

Scotia Investments Jamaica Limited

Scheme Booklet

containing
Scheme of Arrangement
and
Explanatory Statement

This Document is important and requires your Immediate Attention



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

PART 4 (THE EXPLANATORY STATEMENT) OF THIS CIRCULAR COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 207 OF THE COMPANIES ACT, 2004. THIS CIRCULAR CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN ALL THE SHARES IN SCOTIA INVESTMENTS JAMAICA LIMITED (“SIJL”) NOT ALREADY HELD BY SCOTIA GROUP JAMAICA LIMITED (“SCOTIA GROUP”) BEING CANCELLED AND SCOTIA GROUP BECOMING THE SOLE SHAREHOLDER IN SIJL AND PAYING CASH TO THE HOLDERS OF SUCH CANCELLED SIJL SHARES.

If you have sold or otherwise transferred all your SIJL Shares then please send this document at once to the purchaser or transferee, or to the dealer or other agent through whom the sale or transfer was made for delivery to the purchaser or transferee. If you have sold or transferred a part only of your holding of SIJL Shares then please consult the dealer through whom the sale or transfer was made.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR SECURITIES DEALER, INVESTMENT ADVISER, BANK MANAGER, ATTORNEY-AT-LAW, ACCOUNTANT OR OTHER INDEPENDENT PROFESSIONAL ADVISER, WHO IF, YOU ARE TAKING ADVICE IN JAMAICA, IS AUTHORISED UNDER THE SECURITIES ACT TO PROVIDE SUCH ADVICE, OR FROM AN APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER IF YOU ARE IN TRINIDAD AND TOBAGO OR ANY OTHER COUNTRY OUTSIDE JAMAICA.

RECOMMENDED SHARE CAPITAL CANCELLATION SCHEME OF ARRANGEMENT PROPOSING THAT ALL ORDINARY STOCK UNITS ISSUED BY SCOTIA INVESTMENTS JAMAICA LIMITED (“SIJL”) AND NOT ALREADY HELD BY SCOTIA GROUP JAMAICA LIMITED (“SCOTIA GROUP”) BE CANCELLED IN CONSIDERATION FOR SCOTIA GROUP PAYING TO EACH HOLDER OF SUCH STOCK UNITS THE SUM OF JS38.00 (OR, FOR STOCK UNITS REGISTERED ON THE TRINIDAD AND TOBAGO STOCK EXCHANGE OR, AT OTHER SIJL SHAREHOLDERS’ OPTION, THE US\$ CURRENCY EQUIVALENT OF JS38.00) PER CANCELLED STOCK UNIT TO BE EFFECTED BY A SCHEME OF ARRANGEMENT UNDER SECTIONS 206 AND 207 OF THE COMPANIES ACT, 2004 OF JAMAICA.

AND

NOTICE OF A MEETING OF SHAREHOLDERS OF SCOTIA INVESTMENTS JAMAICA LIMITED SUMMONED BY ORDER OF THE SUPREME COURT OF JUDICATURE OF JAMAICA.

Your attention is drawn to the letter from the Chairman of The Committee of Independent Directors which is set out in **Part 3** (Letter from the Chairman of The Committee of Independent Directors) of this Circular and which recommends that you vote in favour of the Resolution to be proposed at the Court Ordered Shareholders’ Meeting. A statement explaining the Scheme appears in **Part 4** (Explanatory Statement) of this Circular.

Notice of the Court Ordered Shareholders' Meeting of the Company to be held at Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5 in the Parish of Saint Andrew, Jamaica on 30th day of August, 2017 is sent with this Booklet. The Court Ordered Shareholders' Meeting will start at 2:00 p.m. (Jamaica time) (3:00 p.m. Trinidad & Tobago time).

Capitalized words and phrases used in this Circular shall have the meanings given to them in Part 9 (Definitions) of this Circular.

The action to be taken in respect of the Court Ordered Shareholders' Meeting is set out in Part 1 of this Circular. Members will find enclosed with this Circular a Form of Proxy for use in connection with the Court Ordered Shareholders' Meeting. Whether or not you intend to attend the Court Ordered Shareholders' Meeting in person, please complete and sign the enclosed Forms of Proxy in accordance with the instructions printed on them and return them to:

- (a) if you are in Jamaica or elsewhere and your SIJL Shares are not listed on the T&T Sub-register:

The Secretary
Scotia Investments Jamaica Limited
9th Floor
Duke & Port Royal Streets
Kingston
Jamaica

Fax: 1(876)967-4107
e-mail: richard.fraser1@scotiabank.com

or

- (b) if your SIJL Shares are listed on the T&T Sub-Register:

Rachel Laquis
Scotiabank Trinidad and Tobago Limited
56-58 Richmond Street
Port of Spain
Trinidad

Fax: 1(868) 627-5278
e-mail: rachel.laquis@scotiabank.com

If you are sending a Form of Proxy from outside Jamaica you should do so as soon as possible and, in any event, so as to be received by the deadline set out on the relevant form. If the Form of Proxy is not returned by the specified time, it may be handed to the Chairman of the Meeting (or in the case of the Video-linked Meeting in Port of Spain to the Convenor of that meeting) before the start of the Court-Ordered Meeting and will still be valid.

It is important that you also read the rest of this Circular.

If you have any questions, including in relation to the completion and return of the Form of Proxy, please call any of the following numbers:

- (a) if you are calling from Jamaica (or elsewhere other than Trinidad & Tobago):
1(876) 932-0540
- (b) if you are calling from Trinidad & Tobago:
1(868) 625-3566 Ext. 2294

The statements contained in this Circular are made as at the date of this Circular, unless some other time is specified in relation to them, and service of this Circular shall not give rise to any representation that there has been no change in the facts set forth in the Circular since that date. Nothing contained in this Circular shall be deemed to be a forecast, projection or estimate of the future financial performance of SIJL or Scotia Group or any other Group Company except where otherwise stated. Save as required by applicable laws or regulations, neither Scotia Group nor any of its Subsidiaries assume any obligation to, and do not intend to, update any forward-looking statements contained in this Circular as a result of new information or future events or developments.

No person has been authorised to make any representations on behalf of Scotia Group or SIJL concerning the Scheme which are inconsistent with the statements contained in this Circular and any such representations, if made, may not be relied upon as having been authorised.

The contents of this Circular are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this Circular you should consult your own legal adviser, securities dealer, investment adviser, bank manager or tax adviser for legal, business, financial or tax advice. Take note that in some countries such as Jamaica and Trinidad & Tobago only licenced or registered professionals may be lawfully authorised to render certain types of advice in a professional capacity

This Circular does not constitute, and may not be used for the purposes of an invitation or the solicitation of a vote in respect of the Scheme by any person in any jurisdiction: (i) in which such solicitation or invitation is not authorised; or (ii) in which, or to any person to whom, it is unlawful to make such solicitation or invitation or would impose any unfulfilled registration, publication or approval requirements on SIJL or Scotia Group or any of their respective directors, officers, agents and advisers. No action has been taken nor will any action be taken in any jurisdiction outside Jamaica or Trinidad & Tobago by any person that would permit a public solicitation in any such jurisdiction where action for that purpose is required to render public solicitation lawful, nor has any such action been taken with respect to the possession or distribution of this Circular other than in any jurisdiction where action for that purpose is not required. Neither Scotia Group nor any of its Subsidiaries, or their respective agents or advisers accepts any responsibility for any violation of any of these restrictions by any other person.

General Notice to Overseas Members

No solicitation or offer is being made, directly or indirectly, in or into any Restricted Jurisdiction or by the use of mail, or by any other means including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication of interstate or foreign commerce of, or any facility of a national securities exchange of a Restricted Jurisdiction and no election or acceptance by any use, means or facility or from within any such Restricted Jurisdiction shall be permitted. Accordingly, unless otherwise determined by SIJL copies of this Circular and any documentation relating to the Scheme are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send any such documents in or into or from any such Restricted Jurisdiction. Any

person (including, without limitation, custodians, nominees and trustees) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Circular and/or otherwise intends to, forward this Circular and/or any other documentation relating to the Scheme to any jurisdiction outside Jamaica or Trinidad & Tobago should inform themselves of, and observe, any applicable legal or regulatory requirements of any relevant jurisdiction.

None of SIJL, Scotia Group or its Subsidiaries or their respective directors, officers, agents and advisers is making any representation to any SIJL Shareholder regarding the legality of any vote under the laws of any jurisdiction other than Jamaica and Trinidad & Tobago. Each SIJL Shareholder should consult with his, her or its own advisers as to the legal, tax, business, financial and related aspects of voting on the proposed Resolutions.

Notice to US Members

This Circular is not an offer, or solicitation of an offer to purchase securities in the United States or to solicit votes and the Scheme Booklet will not be registered under the US Securities Act or under the securities law of any State, district or other jurisdiction of the United States. No regulatory clearance in respect of the proposed scheme of arrangement has been, or will be, applied for in any other jurisdiction.

Forward-looking Statements

This document (including the information incorporated by reference herein) may contain statements about SIJL, Scotia Group and companies controlled by Scotia Group which are or may be deemed to be “forward-looking statements” which are prospective in nature. All statements other than statements of historical fact are forward-looking statements. They are based on current expectations and projections about future events, and therefore subject to risks and uncertainties which could cause results to differ materially from the future results expressed or implied by the forward-looking statement. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “targets”, “aims”, “projects”, “future-proofing” or words or terms of similar substance or the negative thereof, as well as variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “might”, “will”, “be taken”, “occur”, or “achieve”. Such statements are qualified in their entirety by inherent risks and uncertainties surrounding future expectations. Forward-looking statements may include statements relating to the following: (i) future expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses, future prospects; (ii) business and management strategies or the Scotia Group’s operations and potential synergies resulting from the scheme of arrangement; or (iii) the effect of economic conditions in Jamaica and globally on Scotia Group and its Subsidiaries.,

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on key assumptions. Many factors may cause the actual results, performance or achievements of SIJL or Scotia Group and its other Subsidiaries, to be materially different from any future results, performance or achievements expressed or implied in the forward-looking statements. Important factors that could cause actual results, performance or achievements of Scotia Group and its Subsidiaries, as a whole, to differ materially from expectations include, among other things, general business and economic conditions in Jamaica or globally, industry trends, competition, changes in government policy, changes in economic, political or social stability in Jamaica or elsewhere, disruptions in business operations due to hurricane and other natural disasters, interest rate and currency fluctuations, the failure to obtain requisite

licences, regulatory approvals and consents on a timely basis. Accordingly, all forward looking statements should be construed in light of such factors.

Neither SIJL nor any of its directors, officers or advisers provides any representation, assurance, or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

Other than in accordance with its legal obligations or regulatory requirements neither SIJL nor any of its directors, officers or advisers is under any obligation to, and they each expressly disclaim any intention or obligation, update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

THIS DOCUMENT IS NOT A PROSPECTUS OR A PROSPECTUS EQUIVALENT DOCUMENT.

Publication of this Document

A hard copy of this document will be sent to all holders of SIJL Shares listed on the Register of SIJL as of the date of this document (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions). You may also obtain a hardcopy of this document or any other Scheme Document, free of cost, in Jamaica (at the Head office or any branch of SIJL or in Trinidad & Tobago (at or from the Head Office of Scotiabank Trinidad & Tobago Limited)). This document may also be viewed (subject to any applicable restrictions with respect to persons who are resident in Restricted Jurisdictions) on SIJL's web site at scotiainvestmentsjm.com. For the avoidance of doubt, save as expressly stated herein, the contents of that website or any other website on which it is posted are not, do not form part of, and are not incorporated herein.

This Circular is dated July 28, 2017

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ENCLOSED APPENDICES

- 1A NOTICE OF COURT-ORDERED SHAREHOLDERS' MEETING (for Jamaica only)
- 1B NOTICE OF VIDEO-LINKED MEETING IN PORT OF SPAIN (for T&T Stockholders only)
2. CURRENCY ELECTION FORM
3. FORM OF PROXY

PART 1- ACTION TO BE TAKEN BY SIJL SHAREHOLDERS

It is important that for the Court Ordered Shareholders' Meeting, in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the shareholders' opinion. Whether or not you intend to attend the Meeting, you are therefore strongly encouraged to complete, sign and return your Proxy Forms in accordance with the instructions below. If you attend the Meetings afterwards your Proxy will be voided and you will be able to cast your own vote.

Vote at the Court Ordered Shareholders' Meeting

The Scheme of Arrangement will require approval at a Meeting of SIJL Shareholders convened by order of the Court. This meeting will be held at Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, Saint Andrew, Jamaica starting at 2:00 p.m. on August 30, 2017. (See below for arrangements made with respect to attendance at the Meeting by Stockholders whose shares are held in the Trinidad & Tobago Central Depository. Please check that you have received with this booklet a Form of Proxy for use in respect of the Court Ordered Shareholders' Meeting.

If you have not received all of the documents, please contact:

In Jamaica

Tel: 1(876) 932-0540; or

E-mail: richard.fraser1@scotiabank.com

In Trinidad & Tobago

Tel: 1(868) 625-3566 Ext: 2294

E-mail: rachel.laquis@scotiabank.com

SIJL Shareholders on the T&T Sub-register

The shares of SIJL are cross-listed on the Trinidad & Tobago Stock Exchange and there are approximately 634 SIJL Shareholders whose address on the SIJL share register shows them as residing in Trinidad & Tobago. The Court has ordered that SIJL shall make special arrangements for those shareholders "to attend" the Court Ordered Shareholders' Meeting".

Accordingly, SIJL will send a Notice to all SIJL Shareholders on the T&T Sub-register (along with all Scheme Documents) inviting them to attend at an appropriate venue in Port of Spain at the time of the Court Ordered Shareholders' Meeting where a "big screen" video conference link will be established with the main meeting in Kingston (herein for convenience called "the Video-linked Meeting"). Through the video link SIJL Shareholders at the Video-linked Meeting in Port of Spain will be able to participate in the Court Ordered Shareholders' Meeting in Kingston and cast the votes in person or by proxy. **The Video-linked Meeting will be held at Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain, Trinidad starting at 3.00p.m. Trinidad & Tobago Time.**

As a SIJL Shareholder you are eligible to vote

For the reasons set out in this Scheme Booklet the Directors of SIJL (acting through a committee of independent directors) unanimously consider that the Scheme of Arrangement described in the Explanatory Statement included herein is in the best interest of SIJL Shareholders. Accordingly, in order

to implement the Scheme, the Directors of SIJL strongly recommend that you vote in favour of the Scheme.

Information you should consider

You should read this Scheme Booklet in particular the Explanatory Statement starting on page 18 and the Scheme of Arrangement starting on page 28.

How to return proxy forms

Proxy Forms may be returned:

- (a) in the case of SIJL Shareholders in Jamaica or elsewhere (other than those on the T&T Sub-register):
 - (i) by post addressed to the:

Secretary
Scotia Investments Jamaica Limited
c/o 9th Floor Scotiabank Centre
Duke & Port Royal Streets
Kingston
 - (ii) by delivering them to the Head Office or any branch of SIJL
 - (iii) by email to: richard.fraser1@scotiabank.com
- (b) in the case of SIJL Shareholders on the T&T Sub-register:
 - (i) by post addressed to:

Rachel Laquis
Scotiabank Trinidad and Tobago Limited
56-58 Richmond Street
Port of Spain
Trinidad
 - (ii) by email to: rachel.laquis@scotiabank.com

Proxy Forms may also may also be downloaded from the SIJL web site at <https://scotiainvestmentsjm.com>

Additionally, Members may also hand in completed proxies, when they attend the Court Ordered Shareholders' Meeting in Kingston or the Video-linked Meeting in Port of Spain.

Please contact Richard Fraser 1(876) 932-0540 (Jamaica) or Rachel Laquis 1(868) 625-3560 ext. 2294 (Trinidad & Tobago) if you are having difficulties in returning your proxies.

When Proxies should be returned

Proxies should be returned as soon as possible and in any event by 5:00 p.m. (Jamaica time) or 5.00 p.m. (Trinidad & Tobago Time) on August 28, 2017.

Alternately Forms of Proxy may be handed to the Chairman of the Court Ordered Shareholders' Meeting or the Co-ordinating Convenor of the Video-linked meeting before the start of the Court Ordered Shareholders' Meeting and will be valid.

The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Court Ordered Shareholders' Meeting (including through the Video-linked meeting in Port of Spain) or any adjournment thereof, if you so wish, and are so entitled. In such a case your presence at the meeting would automatically revoke your proxy appointment and you would be entitled to vote as if you had not previously appointed a proxy.

T&T Sub-register

SIJL Shares are cross-listed on the Trinidad & Tobago Stock Exchange. SIJL maintains a list of the SIJL Shareholders whose SIJL Shares are listed on the T&T Stock Exchange. That list is herein called the T&T Sub-register. There are approximately 634 SIJL Shareholders listed on the T&T Sub-register. The SIJL Shareholders who are listed on the T&T Sub-register are those who bought their SIJL Shares on the Trinidad & Tobago Stock Exchange. If you are in doubt whether you are listed on the T&T Sub-register please contact any of the following persons for confirmation:

(a) in Trinidad & Tobago

Trinidad and Tobago Central Securities Depository Limited
10th Floor
Nicholas Road
63-65 Independence Square
Port of Spain
Trinidad

Tel: (868) 625-5107-9/ (868) 625-7148
Fax: (868) 623-0089

(b) in Jamaica

PwC Corporate Services (Jamaica) Limited
7th Floor, Scotiabank centre
Cnr. Duke & Port Royal Streets
Kingston
Jamaica

Tel: (876) 922-6230
Fax: (876) 967-9467
E-mail: pwccs.scotia@jm.pwc.com

PART 2 - EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The date and time given below are indicative only and are based on SIJL's current expectation and may be subject to change including as a result of changes to anticipated Court dates or regulatory consultation. In particular, the date for the Court hearing to sanction the Scheme (and accordingly all subsequent events) has not been fixed with the Registrar of the Supreme Court and is based on past experience in dealing with similar proceedings and on the assumption that Court dates will be available. If Court dates are not available the other dates which are dependent on that date will be subject to corresponding adjustment. If any of the data below changes materially the revised date will be published on the SIJL website at scotiainvestmentsjm.com or if the Board thinks fit, in the print media in Jamaica and Trinidad & Tobago.

Event	Last Date
Latest time for return of Forms of Proxy for the Court Ordered Shareholders' Meeting (i) for Jamaica and elsewhere (other than Trinidad & Tobago); (ii) Trinidad & Tobago	5.00 p.m. (Jamaica time) on August 28, 2017; 5.00 p.m. (T&T time) on August 28 2017
Date of Court Ordered Shareholders' Meeting ^{1,2}	August 30, 2017
Court hearing to sanction the Scheme	To be fixed by the Registrar of the Supreme Court ³
Scheme Record Time ⁴	6.00 p.m. on the date before the Effective Date
Effective Date	The date when the Order sanctioning the Scheme is filed with the Companies Office of Jamaica ⁵
Last day for returning Currency Election Form	4 th Business Day before the Payment Date
Payment Date	Not later than 10 Business Days after the Effective Date
Long Stop Date ⁶	December 31, 2017

All times shown in this Circular are Jamaican times unless otherwise stated.

¹ If the Court Ordered Shareholders' Meeting is adjourned, the Voting Record Time for the adjourned meeting (s) will be 6.00 p.m. on the day which is two days before the date of the Court adjourned meeting. The Voting Record Time is the last day by which proxies for a meeting should be lodged with the Secretary of SIJL. Note that proxies not handed in before that time may be handed to the Chairman at the Court Ordered Shareholders' Meeting.

² The Court Ordered Shareholders' Meeting will be held in Kingston, Jamaica and a video-link will be established in Port of Spain to allow SIJL Shareholders in T&T to electronically "attend" and to vote at the Court Ordered Shareholders' Meeting.

³ Expected to be no more than two (2) weeks after Court-Ordered Meeting

⁴ This date is indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme.

⁵ This would customarily be done by the date after the Court Order is issued.

⁶ The latest date by which the scheme of arrangement may become effective unless Scotia Group and SIJL decide otherwise.

Directory

<i>DIRECTORS</i>	
Jeffrey Hall	<i>Non-Executive Chairman</i>
Lissant Mitchell,	<i>Chief Executive Officer</i>
Barbara Alexander	<i>Non-Executive Director</i>
Angela Fowler	<i>Non-Executive Director</i>
William David McConnell	<i>Non-Executive Director</i>
Audrey Richards ⁷	<i>Non-Executive Director</i>
Jacqueline Sharp	<i>Non-Executive Director</i>
Peter Slan ⁸	<i>Non-Executive Director</i>

Attorneys-at-law to SIJL in Jamaica

Patterson Mair Hamilton
Temple Court
85 Hope Road
Kingston 6
Jamaica

Tel: (876)920-4000
Fax: (876) 930-0244
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Attorneys-at-law to SIJL in T&T

Johnson Camacho & Singh
5th Floor, Newtown Centre
30-36 Maraval Road
Newtown,
Port of Spain
Trinidad

Tel: (868) 225-4JCS
Fax: (858) 622-2671
E-mail: ccamacho@jcscaribbean.law.com

Auditors

KMPG
Victoria Mutual Building
6 Duke Street
Kingston
Jamaica

Tel: (876) 922-6640
Fax: (876) 922-7198
E-mail: firmmail@kpmg.com.jm

Registrar & Transfer Agent

PwC Corporate Services (Jamaica) Limited
7th Floor, Scotiabank Centre
Cnr. Duke & Port Royal Streets
Kingston
Jamaica

Tel: (876) 922-6230
Fax: (876) 967-9467
E-mail: pwccs.scotia@jm.pwc.com

⁷ Appointed April 5, 2017.

⁸ Appointed May 1 2017. Mr. Slan is an Executive with the Bank of Nova Scotia in Toronto, Canada.

**PART 3 - LETTER FROM THE CHAIRMAN OF THE COMMITTEE OF
INDEPENDENT DIRECTORS**

July 28, 2017

To: SIJL Shareholders and, for information only, participants in the SIJL Employee Share Scheme and persons with information rights in SIJL.

Introduction

1. On behalf of the Committee of Independent Directors established by the Board of Directors of Scotia Investments Jamaica Limited (“SIJL”) I am pleased to provide you with this Scheme Booklet which contains information for your consideration in relation to the proposed scheme of arrangement (“the Scheme”) whereby the majority shareholder, Scotia Group Jamaica Limited (“Scotia Group”), is seeking to acquire 100% control of SIJL by way of a Scheme of Arrangement.

2. On June 12, 2017 the Board of Directors of SIJL announced that it had received a proposal from Scotia Group to acquire all of the remaining 22.99% of the issued share capital of SIJL. Prior to receipt of the proposal, on May 18, 2017 Scotia Group had informed the SIJL Board, by way of an expression of interest letter that the transaction was under consideration. The SIJL Board of Directors met and established a Committee of Independent Directors to review the Scotia Group proposal and assume independent oversight of the transaction. The Committee comprised those directors of SIJL who hold no cross-directorships with any other company within the Scotia Group of companies (other than subsidiaries of SIJL itself) or the wider BNS group of companies and are not employed by SIJL or any other company within the Scotia Group of companies or the wider BNS group of companies. These directors are:

- (a) Audrey Richards - Chairperson of the Committee;
- (b) Angela Fowler; and
- (c) William David McConnell.

3. The purpose of this letter is to:

- (a) explain the background to, and reasons for, the transaction;
- (b) explain why the SIJL Directors unanimously consider the Scheme to be fair and reasonable; and
- (c) unanimously recommend that you vote in favour of the Scheme subject to the Independent Expert not withdrawing its Fairness Opinion in which it concluded that the consideration of J\$38 is fair to the minority shareholders of SIJL.

Summary of the terms of the Transaction

4. The proposed transaction is to be effected by a scheme of arrangement under sections 206-208 of the Companies Act, 2004 of Jamaica. This is a commonly used legal procedure in other Commonwealth jurisdictions to enable one company to acquire 100% control of another company subject to a special vote of the shareholders and approval of the Court.

5. SIJL Shares are listed on the Jamaica Stock Exchange (“JSE”) and cross-listed on the Trinidad and Tobago Stock Exchange (“T&TSE”). Under the Scheme (if approved by the requisite majorities of SIJL shareholders and the Court) all the shares in SIJL held by SIJL Shareholders (other than Scotia Group) will be cancelled and in consideration for such cancellation all SIJL Shareholders whose SIJL Shares are listed on the JSE will receive compensation of J\$38.00 per SIJL Share (with an option to elect to receive payment in United States currency (“US\$”) based on the weighted average selling rate for US\$ published by the Bank of Jamaica three (3) Business days before the Payment Date. SIJL Shareholders whose SIJL Shares are cross-listed on the T&TSE will be paid in US\$ only based on J\$38.00 per SIJL Share converted at the aforesaid exchange rate.

6. The following table compares the cash consideration with the trading history of SIJL Shares on both the JSE and the T&TSE over the last 12 months.

JAMAICA STOCK EXCHANGE

Trading History	Closing Price (06/30/2017)		3 Month Volume-Weighted Average		1 Year Volume Weighted Average	
	Price	Premium	Price	Premium	Price	Premium
Price	\$ 37.75	0.66%	\$ 37.14	2.30%	\$ 32.39	17.32%
Volume	30,000		3,649,528		11,881,911	

TRINIDAD & TOBAGO STOCK EXCHANGE

Trading History	Closing Price (06/30/2017)		3 Month Volume-Weighted Average		1 Year Volume Weighted Average	
	Price	Discount	Price	Discount	Price	Discount
Price	\$ 1.95	-0.62%	\$ 2.10	-7.55%	\$ 2.06	-5.80%
Volume	2,024,656		2,591,144		5,219,089	

Exchange Rate: Based on JMD/TTD Buying Rate per Central Bank of T&T as at June 30, 2017

As the tables show, the market in SIJL shares is very thin on both Exchanges – in particular on the T&T SE, and trading prices have moved on very small volumes. This means that disposal of larger blocks of SIJL Shares across the trading floor would have a depressive impact on the trading price and the higher the volume the greater would be the downward pressure on the share trading price.

The Committee of Independent Directors

7. The following is a brief résumé of the members of the Committee of Independent Directors:

Audrey Richards, B.Sc., M.B.A.

8. Mrs. Richards was appointed to the Board on April 5, 2017. She is currently engaged as a consultant to the Development Bank of Jamaica Limited (“DBJ”) tasked with the responsibility of establishing the legal, regulatory, tax and financial regimes for the development of venture capitalism and a private equity industry in Jamaica. She has over twenty (20) years’ experience in the Jamaica capital market having previously served as chief executive officer of Edward Gayle & Company Limited and NCB Investments Limited (now NCB Capital Markets Limited). She has provided consultancy services to a number of institutions including the Inter-American Development Bank, The Bank of Jamaica, the Jamaica Stock Exchange and the Financial Services Commission.

9. Mrs. Richards currently serves on a number of other boards including British Caribbean Insurance Company Limited, Caribbean Mezzanine Fund 1 Limited and Scotia Asset Management Limited. She is a foundation member of the JSE Best Practice Committee and a member of the National Payment Council of the Bank of Jamaica. She is a former Deputy Chairman of the Jamaica Stock Exchange, former member of the National Payments Council and Past Chairman of the Primary Dealers Association of Jamaica. Mrs. Richards is a frequent speaker at international seminars and conferences and was an original co-host of the popular radio programme “*Real Business*”.

10. Mrs. Richards holds a B.Sc. in Chemistry from the University of the West Indies and an M.B.A from the De Groote Graduate School of Business, McMaster University in Canada.

Angela Fowler

11. Mrs. Fowler was appointed to the Board on July 25, 2007 and serves on its Audit & Conduct Review Committee and Human Resources and Pension Committee. She is an Attorney-at-Law and Senior Partner in the law firm, Livingston Alexander & Levy where she practices in the areas of commercial law, estates and corporate tax planning, pensions and employee benefits schemes. She is a member of the Jamaica Bar Association, the Private Sector Organisation of Jamaica, the International Pension and Employee Benefits Lawyers’ Association and is Deputy Chairperson of the Jessie Ripoll Primary School Board. Mrs. Fowler is a graduate of the University of the West Indies.

William David McConnell, B.A., M.B.A.

12. Mr. McConnell was appointed to the Board on August 2, 2016. He is Co-Managing Director and Co-Founder of Select Brands Limited, a leading wines and spirits company in Jamaica. Prior to establishing his own business, he held the position of Managing Director of Sales & Marketing of J. Wray & Nephew Limited and before that General Manager, Export Division with responsibilities for International Business.

13. Mr. McConnell holds a B.A. in Marketing and International Business from Florida International University and an M.B.A. in Marketing and Finance from the University of Miami.

Independent Expert

14. Following their appointment, the Committee of Independent Directors engaged Ernst & Young Services Limited (“EY”) as Independent Experts to assess the merits of the Scheme. The Independent Expert has concluded that the Scheme is fair and reasonable, in the absence of a Superior Proposal. The Independent Expert has estimated the value of SIJL Shares at J\$36.37 (based on net asset value); J\$24.23 to J\$29.73 (based on income approach) and J\$28.36 to J\$39.47 (based on the market approach). The consideration of (J\$38.00) per Share now proposed by Scotia Group is at the upper end of the foregoing range of values.

15. A complete copy of the Independent Expert’s Report is among the **Documents Available for Inspection** (See Part 7(3) below). As at the date of publication of the Scheme Booklet the Independent Expert has not withdrawn or modified its Report.

Directors' Recommendation

16. **Your Directors unanimously recommend that you vote in favour of the Scheme** in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the consideration of J\$38 is fair to the minority SIJL Shareholders. Subject to those same qualifications each of your Directors intends to vote all their SIJL Shares held or controlled by them in favour of the Scheme.

17. Your Directors have formed the view that the Scheme is in the best interest of the minority shareholders of SIJL for the following reasons:

- (a) The Independent Expert has concluded that the consideration of J\$38 is fair to the minority shareholders of SIJL, in the absence of a Superior Proposal. The Independent Directors were advised by Trevor Patterson, attorney-at-law of Patterson Mair Hamilton that the proposed scheme of arrangement is the most cost effective and efficient way of taking SIJL private.
- (b) The cash payment to be made to the minority SIJL Shareholders represents a premium over the share price which could possibly be realized if the minority Shareholders of SIJL were to sell their SIJL Shares in the ordinary course of trading on the Jamaica Stock Exchange however a discount on the T&TSE using as proxy the J\$/TTD buying exchange rate per the Central Bank of T&T as at May 31, 2017. Shareholders whose SIJL Shares are listed on the JSE will receive compensation of J\$38.00 per SIJL Share (with an option to elect to receive payment US\$ based on the weighted average selling rate for US\$ published by the Bank of Jamaica three (3) Business Days before the Payment Date. SIJL Shareholders whose SIJL Shares are cross-listed on the T&TSE will be paid in US\$ only based on J\$38.00 per SIJL Share converted at the aforesaid exchange rate.
- (c) The controlling shareholder, Scotia Group, intends to take SIJL private and that would mean de-listing SIJL from the JSE and the T&TSE. The Scheme gives minority shareholders their last opportunity to dispose of their SIJL Shares before any application is made to de-list SIJL Shares from the two Stock Exchanges.
- (d) If a SIJL Shareholder were to sell his SIJL Shares in the course of trading on the JSE or the T&TSE he would incur stock exchange related fees (0.30% on the JSE and 0.18% on the T&TSE) in addition to broker's fee (negotiable but customarily 2% on both the JSE and the T&TSE). Under the Scheme these costs will be avoided. SIJL Shareholders will receive full payment without deduction save any bank wire transfer fees which an intermediary or receiving bank may deduct from payments made to SIJL Shareholders who elect to receive their payments by wire transfer.
- (e) A number of key SIJL Shareholders including, Mayberry West Indies Limited and Mayberry Managed Client Account which holds 2.24% as at June 30, 2017 have signed "lock-up" agreements whereby they have agreed to vote in favour of the Scheme.

18. In forming their view that the Scheme is in the best interest of the minority SIJL Shareholders, your Directors also took account of the following factors:

- (a) The fact that the minority SIJL Shareholders will no longer be able to participate in the future performance of SIJL.

- (b) The fact that the ability of Scotia Group to extract synergies from more closely integrating SIJL into the BNS Group is mutually exclusive with the minority SIJL Shareholders remaining in the Company. In other words the synergies which Scotia Group hopes to achieve can only be realized if it is 100% beneficial owner of SIJL and are therefore not synergies which the minority SIJL Shareholders can possibly enjoy for so long as SIJL has outside minority shareholders the degree to which it can operationally integrate within the BNS Group is strictly limited by governance restrictions and other minority protection considerations.
- (c) That some SIJL Shareholders (especially those with customer relationships) may have held their SIJL Shares from the formative years of the Company and that their affinity to the Company may go beyond their shareholder relationship.

Management & Employees

19. Since Scotia Group already effectively controls SIJL it is not expected that the Scheme will have any material impact on the management and employees of SIJL. In particular there are no plans to effect any retrenchment or reorganization of the workforce as a result of the Scheme of Arrangement. However, as SIJL would be a 100% subsidiary of Scotia Group, opportunities would exist to increase the mobility of SIJL managers and employees across the BNS Group and *vice versa* with the aim of optimizing the human resource talent within the wider BNS Group of companies.

Irrevocable Undertaking

20. The following SIJL Shareholders holding the number of SIJL Shares as at June 30, 2017 set out opposite their respective names have signed Deeds of Irrevocable Undertaking ("Lock-up" Agreement) to vote all the SIJL Shares in support of the Scheme in the absence of a Superior Proposal.

SCOTIA INVESTMENTS SCHEME OF ARRANGEMENT SHAREHOLDERS "LOCK-UP" AGREEMENTS

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
MAYBERRY WEST INDIES LIMITED	7,465,109	1.76%
MAYBERRY MANAGED CLIENTS ACCOUNT	2,000,000	0.47%
TOTAL	9,465,109	2.24%

21. Scotia Group, as holder of 77.01% of the issued share capital of SIJL and which requested SIJL to undertake the Scheme, is also expected to vote its SIJL Shares in support of the Scheme.

Suspension & De-listing of SIJL Shares

22. It is not the intention of SIJL to apply either to the JSE or the T&TSE for trading in SIJL Shares to be suspended on either Exchange after announcement of the transaction. If circumstances shall arise whereby your Directors feel that a fair, orderly and transparent market in SIJL Shares is not being maintained or if for any other reason it is appropriate to halt or suspend trading in SIJL Shares then your Directors reserve the right to apply to the JSE and/or the Trinidad and Tobago Securities & Exchange Commission ("T&TSEC") to halt or suspend trading in SIJL Shares, as the case may be.

23. The Company will make a formal application to the JSE and the T&TSEC for its shares to be delisted from the JSE and the T&TSE with effect from the date on which the Supreme Court of Jamaica

makes an Order sanctioning the Scheme. After the Scheme becomes effective (by filing, with the Registrar of Companies in Jamaica, the relevant Court Order sanctioning the Scheme) SIJL intends to adopt new Articles of Incorporation to reflect its conversion from a public to a private company.

Shareholders in Trinidad & Tobago

24. There are approximately 634 SIJL Shareholders whose SIJL Shares are listed on the T&TSE. Those SIJL Shares are said to be on the T&T Sub-register. Such SIJL Shareholders are at liberty to physically attend the Court-ordered meeting in Kingston or to appoint proxies to attend on their behalf. However, arrangements will be made in Port of Spain for SIJL Shareholders on the T&T Sub-register to attend a large screen video-linked meeting which will be in direct visual and audio communication with the main meeting in the Corporate Area of Kingston and Saint Andrew, Jamaica. SIJL Shareholders at the video-linked meeting will, absent any technical glitch, be able to speak and will be seen and heard at the main meeting and may cast their votes on the Scheme resolution in the usual manner by poll. Such SIJL Shareholders will be reckoned in the quorum for voting purposes and in all respects will be treated as attending the Court-ordered meeting.

Other Overseas Shareholders

25. The implications of the Scheme for SIJL Shareholders outside Jamaica or Trinidad & Tobago may be affected by the laws of the relevant jurisdictions. Overseas shareholders should inform themselves about, and observe, all applicable laws and regulations as they may affect him relative to the Scheme.

Further Information

26. The terms of the Scheme are set out in **Part 5** of the Scheme Booklet. **Part 4** is the Explanatory Statement required pursuant to section 207(1) of the Companies Act, 2004. Your attention is also drawn to **Parts 6 and 7** which set out the payment arrangement and other pertinent information regarding the Scheme and its effect on various parties.

27. Please read the Scheme Booklet carefully and in its entirety as it will assist you to make an informed decision on how to vote. Do not rely solely on the information contained in this Letter. I also encourage you to seek independent financial, tax and other professional advice before making any decision. If you require any additional information please:

In Jamaica or elsewhere other than (Trinidad & Tobago):

Call: Richard Fraser at (876) 932-0540; or
send an e-mail to: richard.fraser1@scotiabank.com; or
send a fax to: (876)-967-4107

In Trinidad & Tobago:

call: Rachel Laquis at (868) 625-3560
send an e-mail to: rachel.laquis@scotiabank.com; or
send a fax to: (868) 627-5278

Yours truly,



Name: Mrs. Audrey Richards
The Chairman of the Committee of Independent Directors

PART 4 - EXPLANATORY STATEMENT



SUPREME COURT OF JUDICATURE OF JAMAICA

IN THE COMMERCIAL DIVISION

CLAIM NO. 2017 CD [00350]

IN THE MATTER of Scotia Investments Jamaica Limited

AND IN THE MATTER of the Companies Act, 2004

EXPLANATORY CIRCULAR UNDER SECTION 207 OF THE COMPANIES ACT, 2004

EXPLAINING SCHEME OF ARRANGEMENT

Proposed Scheme of Arrangement between Scotia Investments Jamaica Limited and the holders of its ordinary stock units (herein called “SIJL Stockholders”)

1. Pursuant to an Order dated July 12, 2017 made by the Supreme Court of Judicature of Jamaica in Claim No. 2017 CD000350 (“the Order”) a meeting (“the Court Ordered Scheme Meeting”) of the stockholders of Scotia Investments Jamaica Limited (“SIJL” or “the Company”) is being convened on 30th August, 2017 at 2:00 p.m. at:

Jamaica Pegasus Hotel
81 Knutsford Boulevard
Kingston 5
Saint Andrew

for the purpose of considering and, if though fit approving, with or without modification, the proposed scheme of arrangement (the “Scheme”) between SIJL and its stockholders pursuant to section 206 of the Companies Act, 2004 and other relevant provisions of the said Act. A copy of the Scheme approved by the Board of Directors of SIJL is enclosed with this document.

2. The Court has also ordered that the holders of stock units in SIJL (“SIJL Stockholders”) whose shares are held in the Trinidad and Tobago Central Depository (herein called “T&T Stockholders”) be afforded the opportunity to attend the aforesaid Court Ordered Scheme Meeting by a video conference link or by other telecommunications method whereby they may hear the proceedings and may speak and be heard by the meeting and that they be allowed to cast their votes as if they were physically in attendance at the Court Meeting in Jamaica. The Court further ordered that a senior representative of Scotiabank Trinidad & Tobago Limited (“Scotiabank T&T”) be appointed by the Company to assist in coordinating the orderly conduct of the meeting in Trinidad & Tobago and that the auditors of Scotiabank

T&T be appointed as scrutineers to oversee the voting and to report the results of the voting by the T&T Stockholders to the Chairman of the Court Ordered Scheme Meeting.

3. In terms of the said Court Order, the quorum for the Court Ordered Scheme Meeting will be as fixed by the Articles of Incorporation of SIJL for general meetings and is currently three (3) members present in person or by proxy. By the Court Order Jeffrey Hall has been appointed chairman of the Court Ordered Scheme Meeting, but in his absence Jacqueline Sharp, another director shall take the chair and in her absence the directors present shall appoint one of their numbers to act as chairman of the meeting.

4. This statement explaining the terms of the Scheme is being furnished as required by section 207 of the Companies Act, 2004.

5. In accordance with the provisions of section 206 of the Companies Act, 2004, the Scheme will be acted upon only if a majority in number of the SIJL Stockholders, present in person or by proxy at the Court Meeting, and representing three-fourths of the votes cast on the resolution cast their votes to approve the Scheme. For this purpose, T&T Stockholders who attend the Court Ordered Scheme Meeting in the manner stated in paragraph 2 above shall be counted in the quorum and also for the purpose of reckoning the requisite majorities aforesaid.

Particulars of SIJL

6. SIJL was incorporated on March 11, 1992 under the Companies Act of Jamaica as a private company limited by shares with company number 42,672 under the name, Dehring Bunting & Golding Limited (“DB&G”).

7. DB&G was duly licensed under the Financial Institutions Act to undertake securities dealing, brokerage, investment advisory and fund management services and became an active player in that area of the financial services sector. It established branch operations in Port of Spain, Trinidad & Tobago.

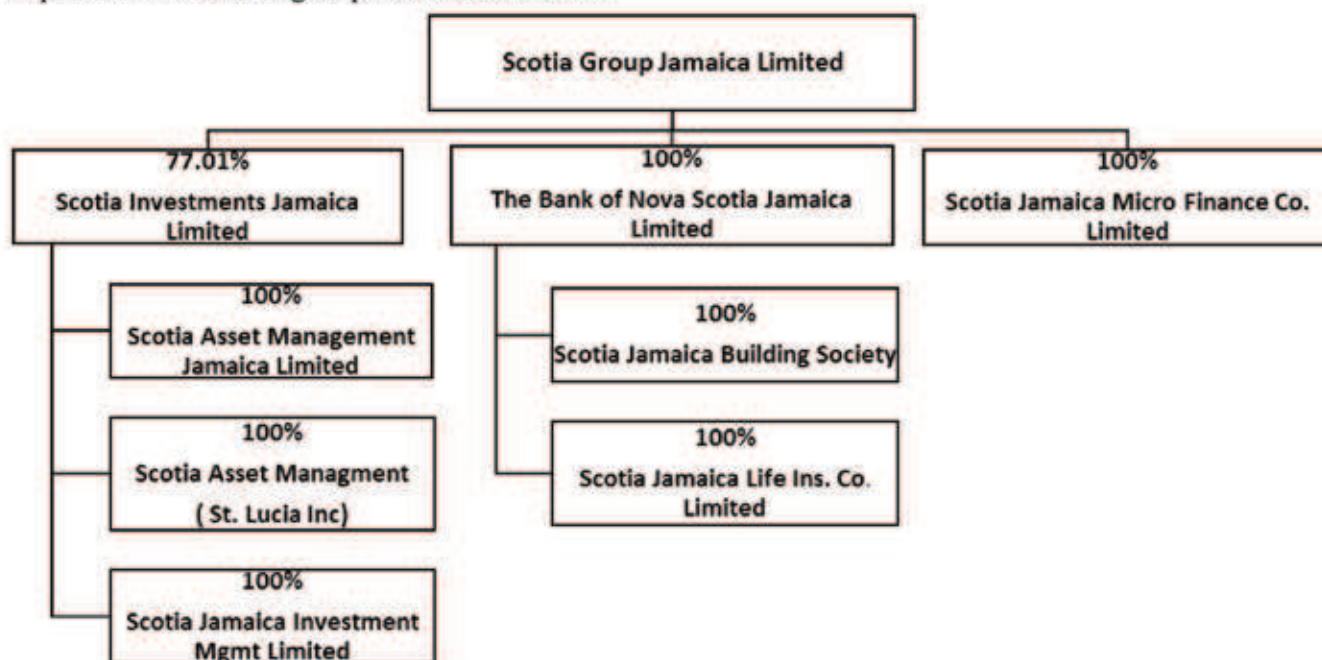
8. In June 5, 1992 DB&G converted to a public company and as part of the process made consequential amendments to its Articles of Association. Shortly thereafter it successfully made an initial public offer (“IPO”) following which its shares were listed on the Jamaica Stock Exchange (“JSE”). DB&G shares were subsequently cross-listed on the Trinidad & Tobago Stock Exchange (“TTSE”).

9. In October 2006 The Bank of Nova Scotia of Toronto, Canada (“BNS”) and its local subsidiary, The Bank of Nova Scotia Jamaica Limited (“BNSJ”) made a joint cash take-over bid, both in Jamaica and in Trinidad & Tobago, to acquire not less than 75% and not more than 80% of the issued ordinary shares of DB&G. The offer was successful and BNS and BNSJ jointly acquired 77.1% of the issued ordinary shares of DB&G.

10. Subsequent to the offer a scheme of arrangement (“2007 Scheme”) was undertaken in Jamaica under section 206-207 of the Companies Act, 2004 pursuant to which the DB&G shares held by BNS and BNSJ were cancelled and new DB&G shares were issued direct to Scotia Group Jamaica Limited (“Scotia Group”) and Scotia Group issued its own shares directly to BNS. In consideration for the cancellation of the DB&G shares previously held by BNSJ, BNS compensated BNSJ by a cash payment based on an independent professional valuation. The 2007 Scheme was sanctioned by the Supreme Court of Jamaica on March 8, 2007 and became effective soon thereafter upon filing a copy of the Court Order with the Registrar of Companies in Jamaica.

11. By the 2007 Scheme also all the shares issued by BNSJ (which was then listed on the JSE) were also cancelled and re-issued to Scotia Group, and Scotia Group in turn issued its own shares on a one for one exchange basis to the holders of such cancelled BNSJ shares.

12. As a result of the transactions referred to in paragraphs 10 and 11 above the current corporate structure of the Scotia Group of companies (ignoring subsidiaries not relevant to this transaction) is as depicted in the following corporate structure chart.



13. In the intervening period to the present time, DB&G changed its name to “Scotia DB&G Investments Limited” (March 31, 2008) and finally to “Scotia Investments Jamaica Limited” (March 14, 2011).

14. The current directors of SIJL and their direct and connected party shareholdings in the Company are as follows:

**SIJL
SHAREHOLDINGS OF DIRECTORS
AND CONNECTED PARTIES
AS AT JUNE 30, 2017**

DIRECTORS		TOTAL SHAREHOLDING	DIRECT	CONNECTED PARTIES
LAST NAME	FIRST NAME			
ALEXANDER	BARBARA	0	0	0
FOWLER	ANGELA	0	0	0
HALL	JEFFREY	0	0	0
MCCONNELL	WILLIAM DAVID	0	0	0
MITCHELL	LISSANT	4,000	0	4,000
RICHARDS	AUDREY	0	0	0
SHARP	JACQUELINE	0	0	0
SLAN	PETER	0	0	0

Description and Rationale for the Scheme

15. As appears from the corporate chart set out in paragraph 12 above, Scotia Group holds 77.01% of the issued and outstanding stock units of SIJL (“SIJL Shares”). The remaining SIJL Shares are held by some 2,750 SIJL Stockholders including insurance companies, pension funds and other institutional investors and individuals. Although the Scotia Group of companies in Jamaica are operated to ensure that profits and expenses are properly allocated on an arm’s length basis to the relevant entity to which they are properly attributed nevertheless the fact that there are minority stockholders in SIJL has restricted SIJL from becoming fully integrated, from an operational standpoint, into Scotia Group. For instance, the free movement of staff between SIJL and to other Scotia Group entities is inhibited thus placing a limitation on the ability of SIJL and Scotia Group to optimize the human resource assets across the group of companies.

16. The Directors of Scotia Group now wish SIJL to become more integrated into the Scotia Group of companies so that greater operational synergies can be extracted from the relationship with Scotia Group and other BNS entities and to that end wish to undertake a share cancellation scheme of arrangement whereby the SIJL Shares held by third party stockholders (being stockholders other than Scotia Group) will be cancelled resulting in SIJL becoming a wholly-owned subsidiary of Scotia Group. Upon completion of the Scheme SIJL will cease to meet the listing requirements of the JSE and the T&TSE and SIJL will accordingly make an application to delist the SIJL Shares from each of those stock exchanges.

Fairness of the Transaction

17. The transaction was announced on June 12, 2017. At that date the closing traded price for SIJL Shares on the JSE and the T&TSE was J\$36.50 and TTD 2.5 respectively. Subsequently as at June 30, 2017 the closing price for shares on the JSE and the T&TSE was J\$37.85 and TTD1.95 respectively. The trading chart below shows the trading history of SIJL Shares on the JSE during the last twelve months compared to the price per SIJL Share (“the Compensation Price”) which Scotia Group will pay to SIJL Stockholders if the Scheme becomes effective.

JAMAICA STOCK EXCHANGE

Trading History	Closing Price (06/30/2017)		3 Month Volume-Weighted Average		1 Year Volume Weighted Average	
	Price	Premium	Price	Premium	Price	Premium
Price	\$ 37.75	0.66%	\$ 37.14	2.30%	\$ 32.39	17.32%
Volume	30,000		3,649,528		11,881,911	

TRINIDAD & TOBAGO STOCK EXCHANGE

Trading History	Closing Price (06/30/2017)		3 Month Volume-Weighted Average		1 Year Volume Weighted Average	
	Price	Discount	Price	Discount	Price	Discount
Price	\$ 1.95	-0.62%	\$ 2.10	-7.55%	\$ 2.06	-5.80%
Volume	2,024,656		2,591,144		5,219,089	

Exchange Rate: Based on JMD/TTD Buying Rate per Central Bank of T&T as at June 30, 2017

18. The Compensation Price represents a premium of 4% above the trading price of SIJL Shares on the JSE on the announcement date and a premium of 2.30 % and 17.32% respectively over the 3-month volume weighted average trading price and the 1 - year volume weighted average trading price on the JSE during the relative period preceding the announcement. On the T&TSE the trading volumes are small and the stock price has moved up on relatively small trades. The Compensation Price payable to T&T Stockholders reflects a comparable price to the last traded price June 30, 2017 on the T&TSE, using as proxy the JS/TTD buying exchange rate per the Central Bank of T&T as at June 30, 2017.

19. Shareholders whose shares are listed on the JSE will have the option to elect to receive payment in US\$, based on the weighted average selling rate for US\$ published by the Bank of Jamaica three (3) Business Days before the settlement date. In the case of shares cross-listed on the T&TSE, the consideration stated above will be payable in US\$ based on the conversion rate stated above.

20. A committee of SIJL directors with no other connection to Scotia Group (“Independent Directors”) consisting of the following persons:

Audrey Richards;
Angela Fowler; and
William David McConnell.

was constituted by the Board of SIJL to review and advise on the fairness of the consideration at which Scotia Group expressed interest in the transaction. The Committee of Independent Directors engaged Ernst & Young Services Limited (“EY”) to provide a fairness opinion in respect of SIJL Shares relative to the proposed consideration. EY reported that the proposed consideration was at the higher end of the price band of what, in their opinion, was a fair price. A copy of their report is among the documents available for inspection.

21. Your directors have taken into account the EY Fairness Opinion and other relevant factors including the fact that the shares have “run up” on relatively light volumes on both the JSE and the T&TSE; the competitive state of the market in which the Company operates; the Company trading prospects and the fact that shareholders will be able to dispose of their shares without incurring customary trading charges and consequently the directors concluded that the Compensation Price is fair in the circumstances.

Meetings and Approval

22. The transaction is being undertaken by a scheme of arrangement pursuant to section 206 of the Companies Act, 2004 and will involve the following procedural steps:

- (a) First, an application was made to the Supreme Court of Judicature of Jamaica for an Order directing SIJL to convene a general meeting of its stockholders to consider and vote upon the proposed Scheme. That application was duly made on July 3, 2017 and on July 12, 2017 the Court made the requisite Order for SIJL to convene a meeting of its stockholders to consider and vote upon the Scheme of Arrangement. The Order, though made on July 12, 2017, was not perfected until July 24, 2017.
- (b) The Court also ordered that arrangements be made to allow T&T Stockholders to attend the Court Ordered Scheme Meeting by video conference or other telecommunication method which would allow them to hear the proceedings of the Court Ordered Scheme Meeting and to speak and be heard by the Court Ordered Scheme Meeting.

- (c) Second, the Court Ordered Scheme Meeting must be held, but prior to such meeting, notice of the meeting together with a copy of the proposed Scheme and an Explanatory Circular explaining how the proposed Scheme will work must be sent to the SIJL Stockholders in Jamaica and in Trinidad and Tobago. This document is the Explanatory Circular.
- (d) Third, at the Court Ordered Scheme Meeting, the resolution to approve the proposed Scheme will be discussed and voted on. The proposed Scheme will be approved, if more than 50% of the SIJL Stockholders who actually vote on the resolution (either in person or by proxy) and holding among themselves not less than 75% of the votes cast on the resolution, vote in favour of the Scheme. T&T Stockholders who attend the Court Ordered Scheme Meeting via the video conference link, in person or by proxy, will be treated as being in attendance at the Court Ordered Scheme Meeting for such purposes.
- (e) Fourth, following the Court Ordered Scheme Meeting, a report showing the results of the relevant voting will be prepared by the chairman of the Court Ordered Scheme Meeting and a further application will be made to the Supreme Court requesting that the proposed Scheme be sanctioned. Assuming that the proposed Scheme is approved by a vote of the requisite statutory majorities of SIJL Stockholders referred to in sub-paragraph (d) above, the Court would generally be expected to sanction the Scheme.

23. It is proposed that the Court Ordered Scheme Meeting be held at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5 in Parish of Saint Andrew at 2:00 p.m. on August 30, 2017 or at such other suitable place and time in the Corporate Area of Kingston and Saint Andrew as the Director may deem fit. It is further proposed that the video conference link to the Court Ordered Scheme Meeting be established at **Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain, Trinidad** or at such other place which at which the necessary telecommunications link can be established and which can conveniently accommodate T&T Stockholder are unable to travel to Jamaica to attend the Court Ordered Scheme Meeting and wish to participate in person.

24. In case you are unable to attend the Court Ordered Scheme Meeting you are asked to complete the relevant form of proxy (in which you can direct the proxyholder how you wish him to vote) and send it to:

Richard Fraser
Secretary
c/o 9th Floor
Duke & Port Royal Street
Kingston

Fax: (876) 967-4107
E-mail: richardfraser1@scotiabank.com

T&T Stockholders may return proxies to:

Rachel Laquis
Scotiabank Trinidad and Tobago Limited
56-58 Richmond Street
Port of Spain
Trinidad

Fax: (868) 627-5278
e-mail: rachel.laquis@scotiabank.com

Note that proxy forms will only be valid if (i) they are lodged with the Secretary of SIJL or with Rachel Laquis at Scotiabank Trinidad & Tobago Limited not less than 48 hours before the Court Ordered Scheme Meeting or (ii) handed to the Chairman of the Court Ordered Scheme Meeting at which they are to be used or, in the case of T&T Stockholders, hand to the officer of Scotiabank Trinidad & Tobago appointed to assist in co-ordinating the orderly conduct of the video-linked meeting in Trinidad & Tobago.

25. A corporate stockholder may, by resolution of its board of directors, attend the Court Ordered Scheme Meeting by appointing a corporate representative to attend on its behalf.

26. In Trinidad and Tobago the video conference link to the Court Ordered Scheme Meeting will be established at a suitable location in Port of Spain Trinidad to be determined by the Directors of the Company on the advice of Scotia Trinidad & Tobago Limited where the members can be conveniently and comfortably accommodated and the video conference link can be established with the Court Ordered Scheme Meeting.

Since Jamaica time is one hour behind Trinidad and Tobago time, the video conference link to the Court Ordered Scheme Meeting in Jamaica will open at 2.00 p.m. T&T Stockholders in Trinidad & Tobago are asked to be in attendance at least 30 minutes before the start of the meeting to facilitate registration.

27. A representative of Scotiabank Trinidad & Tobago Limited ("Scotiabank T&T"), appointed by the Supreme Court of Judicature of Jamaica will assist in co-ordinating the orderly attendance of T&T Stockholders at the video link location referred to in paragraph 25 above and will oversee the voting at that location with the assistance of the auditors of Scotiabank T&T who shall act as scrutineers. The scrutineers shall produce a report the result of the voting by the T&T Stockholders to the chairman of the Court Ordered Scheme Meeting.

Financial Information

28. The latest available financial statements for SIJL are among the documents available for inspection.

29. SIJL currently has cash and cash equivalents of J\$5,606,777,000.00 as at April 30, 2107 and since then there has being no material adverse change in its liquidity position. Its loan obligation as at April 30, 2107 is J\$ Nil.

30. The Scheme does not seek to reduce or otherwise alter the shareholders' equity of SIJL. The SIJL Shares held by SIJL Stockholders (other than Scotia Group) will be cancelled thereby creating a capital reserve equivalent to the amount of cancelled share capital. Accordingly, the shareholders' equity of SIJL will not change though part of its subscribed and paid up capital will be converted to capital reserves.

31. The financial position of the Company will not be adversely affected by the Scheme. The Company will be able to meet and pay its debts as they fall due in the ordinary course of business. The rights and interest of creditors of the Company will not be prejudiced by the Scheme since no sacrifice or waiver is at all called for from them nor will their rights and interests be modified in any manner whatsoever.

32. No investigation or other proceedings have been instituted or are pending in relation to the Company under sections 160 or 161 of the Companies Act, 2004 or under any corresponding provisions of the Companies Act, 2004. No winding up petition or application or claim has been filed against the Company nor has any resolution been passed for the Company to be wound-up or to seek protection from its creditors under the Insolvency Act, 2014 or to file any application for a receiving order or proposal under that Act.

33. Creditors of SIJL will not be affected by the Scheme. Apart from legal and accounting fees and incidental fiscal and related costs incurred in connection with implementation of the Scheme no funds or other assets will leave SIJL as a direct result of the Scheme or in connection with the Scheme.

34. SIJL has available cash and liquid assets to pay its debts as they fall due and likewise the fair market value of its assets exceeds its liabilities. The Directors are therefore confident that the Scheme will not have an adverse impact on the financial or operating position of SIJL or its solvency.

Corporate Approvals

35. At a board meeting held at June 7, 2017 the directors of the Company, after reviewing various documents placed before them (including the EY Fairness Opinion and the recommendation of the Committee of Independent Directors) unanimously resolved that if the price suggested by Scotia Group, in its expression of interest, were formerly proposed by Scotia Group it would put the offer by way of the scheme of arrangement to its stockholders, in the absence of any superior offer.

Directors' Interest in the Transaction

36. Except as disclosed in paragraph 14 no director of SIJL has any interest whether as director, shareholder or creditor of SIJL that is material in relation to the Scheme and the Scheme has no effect on the interest of any director of SIJL that is different to the effect on the like interests of other persons. The following directors of SIJL holds the following cross directorship in Scotia Group or other subsidiaries of Scotia Group (excluding SIJL and subsidiaries of SIJL) or are employed by any such company by The Bank of Nova Scotia Toronto or other subsidiaries of The Bank of Nova Scotia.

<i>Director</i>	<i>Cross-Directorship on Scotia Group and other subsidiaries (ex. SIJL and its subsidiaries)</i>
Jeffery Hall	Scotia Group
Barbara Alexander	Scotia Group
Jacqueline Sharp	Scotia Group
Peter Slan	The Bank of Nova Scotia Trust Company (Bahamas) Limited, Bank of Beijing Scotiabank Asset Management Co., Ltd

Scheme Conditional On:

37. The Scheme is conditional on and subject to:
- (a) the Scheme being approved by the requisite majorities of the SIJL Stockholders, as required pursuant to the Companies Act, 2004;
 - (b) the Supreme Court of Judicature having sanctioned the Scheme;
 - (c) a certified copy of the Order sanctioning the Scheme being filed with the Registrar of Companies; and
 - (d) there being no material adverse condition, arising between the announcement of the transaction and the Effective Date, which has, or would be likely to have, in the sole judgment of SIJL, a material adverse effect on the value of SIJL Shares.
38. The Scheme also provides that in the event of the Scheme failing to take effect by December 31, 2017 or such later date as may be determined by the Board of Directors of the Company, the Scheme shall stand cancelled and be of no effect and become null and void, and in that event no rights and liabilities shall accrue to, or be incurred *inter se* between the Company and any other person and the Company shall bear all costs, charges and expenses for and or in connection with the Scheme.

Documents available for Inspection

39. The copies of the following documents (“Inspection Documents”) are available for inspection by SIJL Stockholders up to the time of the Court Ordered Scheme Meeting during the hours of 9:00 a.m. to 5:00 p.m. on any weekday (Saturday, Sunday and public holidays excepted) at the following offices in Jamaica:

Patterson Mair Hamilton
Temple Court
85 Hope Road
Kingston 6

- (a) the Articles of Incorporation of SIJL;
- (b) the fairness opinion of EY;
- (c) the audited financial statements of SIJL for the period ending October 31, 2016;
- (d) SIJL’s interim results for the six months ended April 30, 2017;
- (e) the Court Order for the Court Ordered Scheme Meeting to be held;
- (f) written consent of KPMG; and
- (g) written consent of EY.

40. The "Inspection Documents" will also be available for inspection by T&T Stockholders up to the time of the Court Ordered Scheme Meeting during the hours of 9:00 a.m. to 5:00 p.m. (Trinidad & Tobago time) on any weekday (Saturday, Sunday and public holidays excepted) at the following office:

Johnson, Camacho & Singh
5th Floor
Newtown Centre
36-39 Maraval Road
Port of Spain
Trinidad

41. This Statement shall be treated as the Explanatory Statement under section 207 of the Companies Act, 2004. A copy of the Scheme, the Explanatory Statement and Form of Proxy may be obtained from the office of Patterson Mair Hamilton, Temple Court 86 Hope Road, Kingston 6 on any day up to the day (other than Saturdays, Sundays and public holidays) between the hours of 9.00 a.m. and 5.00 p.m.

Dated at Kingston, Jamaica on this 28th day of July 2017



Name : Mr. Jeffery Hall
Chairman of Board of Directors of the Company

PART 5 - SCHEME OF ARRANGEMENT



IN THE SUPREME COURT OF JUDICATURE OF JAMAICA
IN THE COMMERCIAL DIVISION

CLAIM NO. 2017CD00350

IN THE MATTER of Scotia Investments Jamaica Limited

AND IN THE MATTER of the Companies Act, 2004

SCHEME OF ARRANGEMENT UNDER SECTION 206 OF THE COMPANIES ACT, 2004

**BETWEEN: SCOTIA INVESTMENTS JAMAICA LIMITED (“SIJL” or “the Company”) AND
THE HOLDERS OF ITS ISSUED STOCK UNITS.**

Definitions & Interpretation

1. In this Scheme of Arrangement, unless inconsistent with the subject or context, the following expressions shall respectively bear the following meanings:

<u>“Business Day”</u>	any day other than a Saturday, Sunday or public holiday in Jamaica or in Trinidad & Tobago;
<u>“Court”</u>	the Supreme Court of Judicature of Jamaica;
<u>“Court Meeting”</u>	a meeting of SIJL Stockholders convened by a direction of the Court issued pursuant to section 206 of the Companies Act, 2004 to consider and, if thought fit, approve this Scheme, including any adjournment of such meeting;
<u>“Effective Date”</u>	the date on which the Scheme becomes effective in accordance with its terms;
<u>“JMD” or “JS”</u>	signifies the lawful currency of Jamaica;
<u>“JSE”</u>	the Jamaica Stock Exchange;
<u>“Order Date”</u>	the date on which the Order to summon a meeting of SIJL is made or, if later, the date on which the Order is expressed to take effect;

<u>“Paving Agent”</u>	PwC Corporate Services (Jamaica) Limited or such other payment agent as may be appointed by Scotia Group to effect payment to SIJL Stockholders in Jamaica;
<u>“Sanction Date”</u>	the date on which the Court makes an order sanctioning the Scheme, with or without amendments;
<u>“Scheme”</u>	the scheme of arrangement between SIJL and SIJL Stockholders;
<u>“Scheme Record Time”</u>	6:00 p.m. on the Business Day in Jamaica before the Effective Date and the corresponding time in Trinidad & Tobago being 7:00 p.m. on such date;
<u>“Scheme Shares”</u>	(i) ordinary stock units in the capital of SIJL in issue at the date of this document; (ii) ordinary stock units or shares issued by SIJL after the date of this document but prior to the Voting Record Time; and (iii) any ordinary stock units or shares issued by SIJL after the Voting Record Time but prior to 6:00 p.m. (Jamaica time) or 7:00 p.m. (Trinidad & Tobago time) on the day before the Sanction Date in respect of which the original or any subsequent holder thereof shall be bound by this Scheme or shall, by such time, have agreed to be bound by this Scheme;
<u>“Settlement Date”</u>	the date which is ten (10) Business Days after the Effective Date;
<u>“SIJL Stockholder”</u>	a registered holder of any one or more Scheme Share(s) and includes any person(s) entitled on transmission to one or more Scheme Share(s);
<u>“T&T”</u>	the Republic of Trinidad & Tobago;
<u>“T&TSE”</u>	the Trinidad and Tobago Stock Exchange;
<u>“T&T Stockholders”</u>	SIJL Shareholders whose SIJL Shares are cross-listed on the T&TSE;
<u>“US\$”</u>	signifies the lawful currency of the United States of America;
<u>“Voting Record Time”</u>	5:00 p.m. (Jamaica Time) on the day immediately before the Court Meeting or any adjournment of the Court Meeting, as the case may be.

In this Scheme, unless the context otherwise requires, references to one gender shall include other genders and the singular shall include the plural and *vice versa*.

Preliminary Matters

2. SIJL was incorporated on March 11, 1992 under the Companies Act of Jamaica as a private company limited by shares under the name Dehring Bunting & Golding Limited.

3. Since incorporation the Company, by special resolutions:

(a) effected the following name changes:

Effective Date	Name Change from:	Name Change to:
March 31, 2008	Dehring Bunting & Golding Limited	Scotia DBG Investments Limited
March 14, 2011	Scotia DBG Investments Limited	Scotia Investments Jamaica Limited

(b) effected the following amendments to its constitutional documents:

<i>Constitutional Document</i>	<i>Date of Change</i>	<i>General Nature of Change</i>
Articles of Association	June 5, 1992	Convert the company from private to public company with consequential amendments to its Articles of Association
Articles of Association	September 26, 1996	Amend Articles of Association to empower company to repurchase shares issued under ESOP scheme
Articles of Association	June 6, 2007	Adopt new Articles of Incorporation
Articles of Association	February 24, 2009	Adopt new Articles of Incorporation
Articles of Association	March 1, 2013	Amend Articles of Incorporation to include power to send notices to stockholders by electronic means and in electronic form
Articles of Association	May 1, 2013	Adopt new Articles of Incorporation

4. The authorized share capital of the Company as at the date of its incorporation was J\$1,000.00 divided into 1,000 ordinary shares of J\$1.00 each. Over the years the Company has increased its authorized share capital as shown in the following table, namely:

<i>Date of Increase</i>	<i>Increase from:</i>	<i>Increase by:</i>	<i>Increase to:</i>
June 5, 1992	J\$1,000.00	J\$4,999,000.00	J\$5,000,000.00
December 16, 1994	J\$5,000,000.00	J\$3,750,000.00	J\$8,750,000.00
September 14, 1995	J\$8,750,000.00	J\$16,250,000.00	J\$25,000,000.00
January 16, 2002	J\$25,000,000.00	J\$100.00	J\$25,000,100.00
November 26, 2003	J\$25,000,100.00	J\$95,000,000.00	J\$120,000,100.00

In June 5, 1992 the Company also sub-divided each of its J\$1.00 ordinary shares into ten (10) ordinary shares of J\$0.10 each. The share increase by J\$100.00 effected on January 16, 2002 created 1,000 special redeemable preference shares of J\$0.10 each.

5. As at the date hereof the authorized and issued share capital of SIJL is as shown in the Table below.

Table

<i>Class of Shares</i>	<i>No. of Authorised Shares</i>	<i>No. of Issued Stock Units</i>	<i>Total Subscribed Capital (J\$)</i>
Ordinary	1,200,000,100	423,195,765	J\$1,999,903,373.00

6. As at the date hereof the issued ordinary stock units of SIJL are listed on the JSE and cross-listed on the T&TSE.

7. The ten largest stockholders as at May 31st 2017 are shown in the following table:

**SCOTIA INVESTMENTS JAMAICA LIMITED
TOP TEN (10) LARGEST STOCKHOLDERS
AS AT 30 June 2017**

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
SCOTIA GROUP JAMAICA LIMITED	325,891,065	77.01%
SAGICOR POOLED EQUITY FUND	14,441,768	3.41%
MAYBERRY WEST INDIES LIMITED	7,465,109	1.76%
TRADING A/C - NATIONAL INSURANCE FUND	7,021,597	1.66%
JCSD TRUSTEE SERVICES LTD - SIGMA OPTIMA	3,263,448	0.77%
JCSD TRUSTEE SERVICES LTD. A/C #76579-02	2,237,886	0.53%
PETER WING CHUAN AYUEN	2,001,000	0.47%
MAYBERRY MANAGED CLIENTS ACCOUNT	2,000,000	0.47%
GRACEKENNEDY LIMITED PENSION SCHEME	1,883,661	0.45%
P.A.M. LTD - POOLED PENSION EQUITY FUND	1,848,251	0.44%
TOTAL	368,053,785	86.97%

Scotia Group Jamaica Limited (“Scotia Group”)

8. Scotia Group was incorporated on December 4, 2006 under the Companies Act of Jamaica as a public company limited by shares.

9. The authorised share capital of Scotia Group as at the date hereof is 10,000,000,000 shares, of which 3,111,573,000 stock units are issued at an aggregated paid up capital of J\$6,569,810,000.00. The remainder of the authorised share capital is unissued.

10. By a scheme of arrangement sanctioned by this Honourable Court on March 8, 2007, Scotia Group acquired all the issued and outstanding stock units of The Bank of Nova Scotia Jamaica Limited (“BNSJ”) and all the stock units held by BNSJ and The Bank of Nova Scotia of Toronto, Canada in SIJL (then known as Dehring Bunting & Golding Limited) in exchange for new shares issued by Scotia Group. Scotia Group was then listed on the JSE and BNSJ was simultaneously de-listed.

11. As appears from the table under paragraph 7 above, as at the date hereof, Scotia Group holds 77.01% of the issued ordinary stock units of SIJL.

The SIJL Scheme

12.1 It is proposed that SIJL and its stockholders shall undertake the Scheme described in sub-paragraphs 12.2 and 12.3 below.

12.2 The share capital of SIJL shall be reduced by cancelling and extinguishing all the Scheme Shares held by SIJL Stockholders other than Scheme Shares held by Scotia Group.

12.3 In consideration for the cancellation of the aforesaid Scheme Shares Scotia Group shall pay to:

- (a) each SIJL Stockholder whose Scheme Shares are cancelled (other than T&T Stockholders) the sum of J\$38.00 per share or, at the election of any such SIJL Stockholder, the US\$ currency equivalent converted at the weighted average selling rate of US\$ as published by the Bank of Jamaica three (3) Business Days before the Settlement Date and payable on or before the Settlement Date; and
- (b) each T&T Stockholder, the US\$ currency equivalent of J\$38.00 per share converted at the rate of exchange referred to in sub-paragraph (a) above payable on or before the Settlement Date.

13. All payments to SIJL Stockholders in respect of their cancelled Scheme Shares shall be made:

- (a) in the Settlement Currency in immediately available funds;
- (b) in Jamaica (i) where the Settlement Currency is US\$, (1) by cheque drawn on a United States bank; or (2) by wire transfer in cases here the relevant SIJL Stockholders shall have given to the Paying Agent their wire transfer account details sufficient to enable the Paying Agent to effect wire transfers to such SIJL Stockholders; (ii) where J\$ is selected as the Settlement Currency (1) by cheque drawn on a local commercial bank in Jamaica; or (2) by Real Time Gross Settlement (“RTGS”) transfer or electronic funds transfer (“EFT”) in cases here the relevant SIJL Stockholders shall have given to the Paying Agent their RTGS or wire transfer information;
- (c) in Trinidad and Tobago by wire transfer in US\$ in cases here the SIJL Stockholder shall have given to the Agent their wire transfer details sufficient to enable the Paying Agent to effect wire transfers to such SIJL Stockholders or failing that by a US\$ cheque drawn on a United States Bank;
- (d) in joint names of SIJL Stockholders in the manner aforesaid where the relevant Scheme Shares are registered in such joint names;
- (e) without any deduction other than customary wire transfer fees in the case of payment dispatched by wire transfer and any withholding or other taxes or imposts;
- (f) in the case of payment by cheque, by sending the cheque by post to the last known address of the SIJL Stockholder as appears in the SIJL Register of Members or where the

relevant Scheme Shares are registered in the name of joint holders to the address in the Register of Members of the first-named joint holder;

- (g) within ten (10) Business Days after the Effective Date.

Miscellaneous

14. All delivery or service of notices, documents of title and the like required to be made under this Scheme shall be effected by personal delivery or by electronic mail or by delivery by prepaid courier or by posting the same in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses as appearing in the Register of Members of SIJL (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the aforesaid register of members in respect of the joint holding) at the Scheme Record Time.

15. SIJL shall not be responsible for any loss or delay in the transmission of any notice or documents (including cheques) posted in accordance with paragraph 14 above and all such notices or documents shall be posted at the risk of the persons entitled thereto.

Operations of this Scheme

16. No directors of SIJL will receive any bonus or other benefit as a result of the success or otherwise of the Scheme and the Scheme will have no effect on the interest of any director, in his capacity as such. A director who holds Scheme Shares when the Scheme becomes effective will have those Scheme Shares cancelled and will, in consideration thereof, receive the payment in the Settlement Currency as provided in sub-paragraph 12.3 above).

17. Unless otherwise stated in the Court Order sanctioning the Scheme, the Scheme shall become effective as soon as an official copy of the Order under section 206(3) of the Companies Act, 2004 shall have been duly delivered by or on behalf of SIJL to the Registrar of Companies in Jamaica for registration.

18. SIJL has agreed to appear by counsel on the hearing of the application to sanction the Scheme and to undertake to the Court to be bound by the provisions of this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

19. Counsel may consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

Dated the 28th day of July, 2017

FILED BY PATTERSON MAIR HAMILTON of Temple Court, 85 Hope Road, Kingston 6, Attorneys-at-law for and on behalf of the Claimants/Applicants herein (Attention: Mr. Jerome Spencer), whose address for service is that of its said Attorneys-at-Law. Telephone: 920-4000 and Facsimile: 920-0244.

PART 6 - PAYMENT ARRANGEMENTS

1. When the Scheme Takes Effect: If the proposed Scheme of Arrangement is approved by the requisite majorities of SIJL Shareholders and sanctioned by the Supreme Court of Judicature of Jamaica, then SIJL will file a copy of the final Order of the Court with the Registrar of Companies in Jamaica. Upon so filing the Order, it will take effect and SIJL Shares held by all SIJL Shareholders (except Scotia Group) will thereby be automatically cancelled.
2. Payment for Cancelled SIJL Shares in Jamaica: Scotia Group will then become obliged to pay to each SIJL Shareholder (other than those on the T&T Sub-register) the sum of J\$38.00 per cancelled SIJL Share. All SIJL Shareholders whose SIJL Share are listed on the JSE will have the option to elect to receive payment in US\$ in lieu of J\$. If a SIJL Shareholder elects to take payment in US\$ in lieu of J\$ then the price per cancelled SIJL Share to which he will be entitled will be the US\$ currency equivalent of J\$38.00 per share converted at the weighted average selling rate for US\$ published by the Bank of Jamaica three (3) Business Days before the Payment Date.
3. Payment for Cancelled SIJL Shares on the T&T Sub-register: The amount payable to SIJL Shareholders who are listed on the T&T Sub-register will be the sum of J\$38.00 per share converted at the weighted average selling rate for US\$ published by the Bank of Jamaica three (3) Business Days before the Payment Date. SIJL Shareholders on the T&T Sub-register will have no option to elect for their payment to be made in any currency other than US\$.
4. Currency Election: A Currency Election Form is among the documents which are being sent with this Scheme Booklet to SIJL Shareholders (other than those listed on the T&T Sub-Register). Additional forms can be downloaded from SIJL's website at <https://scotiainvestmentsjm.com> or may be obtained in Jamaica from the Head Office or any branch office of SIJL or from:

PwC Corporate Services (Jamaica) Limited
7th Floor, Scotiabank Centre
Duke & Port Royal Streets
Kingston, Jamaica

Tel: 1(876) 922-6230
Fax: 1(876)967-9467
E-mail: pwccs.scotia@jm.pwc.com

5. Return of Currency Election Forms:

If you are a SIJL Shareholder (who is not on the T&T Sub-register) and you wish to be paid in US\$ then you should return your Currency Election Form duly completed and signed as follows:

- (a) by email to: pwccs.scotia@jm.pwc.com; or
- (b) by fax to: 1(876) 967-6230; or
- (c) by post or hand delivery to:

PwC Corporate Services (Jamaica) Limited
7th Floor, Scotiabank Centre
Duke & Port Royal Streets
Kingston, Jamaica; or

- (d) by hand delivery to the Head Office or any branch of SIJL.

Note that delivery of Currency Election Forms through the post and or email will be at the risk of the sender.

6. Default Election: If no Currency Election Form is received from a SIJL Shareholder (other than one on the T&T Sub-register) before the fourth (4th) Business Day prior to the Payment Date, or if the Form received is incomplete or illegible, you will be deemed to have elected to receive payment in J\$.

7. When Payment will be made: Scotia Group will make payment to SIJL Shareholders within ten (10) Business Days after the Scheme Effective Date. The Scheme Effective Date is the date on which an attested copy of the final Court Order sanctioning the Scheme is filed with the Registrar of Companies in Jamaica; at which time the Scheme will take legal effect.

8. How Will Payment be made: Unless a SIJL Shareholder gives precise and definitive instructions to the contrary, payment will be made to him in the usual manner in which dividend payments have been made (or would customarily be made) to him.

9. Who will make Payments: PwC Corporate Services (Jamaica) Limited (“PwC Corporate Services”) is the Registrar, Transfer and Paying Agent for SIJL. On being put in funds by Scotia Group PwC Corporate Services will make all necessary arrangements, both in Jamaica and in Trinidad & Tobago, to effect timely payments to all SIJL Shareholders who are entitled to receive payments for their cancelled SIJL Shares.

10. Other Payment Issues: Fees for effecting payment by wire transfer chargeable by the paying bank will be borne by Scotia Group. The receiving bank or any intermediary bank may charge and deduct fees from such payments. Such fees and charges will be borne by the receiving SIJL Shareholder. Payment made by cheques or drafts sent via the post will be at the risk of the receiving SIJL Shareholders.

11. Currency Risk: SIJL Shareholders who have elected to receive payment in US\$ bear the risk that between the date as of which the US\$ payment is determined (i.e. four (4) clear Business Days before the Payment Date) and the date when they actually receive payment in US\$ that the US\$ could devalue or revalue as against the J\$ as the case may be. Scotia Group has sought to reduce the currency exposure period as much as it practically can having regard to the administrative and logistical arrangements which are necessary to effect timely payments to SIJL Shareholders.

PART 7 - ADDITIONAL INFORMATION

1. General

(a) The persons listed under column 1 below own directly or indirectly the number of SIJL Shares set opposite their respective names in columns 2 and 3 in the table below as at June 30, 2017:

Column 1 Person	Column 2 Direct Ownership	Column 3 Indirect Ownership	Percentage (Aggregate of column 2 and 3)
(i) Scotia Group	325,891,065	None	77.01%
(ii) Subsidiary, parent or affiliate of SIJL	None	None	0.00%
(iii) Any Director of Scotia Group	None	None	0.00%
(iv) Any officer of Scotia Group	None	None	
(v) Any person or company holding directly or indirectly more than 10% of Scotia Group	None	None	
(vi) <i>Any Director of SIJL</i> Lissant Mitchell	4,000	None	0.00% ⁹
(vii) <i>Any Officer of SIJL</i> Lissant Mitchell Hugh Miller Brian Frazer Andrea Tinker Karl McKenzie	4000 10,000 838 216,050 3,000	None None None None None	0.00% 0.00% 0.00% 0.05% 0.00%

SIJL, as asset manager may, from time to time, deal in Scotia Group and/or SIJL shares on behalf of various clients who may hold such shares in, or wish to acquire such shares for, their investment portfolios. Only one senior executive of SIJL had prior knowledge of the transaction and upon being made aware of the possibility of the transaction he has consciously refrained from advising clients on Scotia Group and/ or SIJL shares or carrying out discretionary trades in those shares on behalf of clients. Traders and dealers within SIJL have been allowed to continue to conduct business in the normal to avoid alerting them of any pending transaction.

⁹ See listing below of the same shares for Lissant Mitchell in his capacity as officer of SIJL.

(b) None of the persons listed in the table above has directly or indirectly traded in Scotia Group's Shares during the last six (6) months preceding the date of this Circular with the exception of Ms. Rosemarie Pilliner, officer of Scotiabank Group who sold 18,198 her entitlement in the Scotia Group Share Ownership Plan and Mrs Jacqueline Sharp who purchased 43,000 directly over the market on July 4, 2017, post the public announcement of this scheme.

(c) The conditions applicable to the Scheme of Arrangement are set out in paragraphs (d) below.

(d) The obligation of Scotia Group to pay SIJL Shareholders for their cancelled SIJL Shares under the Scheme is conditional upon *inter alia*:

- (i) the Scheme being approved by the requisite majorities i.e. first (i) a majority in number of the SIJL Shareholders present in person or by proxy at the Court Ordered Shareholders' Meeting ("the head count test") and secondly (ii) that majority voting for the scheme must have voted not less than 75% of the votes cast on the resolution voting in favour of the Scheme ("the majority in value test");
- (i) the Supreme Court making an Order sanctioning the Scheme;
- (ii) a certified copy of the Order sanctioning the Scheme being filed with the Registrar of Companies; and
- (iii) there being no material adverse condition, arising between the announcement of the transaction and the Effective Date, which has, or would be likely to have, in the sole judgment of Scotia Group, a material adverse effect on the value of SIJL Shares.

(e) Particulars of the method and terms of payment of the cash consideration are stated in Part 6 above.

(f) The funds required to pay the consideration to SIJL Shareholders whose SIJL Shares are cancelled will not exceed J\$3,697,540,600 (approximately US\$28.450 million at prevailing exchange rate) in the aggregate. It will be funded by Scotia Group from its own internal cash reserves. Scotia Group is satisfied that the requisite funds will be available to meet its obligation to SIJL Shareholders if the Scheme is sanctioned by the Court.

(g) The following is a summary showing the volume of trades and price range of SIJL Shares on the JSE in the six (6) months preceding the opening date of the Offer:

JAMAICA STOCK EXCHANGE

Month	Traded Volume	Price Range (Low)	Price Range (High)	Offer Premium (Low)	Offer Premium (High)
June	256,289	\$ 36.50	\$ 37.94	4%	0%
May	472,146	\$ 36.50	\$ 38.37	4%	-1%
April	2,921,093	\$ 36.09	\$ 39.50	5%	-4%
March	330,747	\$ 34.00	\$ 40.00	12%	-5%
February	1,404,738	\$ 33.05	\$ 41.41	15%	-8%
January	1,915,140	\$ 29.52	\$ 33.45	29%	14%

The foregoing information in this paragraph (g) is extracted from information available from the JSE and was not verified with, or by, Scotia Investments. The cash consideration payable to SIJL Shareholders (other than those on the SIJL Sub-register) is J\$38.00 per cancelled SIJL Share or at their election the US\$ currency equivalent based on the weighted average selling rate of the US\$ published by the Bank of Jamaica three (3) Business Days before the Payment Date.

(h) SIJL Shareholders listed on the T&T Sub-register will receive payment in US\$ only based on the weighted average selling rate of the US\$ published by the Bank of Jamaica three (3) Business Days before the Payment Date.

(i) At the prevailing rate of exchange the total share cancellation consideration of J\$38.00 per SIJL Share payable to the minority SIJL Shareholders is J\$3,697,540,600 or US\$28,533,818.47 (based on current Bank of Jamaica weighted average selling rate of exchange as at June 12, 2017 and disregarding any premium, commission or fees which a commercial bank in Jamaica may charge for effecting the conversion of J\$ to US\$. As will be seen from the above table SIJL Shares last traded on the Jamaica Stock Exchange at J\$36.50 and, the offer price of J\$38.00 per share, represents a premium of approximately 4% over that last trading price.

(j) In the case of SIJL Shares listed on the Trinidad & Tobago Stock Exchange the following is a summary showing the volume of trade and price range of SIJL Shares in the six (6) months preceding the opening date of the Offer:

TRINIDAD & TOBAGO STOCK EXCHANGE

Month	Traded Volume	Price Range (Low)	Price Range (High)	Offer Discount (Low)	Offer Discount (High)
June	2,204,111	\$ 1.91	\$ 2.50	1%	-22%
May	271,148	\$ 2.45	\$ 2.75	-21%	-30%
April	115,885	\$ 2.50	\$ 2.75	-22%	-30%
March	429,484	\$ 2.19	\$ 2.50	-12%	-22%
February	499,803	\$ 2.15	\$ 2.23	-10%	-13%
January	378,084	\$ 2.01	\$ 2.23	-4%	-13%

Exchange Rate: Based on JMD/TTD Buying Rate per Central Bank of T&T as at June 30, 2017

As will be seen from the above table SIJL Shares last traded on the T&TSE at TTD1.95¹⁰ and the offer price of J\$38 per share, represents a comparable price to that last trading price as at June 30, 2017 using a J\$ to TTD rate of exchange as reported by the Central Bank of T&T as at June 30, 2017. The market in SIJL shares in T&T is exceedingly thin and SIJL Shares have moved on very small volumes and the likely fact that a foreign exchange premium is priced into the shares arising from the practice of SIJL to pay dividends in US\$. It is for this reason that the settlement currency in TTD is US\$.

(k) Scotia Group has not entered into nor has it proposed the entry into any agreement or arrangement with any of the following persons, namely: (i) any person holding 10% or more of the voting shares or voting rights of SIJL, or (ii) any officer or director of SIJL or (iii) any person who, within the nine (9) month period before the Offer was made, held more than 10% of the voting shares or the voting rights in SIJL.

¹⁰ This was as at June 30, 2017, the last trading day of the month preceding the preparation of this document.

(l) Scotia Group has no arrangement or plan to compensate any of its or SIJL's officers or directors for loss of office or in connection with their retaining office or retiring from office if the Scheme is implemented. If the Scheme is implemented, Scotia Group intends to maintain the current Board of Directors of SIJL subject to changes which may be made in the ordinary course arising from retirement by rotation, new appointments and resignations.

(m) SIJL is not aware of any material change in its financial position or prospects or its subsidiaries since October 31, 2016, being the date of SIJL's last published audited financial statements. It has been customary over the last few years for SIJL to pay four quarterly dividends of J\$0.45 per share at the end of each financial quarter. Consistent with that practice on July 20, 2017 SIJL paid an interim dividend of J\$0.45 per share to SIJL Shareholders of record as at June 28, 2017 for the second quarter of the 2017 financial year. Although the Board of Directors has not resolved to change the dividend policy it should be understood that the payment of dividend is within the business judgment of the directors and is influenced by many factors. Accordingly no commitment is made herein as to the directors' intent with respect of future dividend payments. However, in the absence of any unforeseen material adverse factors, SIJL intends at this time to continue to pay dividends in accordance with its customary dividend payment cycle.

(n) If the Scheme is approved by the requisite majorities and sanctioned by the Supreme Court, Scotia Group intends, whilst maintaining arm's length allocation of income and expense between SIJL and other members of the BNS Group of companies, to optimize the synergies to be gained from streamlining and more closely integrating SIJL activities into the BNS Group operational processes to the extent that such activities are capable of such treatment without violating regulatory requirements and consistent with principle of arm's length pricing.

(o) Scotia Group has no current plan to make any post in SIJL redundant or to otherwise re-trench or expand the SIJL work force but in the interest of optimizing human resource talent within the BNS Group the possibility exists that changes may be made to the employment infrastructure at SIJL. Note also that changes in the outlook for SIJL or other economic and other relevant factors impacting on the business may compel Scotia Group to modify its current plans.

(p) There is no intention, at the present time, to vary the total emoluments receivable by any director of Scotia Group as a result of the transaction contemplated herein. See also paragraph (i) above.

(q) There are no special arrangements relating to the Scheme, between Scotia Group or any director, past director or shareholders of SIJL or any party acting in concert with any of them. Neither Scotia Group nor any of its Affiliates has acquired any SIJL Shares in the past twelve (12) months. SIJL directors who hold SIJL Shares will be paid the same compensation per share payable to other SIJL Shareholders. See also paragraph (i) above. In this sub-paragraph, "special arrangement" includes any indemnity or option arrangement or undertaking, formal or informal, of whatever nature relating to SIJL Shares or any securities convertible into rights to subscribe for, or options to acquire, SIJL Shares which may be an inducement to deal or refrain from dealing in such shares or securities.

(r) The Directors of the SIJL (whose names are set out in Part 2 of this document) accept full responsibility for the information contained in this document. To the best of the knowledge and belief of such Directors (who have taken all reasonable care to ensure that such is the case) all such information is in accordance with the facts and the Directors are not aware of any fact, the omission of which would make any statement in the Explanatory Circular misleading. Where information in the Explanatory Circular has been extracted from publicly available sources or obtained from a named source, the sole responsibility of the Directors of Scotia Group has been to ensure that such information has been

accurately and correctly extracted from those sources and/or reproduced in the Circular in the proper form and context.

(s) No director or officer of Scotia Group or any member of their immediate families owns, controls, or is interested in any SIJL Shares except as stated in paragraph (a) above.

(t) There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the new SIJL Shares to be acquired by Scotia Group under the Scheme will be transferred to any other person, save that Scotia Group reserves the right to transfer any such SIJL Shares to any other member of the BNS Group or to any other person at any time.

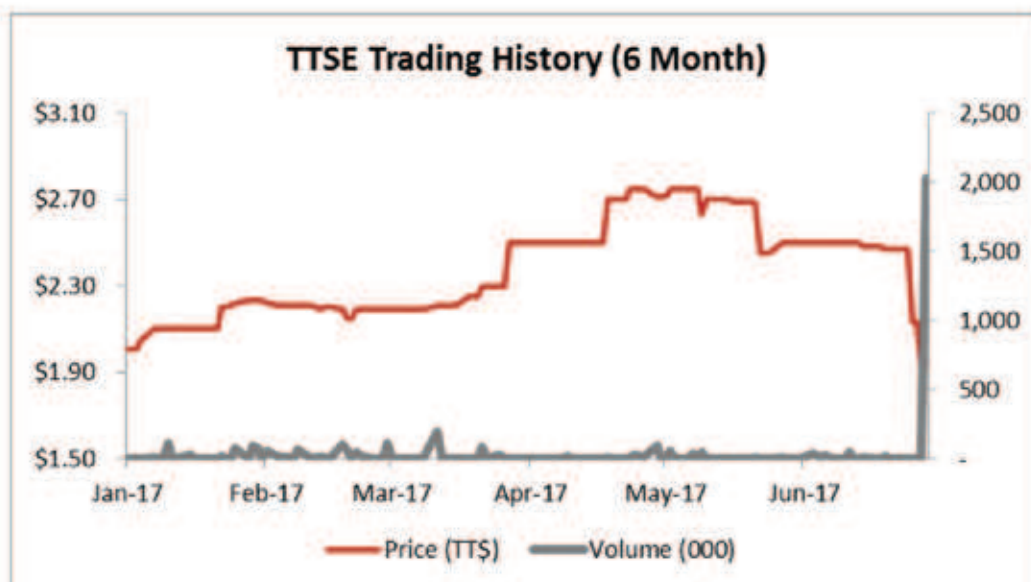
(u) PWC Corporate Services (Jamaica) Limited has given and not withdrawn its written consent to the issue of this Scheme Booklet with the inclusion therein of references to them in this Part 7 in the form and context in which they appear.

(v) KPMG has given and not withdrawn its written consent to the issue of this document with the inclusion therein of references to its Independent Auditors' Report in the form and context in which such references appear.

(w) Ernst & Young Services Limited has given and not withdrawn its written consent to the issue of this document with the inclusion therein of references to it and its Fairness Opinion in the form and context in which such references appear.

(x) The following trading chart depicts the trading history of SIJL Shares as shown in the table at paragraph (g) above:





2. Irrevocable undertakings

The following SIJL Shareholders have given, and not withdrawn, irrevocable undertakings (in the absence of a Superior Proposal) to vote (or procure the vote) in favour of the Scheme and any associated resolution to be proposed in relation to the Scheme at the Court Ordered Shareholders' Meeting and any general meeting connected with the Scheme or if the transaction is implemented by a take-over offer to accept or procure the acceptance of such offer in respect of the following SIJL Shares held as at June 30, 2017:

SCOTIA INVESTMENTS SCHEME OF ARRANGEMENT SHAREHOLDERS "LOCK-UP" AGREEMENTS

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
MAYBERRY WEST INDIES LIMITED	7,465,109	1.76%
MAYBERRY MANAGED CLIENTS ACCOUNT	2,000,000	0.47%
TOTAL	9,465,109	2.24%

Each of the above undertakings will cease to be binding on the date when the transaction is withdrawn or lapses in accordance with its terms (save where the transaction is withdrawn or lapses as a result of Scotia Group exercising its right to implement the transaction by way of an Offer rather than by way of a Scheme.)

3. Documents for inspection

Copies of the following documents will be made available for viewing on SIJL website until the Effective Date:

- (i) the current Articles of Incorporation of SIJL;
- (ii) the audited account of SIJL for the financial year ended October 31, 2016;
- (iii) SIJL's interim results for the six months ended April 30, 2017;

- (iv) Board Resolution of SIJL approving launch of the Scheme;
- (v) the Court Order for the Court Ordered Scheme Meeting to be held;
- (vi) Letter of Consent from KPMG;
- (vii) the Fairness Opinion prepared by Ernst & Young Services Limited; and
- (viii) Letter of Consent from Ernst & Young Services Limited.

PART 8 - FINANCIAL INFORMATION

The following is a summary of the financial results of SIJL for the last three financial years and the six months of the current financial year.

SCOTIA INVESTMENTS JAMAICA LIMITED	Six Months Ended April 2017	October 2016	October 2015	October 2014
	\$'000	\$'000	\$'000	\$'000
Operating Income				
Net interest income	683,473	1,534,917	1,753,050	2,284,969
Impairment adjustment on loans	2,010	15,250	2,875	6,969
Net interest income after impairment adjustment on loans	685,483	1,550,167	1,755,925	2,291,938
Fee and commission income	663,331	1,245,714	1,097,945	953,479
Net foreign exchange trading income	8,759	177,684	50,196	134,008
Net gains on financial instruments	183,447	530,799	284,782	777,572
Other operating income	10,942	30,763	25,364	17,558
	866,479	1,984,960	1,458,287	1,882,617
Total Operating Income	1,551,962	3,535,127	3,214,212	4,174,555
Expenses				
Salaries, pension contributions and other staff benefits	424,248	865,463	970,181	855,081
Depreciation and Amortization	71,422	139,031	115,535	139,935
Other operating expenses	393,518	700,601	620,594	573,148
Total Operating Expenses	889,188	1,705,095	1,706,310	1,568,164
Profit Before Taxation	662,774	1,830,032	1,507,902	2,606,391
Taxation	(211,456)	(480,105)	(483,410)	(758,748)
Profit For The period	451,318	1,349,927	1,024,492	1,847,643

PART 9 - FREQUENTLY ASKED QUESTIONS

Set out below are answers to some frequently asked questions about the Scheme. This Part should be read together with the other Parts of the Scheme Booklet.

	Questions	Answers
1	What is the Scheme?	The Scheme is a scheme of arrangement which is a procedure provided for under the Companies Act, 2004 whereby a company may carry out many types of transactions involving its shareholders and/or its creditors including, as now proposed, enabling the subject company (SIJL) to cancel the shares held by its minority shareholders to enable Scotia Group to become the 100% holder of all SIJL's shares.
2	Why did Scotia Group not make a take-over bid for all the minority shares?	That indeed is another way in which the transaction could have been attempted. However a court approved scheme of arrangement, in the context of the present transaction, is much simpler, more efficient and less costly compared to a take-over bid. The scheme achieves the same results and gives SIJL Shareholders the opportunity to decide upon the scheme proposal at a meeting where it will be openly discussed before they decide how to vote. Finally, the scheme has to be approved by the Court before it takes effect.
3.	What do SIJL Directors recommend?	Relying on the EY Fairness Opinion and taking into account all relevant circumstances, including the low volumes on which the shares generally trade among other relevant factors the Committee of Independent Directors unanimously recommended, to the full board, that the Scotia Group proposal received on 8 th June 2017 should be put to stockholders. The Board has accepted that recommendation and accordingly, Scotia Investments initiated the Scheme of Arrangement to secure the approval of its stockholders and the Court.
4	How do SIJL Directors intend to vote?	There is only one SIJL Director who holds SIJL Shares. He has confirmed that intend to vote for the Scheme, subject to the qualification stated immediately above.
5	Who are the Independent SIJL Directors?	The Independent SIJL Directors are Directors who are not directors, officers or employees of any other company within the Scotia Group of companies (other than subsidiaries of SIJL) or the wider BNS Group of companies. The Independent Directors are (i) Angela Fowler; (ii) William David McConnell; and (iii) Audrey Richards.

6	Who is the Independent Expert?	The Independent Expert is Ernst & Young Services Limited (“EY”, an affiliate of the well-known international accounting firm, Ernst & Young.
7	What is the opinion of the Independent Expert?	The Independent Expert has concluded that the Scheme is within price range which is considered fair and reasonable.
8	What is a Superior Proposal?	A Superior Proposal is one from a credit-worthy third party which offers greater net value per SIJL Share to SIJL Shareholders – such as a bid for all SIJL Shares at a materially higher price per SIJL Share. So far no Superior Proposal has been made and none is anticipated.
9	Will I receive any further dividend from SIJL?	The last dividend paid by SIJL was J\$0.45 paid on July 20, 2017. The current policy of the Company is to pay a dividend of J\$0.45 per Share each financial quarter after release of the quarterly financial statements and, in the absence of any exceptional circumstance, affecting the Company, the Directors intend to continue that practice.
10	Can I sell my SIJL Share now?	Yes - you can sell your SIJL Share on the stock market in Jamaica or Trinidad & Tobago before the Scheme becomes effective. SIJL does not intend to apply to the JSE or the T&T Securities and Exchange Commission (“T&TSEC”) to halt or suspend trading in SIJL Shares unless it determines that a fair, orderly and transparent market no longer subsists.
11	What vote is required to approve the Scheme?	For the Scheme to proceed the resolution to approve the Scheme must be passed by: <ul style="list-style-type: none"> (i) a majority in number of the SIJL Shareholders who vote on the Scheme, either personally or by proxy; (“the head count test”); and (ii) the SIJL Shareholders who vote in support of the Scheme must have voted at least 75% of the total votes cast on the scheme resolution (“the majority in value test”). <p>Scotia Group, which holds 77.01% of the SIJL, and any SIJL Shareholders who have signed “lock-up” agreements will also vote in favour of the resolution to approve the Scheme.</p>
12	Am I entitled to vote?	Each SIJL shareholder who is on the Register of Members as at August, 28, 2017 is entitled to attend the meeting and vote or to appoint a proxy to vote on his behalf.
13.	Can I tell my proxy how to vote?	Yes. The Proxy Form will allow you to instruct your proxy to vote for or against the Scheme resolution.

14	If I appoint a Proxy and change my mind and wish to attend the meeting will I be allowed to do so?	Yes. If you appoint a proxy but you later attend the meeting in person then your proxy appointment will be automatically revoked. Note, in the case envisaged if you attend the meeting you should inform the clerk at the registration desk where meeting attendees are being registered.
15	When and where will the Scheme meeting be held?	<p>The Scheme meeting will be held:</p> <p>(a) Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, Saint Andrew. Jamaica</p> <p>(b) on August 30, 2017 at 2:00 p.m.</p> <p>Arrangements will be made for SIJL Shareholders in Trinidad & Tobago (T&T) to attend a special video-linked meeting at Hyatt Regency Trinidad, 1 Wrightson Road, Port of Spain, Trinidad on the same day starting at 3:00 pm. (T&T time). This takes account of the fact that T&T time is one hour ahead of Jamaica time. The video conference link will allow SIJL Shareholders in T&T to participate fully in the meeting held in Jamaica.</p>
16	When will the results of the meeting be known?	The results of the meeting will be known shortly after the conclusion of the meeting. The votes will be counted by SIJL auditors, KPMG, and the results will be announced to the JSE, the T&T Stock Exchange, the Financial Services Commission in Jamaica and the T&T Securities and Exchange Commission. The results will also be released to the local financial press in Jamaica and in Trinidad and Tobago.
17	What will happen if the SIJL Shareholders vote to approve the Scheme?	SIJL would then make a final application to the Court for the Scheme to be approved.
18	What will happen to my SIJL Shares if I voted against the Scheme or if I did not cast any vote on the Scheme but it is approved by the SIJL Shareholders and the Court?	Once the Scheme is approved by the Court it will bind all SIJL Shareholders including those who voted against it or who did not vote at all. Accordingly, your SIJL Shares would be cancelled, pursuant to the Court Order approving the Scheme, and you would be paid the same price per SIJL Shares as any other SIJL Shareholder including those who voted for the Scheme.
19	When will I be paid if the Scheme becomes effective?	<p>The Scheme will become effective if it is approved by the requisite majorities of SIJL Shareholders and is approved by the Court. The actual date on which it takes effect will be the date on which the Court Order approving the Scheme is filed with the Registrar of Companies in Jamaica (“the Effective Date”).</p> <p>Within 10 Business Days after the Effective Date, payment for cancelled SIJL Shares will be dispatched to SIJL Shareholders.</p>

20	In what currency will I be paid?	<p>All SIJL Shareholders (other than those on the T&T Sub-register) will be paid in Jamaica currency (“J\$”) but will have a right to elect to receive payment in US\$.</p> <p>However, if you are SIJL Shareholder on the T&T Sub-register (meaning that your SIJL Shares are listed on the T&T Stock Exchange) then you will be paid US\$ only.</p> <p>Where payment is made in US\$ the price per SIJL Share of J\$38.00 will be converted to US\$ at the weighted average selling rate of US\$ quoted by the Bank of Jamaica three (3) Business Days before the Payment Date.</p>
21	How can I elect to receive payment in US\$?	<p>You would have received a Currency Election Form among the documents sent to you. If you cannot find that form you can down-load another one from scotiainvestmentsjm.com or you can get another form from the SIJL Head Office or any branch of SIJL in Jamaica or by calling (876 – 967-4107 (Richard Fraser). If you wish your payment to be made in US\$, simply tick the US\$ box on the Currency Election Form and then sign and return the form by post, e-mail or fax to:</p> <p>PwC Corporate Services (Jamaica) Limited 7th Floor Duke & Port Royal Streets Kingston Jamaica E-mail pwccs.scotia@jm.pwc.com Fax (876) 967-6230</p> <p>Note that Currency Election Forms are dispatched at the sender’s risk. SIJL Shareholders on the T&T Sub-register will be paid only in US\$ and therefore need not make any currency election.</p>
22	What will happen if I do not complete a Currency Election Form?	<p>If your SIJL Shares are listed on the Jamaica Stock Exchange you would receive payment in J\$. In the case of SIJL Shareholders listed on the T&T Sub-register they will receive US\$ regardless.</p>
23.	What happens if the Scheme is not approved?	<p>If the Scheme is not approved then it will not become effective (this of course is subject to the right of Scotia Group to initiate any other transaction it deems fit). If the Scheme does not become effective then you would retain your SIJL Shares and you would not receive any payment from Scotia Group.</p>
24	What if I have further questions?	<p>If you have further questions you may contact:</p>

		<p>(i) <u>in Jamaica</u></p> <p>call: (876) 967 4107 send an e-mail to: richard.fraser1@scotiabank.com</p> <p>(ii) <u>in Trinidad & Tobago</u></p> <p>call: (868) 627-5278 send an e-mail to: rachel.laquis@scotiabank.com</p>
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PART 10 - DEFINITIONS

In this Scheme Booklet, the following terms shall have the following meanings; unless stated otherwise:

“Affiliates”	any company or other legal entity in which Scotia Group owns, directly or indirectly, 20% or more of its voting shares but not more than 50% of such shares;
“BNS Group”	The Bank of Nova Scotia and all its Subsidiaries and “Group Company” means any of such companies;
“Business Day”	any day other than a Saturday, Sunday or public holiday in Jamaica and in Trinidad & Tobago;
“Circular”	this document which is also called the “Scheme Booklet”;
“Companies Act”	the Companies Act, 2004 of Jamaica as same may be amended or re-enacted from time to time;
“Court”	means the Supreme Court of Judicature of Jamaica;
“Court Ordered Shareholders’ Meeting” or “Court Meeting” or “Scheme Meeting”	the meeting of Members of SIJL summoned pursuant to an order of the Supreme Court of Judicature of Jamaica vote upon the Scheme or any adjourning of such meeting;
“Form of Proxy”	the form of proxy for use by SIJL Shareholders in relation to the Scheme Meeting;
“FSC”	the Financial Services Commission;
“JSE”	Jamaica Stock Exchange Limited;
“JS”	the lawful currency of Jamaica;
“Overseas Shareholders	SIJL Shareholders who reside in, or are ordinarily resident in, or citizens of jurisdictions outside Jamaica and Trinidad & Tobago;
“Payment Date”	the date (being not more than ten (10) Business Days after the Scheme Effective Date) on which Scotia Group commences to make payments to SIJL Shareholders for their cancelled SIJL Shares;
“Restricted Jurisdictions”	United States of America and other countries in which it would not be lawful for SIJL to send the Scheme Booklet and other Scheme Documents without complying with other legal requirements of such jurisdiction;

“Scheme”	the scheme of arrangement described herein;
“Scheme Effective Date” or “Effective Date”	the date on which the final Court Order sanctioning the Scheme is filed with the Registrar of Companies in Jamaica and being the date when the Scheme shall become effective;
“SIJL”	Scotia Investments Jamaica Limited, a public company incorporated in Jamaica;
“SIJL Board”	the board of directors of SIJL;
“SIJL Shareholders”	the holders of ordinary stock units issued by SIJL;
“Subsidiary”	has the meaning ascribed thereto by section 151 of the Companies Act, 2004 of Jamaica;
“Transaction”	the cancellation, pursuant to the Scheme, of all of the issued ordinary shares in the capital of SIJL, not already held by Scotia Group;
“T&T”	the Republic of Trinidad and Tobago;
T&T Sub-register	the list of SIJL Shareholders whose SIJL Shares are cross-listed on the Trinidad & Tobago Stock Exchange;
“TTSE”	Trinidad and Tobago Stock Exchange;
T&TSEC	The Trinidad & Tobago Securities and Exchange Commission;
“TT\$”	the lawful currency of Trinidad and Tobago;
“US\$”	the lawful currency of the United States of America.

Reference in this document to “Voting Record Time” shall mean the latest time before the Court Ordered Shareholders’ Meeting under the Scheme of Arrangement by which proxies may be lodged with the Secretary of SIJL to be valid for such meeting. That period is 48 hours before the meeting; being the longest period permitted by the Companies Act, 2004 but proxies may also be delivered by hand to the chairman of the Court Ordered Shareholders’ Meeting before the start of that meeting.

ENCLOSED APPENDICES

- 1A NOTICE OF COURT-ORDERED SHAREHOLDERS' MEETING (for Jamaica only)
- 1B NOTICE OF VIDEO-LINKED MEETING IN PORT OF SPAIN (for T&T Stockholders only)
- 2. CURRENCY ELECTION FORM
- 3. FORM OF PROXY

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