to accept the risks of the price performance of equity securities in general and the Reference Asset in particular, and the risk of losing some or all of your initial investment.

Furthermore, we cannot give you any assurance that the future performance of the Reference Asset will result in your receiving an amount greater than or equal to the Principal Amount of your Notes. Certain periods of historical performance of the Reference Asset would have resulted in you receiving less than the Principal Amount of your Notes if you had owned notes with terms similar to these Notes in the past. See “Information Regarding The Reference Asset” in this pricing supplement for further information regarding the historical performance of the Reference Asset.

Past Performance is Not Indicative of Future Performance

The actual performance of the Reference Asset over the life of the Notes, as well as the amount payable at maturity, may bear little relation to the historical performance of the Reference Asset or to the hypothetical return examples set forth elsewhere in this pricing supplement. We cannot predict the future performance of the Reference Asset.

The Price at Which the Notes May Be Sold Prior to Maturity will Depend on a Number of Factors and May Be Substantially Less Than the Amount for Which They Were Originally Purchased

The price at which the Notes may be sold prior to maturity will depend on a number of factors. Some of these factors include, but are not limited to: (i) actual or anticipated changes in the price of the Reference Asset over the full term of the Note, (ii) volatility of the price of the Reference Asset and the market's perception of future volatility of the price of the Reference Asset, (iii) changes in interest rates generally, (iv) any actual or anticipated changes in our credit ratings or credit spreads, and (v) time remaining to maturity. In particular, because the provisions of the Note relating to the Payment at Maturity behave like options, the value of the Note will vary in ways which are non-linear and may not be intuitive.

Depending on the actual or anticipated level of the Reference Asset and other relevant factors, the market value of the Notes may decrease and you may receive substantially less than 100% of the issue price if you sell your Notes prior to maturity.

The Notes Lack Liquidity

The Notes will not be listed on any securities exchange or automated quotation system. Therefore, there may be little or no secondary market for the Notes. Scotia Capital (USA) Inc. or any other dealer may, but is not obligated to, make a market in the Notes. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily. Because we do not expect that other broker-dealers will participate significantly in the secondary market for the Notes, the price at which you may be able to trade your Notes is likely to depend on the price, if any, at which Scotia Capital (USA) Inc. is willing to purchase the Notes from you. If at any time Scotia Capital (USA) Inc. was not to make a market in the Notes, it is likely that there would be no secondary market for the Notes. Accordingly, you should be willing to hold your Notes to maturity.

The Bank's Estimated Value of the Notes is Lower than the Original Issue Price (Price to Public) of the Notes

The Bank's estimated value is only an estimate using several factors. The original issue price of the Notes exceeds the Bank's estimated value because costs associated with selling and structuring the Notes, as well as hedging the Notes, are included in the original issue price of the Notes. See "The Bank's Estimated Value of the Notes" in this pricing supplement.

The Bank's Estimated Value Does Not Represent Future Values of the Notes and may Differ from Others' Estimates

The Bank's estimated value of the Notes is determined by reference to the Bank's internal pricing models when the terms of the Notes are set. This estimated value is based on market conditions and other relevant factors existing at that time and the Bank's assumptions about market parameters, which can include volatility, dividend rates, interest rates and other factors. Different pricing models and assumptions could provide valuations for notes that are greater than or less than the Bank's estimated value. In addition, market conditions and other relevant factors in the future may change, and any assumptions may prove to be incorrect. On future dates, the value of the Notes could change significantly based on, among other things, changes in market conditions, our creditworthiness, interest rate movements and other relevant factors, which may impact the price, if any, at which the Bank would be willing to buy Notes from you in secondary market transactions. See "The Bank's Estimated Value of the Notes" in this pricing supplement.

The Bank's Estimated Value is not Determined by Reference to Credit Spreads for our Conventional Fixed-Rate Debt

The internal funding rate used in the determination of the Bank's estimated value generally represents a discount from the credit spreads for our conventional fixed-rate debt. If the Bank were to use the interest rate implied by our conventional fixed-rate credit spreads, we would expect the economic terms of the Notes to be more favorable to you. Consequently, our use of an internal funding rate would have an adverse effect on the terms of the Notes and any secondary market prices of the Notes. See “The Bank’s Estimated Value of the Notes” in this pricing supplement.

Hedging Activities by the Bank May Negatively Impact Investors in the Notes and Cause Our Respective Interests and Those of Our Clients and Counterparties to Be Contrary to Those of Investors in the Notes

The Bank or one or more of our affiliates has hedged or expects to hedge the obligations under the Notes by purchasing futures and/or other instruments linked to the Reference Asset. The Bank or one or more of our affiliates also expects to adjust the hedge by, among other things, purchasing or selling any of the foregoing, and perhaps other instruments linked to the Reference Asset, at any time and from time to time, and to unwind the hedge by selling any of the foregoing on or before the final Valuation Date.

Any of these hedging activities may adversely affect the price of the Reference Asset and therefore the market value of the Notes and the amount you will receive, if any, on the Notes. In addition, you should expect that these transactions will cause the Bank or our affiliates or our respective clients or counterparties, to have economic interests and incentives that do not align with, and that may be directly contrary to, those of an investor in the Notes. The Bank or our affiliates will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions based on the potential effect on an investor in the Notes, and may receive substantial returns with respect to these hedging activities while the value of the Notes may decline.

The Calculation Agent Can Postpone the Valuation Dates for the Notes if a Market Disruption Event with Respect to the Reference Asset Occurs

If the Calculation Agent determines, in its sole discretion, that, on a day that would otherwise be a Valuation Date, a market disruption event with respect to the Reference Asset has occurred or is continuing for the Reference Asset, the Valuation Date will be postponed until the first following trading day on which no market disruption event occurs or is continuing, although the Valuation Date will not be postponed by more than seven scheduled trading days. Moreover, if a Valuation Date is postponed to the last possible day, but a market disruption event occurs or is continuing on that day, that day will nevertheless be a Valuation Date, and the Calculation Agent will determine the applicable Closing Price or Final Price that must be used to determine the Contingent Interest Payment and or Payment at Maturity. Under certain circumstances, the determinations of the Calculation Agent will be confirmed by an independent expert. See “General Terms of the Notes—Unavailability of the Level of the Reference Asset on a Valuation Date” and 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.

Uncertain Tax Treatment

Significant aspects of the tax treatment of the Notes are uncertain. You should consult your tax advisor about your own tax situation. See “Certain Canadian Income Tax Consequences” and “Certain U.S. Federal Income Tax Considerations” in this pricing supplement.

Information Regarding The Reference Asset

Included in the following pages is a brief description of the Reference Asset. This information has been obtained from publicly available sources. Also set forth below is a table that provides the quarterly high and low closing price the Reference Asset. We obtained the closing price information set forth below from Bloomberg Professional® service ("Bloomberg") without independent verification. You should not take the historical price of the Reference Asset as an indication of future performance.

We urge you to read "Underlying Stock Issuers" beginning on page PS-20 in the accompanying product prospectus supplement. Companies with securities registered under the Securities Exchange Act of 1934, as amended, are required to file financial and other information specified by the SEC periodically. Such information can be reviewed electronically through a website maintained by the SEC at http://www.sec.gov. Information filed with the SEC by the issuer of the underlying equity can be located by reference to its SEC file number provided below. In addition, information filed with the SEC can be inspected and copied at the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of this material can also be obtained from the Public Reference Section, at prescribed rates. Information regarding the issuer of the Reference Asset may also be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents. We do not make any representation that these publicly available documents are accurate or complete.

This pricing supplement relates only to the Notes offered hereby and does not relate to the Reference Asset or other securities of the issuer of the Reference Asset. We will derive any and all disclosure contained in this pricing supplement regarding the issuer of the Reference Asset from the publicly available documents described above. In connection with the offering of the Notes, we have not participated, and will not participate, in the preparation of such documents or made any due diligence inquiry with respect to the issuer of the Reference Asset. We do not make any representation that such publicly available documents are, or any other publicly available information is, accurate or complete. Furthermore, we cannot give any assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available documents described in the preceding paragraph) that would affect the trading price of the Reference Asset have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the issuer of the Reference Asset could affect the Payment at Maturity with respect to the Notes and therefore the trading price of the Note.

Information from outside sources is not incorporated by reference in, and should not be considered part of, this pricing supplement or any accompanying prospectus or prospectus supplement. We have not independently verified any of the information herein obtained from outside sources

Microsoft Corporation

Microsoft Corporation develops, manufactures, licenses, sells, and supports software products. Microsoft Corporation offers operating system software, server application software, business and consumer applications software, software development tools, and Internet and intranet software. Microsoft Corporation also develops video game consoles and digital music entertainment devices.

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Historical Information

The following table sets forth the quarterly high and low closing price for the Reference Asset, based on daily closing price. The closing price of the Reference Asset on December 20, 2013 was $36.77. ***Past performance of the Reference Asset is not indicative of the future performance of the Reference Asset.***

Quarter Begin	Quarter End	Quarterly High ($)	Quarterly Low ($)	Quarterly Close ($)
1/4/2010	3/31/2010	31.10	27.72	29.27
4/1/2010	6/30/2010	31.39	23.01	23.01
7/1/2010	9/30/2010	26.33	23.27	24.49
10/1/2010	12/31/2010	28.30	23.91	27.92
1/3/2011	3/31/2011	28.83	24.78	25.36
4/1/2011	6/30/2011	26.72	23.69	26.00
7/1/2011	9/30/2011	28.07	23.98	24.89
10/3/2011	12/30/2011	27.31	24.30	25.96
1/3/2012	3/30/2012	32.85	26.83	32.25
4/2/2012	6/29/2012	32.42	28.45	30.59
7/2/2012	9/28/2012	31.46	28.63	29.78
10/1/2012	12/31/2012	30.01	26.34	26.73
1/2/2013	03/28/2013	28.61	26.46	28.61
04/1/2013	06/30/2013	35.67	28.56	34.53
7/1/2013	09/30/2013	36.25	31.16	33.31
10/1/2013*	12/20/2013	38.94	33.01	36.77

* As of the date of this pricing supplement, available information for the fourth calendar quarter of 2013 includes data for the period from October 1, 2013 through December 20, 2013. Accordingly, the ''Quarterly High,'' ''Quarterly Low'' and ''Quarterly Close'' data indicated are for this shortened period only and do not reflect complete data for the fourth calendar quarter of 2013.

The graph below illustrates the performance of the Reference Asset from January 2, 2003 through December 20, 2013. The dotted line represents the Barrier Price of $29.416, which is equal to 80% of the closing price of the Reference Asset on December 20, 2013. ***Past performance of the Reference Asset is not indicative of the future performance of the Reference Asset.***

We obtained the information regarding the historical performance of the Reference Asset in the tables and graph above from Bloomberg Financial Markets.

We have not undertaken an independent review or due diligence of the information obtained from Bloomberg Financial Markets. The historical performance of the Reference Asset should not be taken as an indication of its future performance, and no assurance can be given as to the Final Price of the Reference Asset. We cannot give you assurance that the performance of the Reference Asset will result in any positive return on your initial investment. We make no representation as to the amount of dividends, if any, that will be paid in the future. In any event, as an investor in the Notes, you will not be entitled to receive dividends, if any, that may be payable on the Reference Asset.

Supplemental Plan of Distribution (Conflicts of Interest)

Pursuant to the terms of a distribution agreement, Scotia Capital (USA) Inc., an affiliate of The Bank of Nova Scotia, will purchase the Notes from The Bank of Nova Scotia for distribution to other registered broker-dealers or will offer the Notes directly to investors.

Scotia Capital (USA) Inc. or one of our affiliates will purchase the Notes at the Principal Amount and, as part of the distribution, will pay discounts and underwriting commissions of $25.00 (2.50%) per $1,000 Principal Amount of the Notes in connection with the distribution of the Notes. Certain accounts may pay a purchase price of at least $975.00 (97.50%) 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. will also receive a structuring and development fee of up to $0.50 (0.05%) per $1,000 Principal Amount of the Notes.

In addition, Scotia Capital (USA) Inc. or another of its affiliates or agents may use the product prospectus supplement to which this pricing supplement relates in market-making transactions after the initial sale of the Notes. While Scotia Capital (USA) Inc. may make markets in the Notes, it is under no obligation to do so and may discontinue any market-making activities at any time without notice. See the sections titled “Supplemental Plan of Distribution” in the accompanying prospectus supplement and product prospectus supplement.

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 Issue Date.

Conflicts of Interest

Each of Scotia Capital (USA) Inc., and Scotia Capital Inc. is an affiliate of the Bank and, as such, has a ‘‘conflict of interest’’ in this offering within the meaning of FINRA Rule 5121. In addition, the Bank will receive the gross proceeds from the initial public offering of the Notes, thus creating an additional conflict of interest within the meaning of Rule 5121. Consequently, the offering is being conducted in compliance with the provisions of Rule 5121. Neither Scotia Capital (USA) Inc. nor Scotia Capital Inc. is permitted to sell the Notes in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

Scotia Capital (USA) Inc. and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Scotia Capital (USA) Inc. and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Bank, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, Scotia Capital (USA) Inc., and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Bank. Scotia Capital (USA) Inc. and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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The Bank's Estimated Value of the Notes

The Bank's estimated value of the Notes set forth on the cover of this pricing supplement is equal to the sum of the values of the following hypothetical components: (1) a fixed-income debt component with the same maturity as the Notes, valued using our internal funding rate for structured debt described below, and (2) the derivative or derivatives underlying the economic terms of the Notes. The Bank's estimated value does not represent a minimum price at which the Bank would be willing to buy your Notes in any secondary market (if any exists) at any time. The internal funding rate used in the determination of the Bank's estimated value generally represents a discount from the credit spreads for our conventional fixed-rate debt. The discount is based on, among other things, our view of the funding value of the Notes as well as the higher issuance, operational and ongoing liability management costs of the Notes in comparison to those costs for our conventional fixed-rate debt. For additional information, see "Additional Risk Factors—The Bank's Estimated Value Is Not Determined by Reference to Credit Spreads for Our Conventional Fixed-Rate Debt." The value of the derivative or derivatives underlying the economic terms of the Notes is derived from the Bank's or a third party hedge provider's internal pricing models. These models are dependent on inputs such as the traded market prices of comparable derivative instruments and on various other inputs, some of which are market-observable, and which can include volatility, dividend rates, interest rates and other factors, as well as assumptions about future market events and/or environments. Accordingly, the Bank's estimated value of the Notes is determined when the terms of the Notes are set based on market conditions and other relevant factors and assumptions existing at that time. See "Additional Risk Factors—The Bank's Estimated Value Does Not Represent Future Values of the Notes and May Differ from Others' Estimates."

The Bank's estimated value of the Notes will be lower than the original issue price of the Notes because costs associated with selling, structuring and hedging the Notes are included in the original issue price of the Notes. These costs include the selling commissions paid to the Bank and other affiliated or unaffiliated dealers, the projected profits that our affiliates expect to realize for assuming risks inherent in hedging our obligations under the Notes and the estimated cost of hedging our obligations under the Notes. Because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging may result in a profit that is more or less than expected, or it may result in a loss. We or one or more of our affiliates will retain any profits realized in hedging our obligations under the Notes. See "Additional Risk Factors—The Bank's Estimated Value of the Notes Will Be Lower Than the Original Issue Price (Price to Public) of the Notes" in this pricing supplement.

Certain Canadian Income Tax Consequences

See "Canadian Taxation" at page 37 of the accompanying prospectus.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The U.S. federal income tax consequences of your investment in the Notes are uncertain. No statutory, judicial or administrative authority directly discusses how the Notes should be treated for U.S. federal income tax purposes. We intend to treat the Notes as pre-paid cash-settled derivative contracts, Pursuant to the terms of the Notes, you agree to treat the Notes in this manner for all U.S. federal income tax purposes. If your Notes are so treated, any Contingent Interest Payment that is paid by us (including on the maturity date or upon call) should be included in your income as ordinary income in accordance with your regular method of accounting for U.S. federal income tax purposes. Additionally, you should generally recognize capital gain or loss upon the sale, exchange or payment on maturity in an amount equal to the difference between the amount you receive at such time (excluding the amount attributable to any Contingent Interest Payment) and the amount that you paid for your Notes. Such gain or loss should generally be long-term capital gain or loss if you have held your Notes for more than one year.

For a more detailed discussion of the United States federal income tax consequences with respect to your Notes, you should carefully consider the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences" in the accompanying product prospectus supplement and the discussion set forth in "United States Taxation" of the accompanying prospectus. In particular, U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences—Supplemental U.S. Tax Considerations—U.S. Holders" in the product prospectus supplement and non-U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences—Supplemental U.S. Tax Considerations—Non-U.S. Holders" in the product prospectus supplement. U.S. holders should also review the discussion under "—Treasury Regulations Requiring Disclosure of Reportable Transactions", "—Information With Respect to Foreign Financial Assets" and "—Backup Withholding and Information Reporting" under "United States Income Taxation" in the prospectus.

We will not attempt to ascertain whether the issuer of the Reference Asset would be treated as a "passive foreign investment company" within the meaning of Section 1297 of the Internal Revenue Code of 1986, as amended (the "Code") or a "United States real property holding corporation" within the meaning of Section 897 of the Code. If the issuer were so treated, certain adverse U.S. federal income tax consequences could possibly apply. You should refer to any available information filed with the SEC by the issuer of the Reference Asset and consult your tax advisor regarding the possible consequences to you in this regard.

In this regard and in regard to a potential application of the "constructive ownership" rules, U.S. holders should review the discussion set forth in "Supplemental Discussion of U.S. Federal Income Tax Consequences—Supplemental U.S. Tax Considerations—U.S. Holders" in the product prospectus supplement.

Because other characterizations and treatments are possible the timing and character of income in respect of the Notes might differ from the treatment described above. You should carefully review the discussion set forth in "Alternative Treatments" in the product prospectus supplement for the possible tax consequences of different characterizations or treatment of your Notes for U.S. federal income tax purposes.

The IRS has also issued a notice that may affect the taxation of the Notes. According to the notice, the IRS and the Treasury Department are actively considering whether the holder of an instrument such as the Notes should be required to accrue ordinary income on a current basis, and they are seeking comments on the subject. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, holders of the Notes will ultimately be required to accrue ordinary income currently and this could be applied on a retroactive basis. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, of the above considerations. We intend to treat the Notes for U.S. federal income tax purposes in accordance with the treatment described above unless and until such time as the Treasury Department and the IRS determine that some other treatment is more appropriate.

Non-U.S. Holders. The U.S. federal income tax treatment of the Contingent Interest Payment is unclear. We currently do not intend to withhold any tax on any Contingent Interest Payment made to a non-U.S. holder that provides us with a fully completed and validly executed applicable IRS Form W-8 BEN. However, it is possible that the IRS could assert that such payments are subject to U.S. withholding tax, or that we or another withholding agent may otherwise determine that withholding is required, in which case we or the other withholding agent may withhold up to 30% on such payments (subject to reduction or elimination of such withholding tax pursuant to an applicable income tax treaty).

Section 871(m) of the Code requires withholding (up to 30%, depending on the applicable treaty) on certain financial instruments to the extent that the payments or deemed payments on the financial instruments are contingent upon or determined by reference to U.S.-source dividends. Under proposed U.S. Treasury Department regulations, certain payments that are contingent upon or determined by reference to U.S.-source dividends, including payments or adjustments for extraordinary U.S.- source dividends, with respect to equity-linked instruments, including the Notes, may be treated as dividend equivalents subject to U.S. withholding tax. To the extent any final regulations may impose a withholding tax on payments or adjustment made on the Notes on or after January 1, 2013 that are treated as U.S.-source dividend equivalents, we (or the applicable paying agent) would be entitled to withhold taxes without being required to pay any additional amounts with respect to amounts so withheld. Further, non-U.S. holders may be required to provide certifications prior to or upon the sale, redemption or maturity of the Notes in order to minimize or avoid U.S. withholding taxes.

Foreign Account Tax Compliance Act. Sections 1471 through 1474 of the Internal Revenue Code (which are commonly referred to as “FATCA”) generally impose a 30% withholding tax on certain payments, including “pass-thru” payments to certain persons if the payments are attributable to assets that give rise to U.S.-source income or gain. Pursuant to recently issued final Treasury regulations and administrative guidance, this withholding tax would not be imposed on payments made pursuant to obligations that are outstanding on July 1, 2014 (and are not materially modified after June 30, 2014). Accordingly, FATCA withholding generally is not expected to be required on the Notes. If, however, withholding is required as a result of future guidance, we (and any paying agent) will not be required to pay additional amounts with respect to the amounts so withheld.

Significant aspects of the application of FATCA are not currently clear and Investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES TO THEM OF ACQUIRING, HOLDING AND DISPOSING OF THE NOTES AND RECEIVING PAYMENTS UNDER THE NOTES.

VALIDITY OF THE NOTES

In the opinion of Allen & Overy LLP, when the Notes have been duly completed in accordance with the Indenture and issued and sold as contemplated by the prospectus supplement and the prospectus, the Notes will be valid, binding and enforceable obligations of the Bank, entitled to the benefits of the Indenture, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith). This opinion is given as of the date hereof and is limited to the laws of the State of New York. This opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and to such counsel's reliance on the Bank and other sources as to certain factual matters, all as stated in the legal opinion dated December 11, 2012, which has been filed as Exhibit 5.1 to the Bank's Form F-3/A dated December 11, 2012.

In the opinion of Osler, Hoskin & Harcourt LLP, the issue and sale of the Notes has been duly authorized by all necessary corporate action of the Bank in conformity with the Indenture, and when the Notes have been duly executed, authenticated and issued in accordance with the Indenture, the Notes will be validly issued and, to the extent validity of the Notes is a matter governed by the laws of the Province of Ontario or Québec, or the laws of Canada applicable therein, and will be valid obligations of the Bank, subject to applicable bankruptcy, insolvency and other laws of general application affecting creditors' rights, equitable principles, and subject to limitations as to the currency in which judgments in Canada may be rendered, as prescribed by the Currency Act (Canada). This opinion is given as of the date hereof and is limited to the laws of the Province of Ontario and the federal laws of Canada applicable thereto. In addition, this opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated December 11, 2012, which has been filed as Exhibit 5.2 to the Bank's Form F-3/A filed with the SEC on December 11, 2012.