

- (c) The Trust may be terminated by the Managers in their absolute discretion by notice in writing as follows:-
- (i) Twelve (12) months from the date hereof or any date thereafter if on such date the aggregate Value of the Deposited Property shall be less than \$1,000,000 or;
- (ii) if any law shall be passed which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Trust.
- (d) Any time after fifteen (15) years from the date hereof by Extraordinary Resolution of a meeting of the Unit Holders duly convened and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

In any event of termination by the Trustee, the Managers will receive one year's notice. In the event of termination by the Managers, the Trustee will receive one year's notice. Under any circumstances of termination, the Unit Holders will receive six (6) months' notice except that termination because of prohibition by law may be effected at shorter notice. On termination of the Trust, the Trustee is required to:

- (a) Sell all investments held by it as part of the Deposited Property, such sale being carried out and completed in such manner and period after termination of the Trust as the Trustee considers advisable.
- (b) Distribute from time to time to Unit Holders in proportion to their respective interests in the Deposited Property all net cash proceeds derived from the realization of the Deposited Property. The Trustee shall not be bound (except in the case of final distribution) to distribute any of the monies for the time being in its hands the amount of which is insufficient to pay twenty-five cents (\$0.25) in respect of each unit. The Trustee is entitled to retain all monies sufficient to meet all costs, charges, expenses, claims and demands arising out of the Trust's liquidation. Distribution to Unit Holders must be made against Contract Notes and on interim distributions the Contract Notes must be endorsed with such payments. Contract Notes must be surrendered on final payments being made. Unclaimed proceeds may, after twelve months' expiration after being payable be paid by the Trustee into court, subject to deduction of expenses arising there from.

10. ACCUMULATION OF INCOME (DISTRIBUTION)

There will be no distribution of income to Unit Holders. Any income received from interest or dividends on securities will be accumulated and transferred, net of any expenses involved, to the Deposited Property. As at each Accounting Date, audited statements will be prepared by the Auditors on behalf of the Managers in respect of each Accounting Period. Statements relating to each Accounting Period, with the Auditor's Report annexed, shall be filed with the Trustee and shall be conclusive and binding and copies will be available for inspection by Unit Holders during the usual business hours at the office of the Managers.

11. REMUNERATION TO MANAGERS AND TRUSTEE

The Managers will receive income based on the preliminary charge not exceeding eight percent (8%) of the bid price of units, and a monthly management fee not exceeding one and one-half percent (1.5%) per annum of the value of investments in the Fund calculated and paid monthly.

The remuneration of the Trustee shall be as agreed from time to time by the Managers and the Trustee and shall be payable by the Managers. The remuneration could be fixed or based on some percentage of the Deposited property. The Trustee is also entitled to be repaid by the Managers the amount of all its disbursements wholly and exclusively incurred in performance of its duties, other than disbursements expressly

required or authorized by the Trust Deed to be paid out of the Deposited Property.

12. ISSUE AND TRANSFER OF UNITS

Before purchasing units, it is important to read this Offering Circular in its entirety. For those aspects of this Circular that need further explanation please contact the offices of the Managers. When you feel you have understood all the features of this investment, please complete the Application Form attached to the Offering Circular and forward to Scotia DBG Fund Managers Limited or their Agents together with payment in full. Upon receipt of a completed application form and monies representing the value of the number of units applied for, the Managers will issue a Contract Note and a receipt, confirming the transaction.

In the event that the purchase was made with a cheque, the Managers require a minimum waiting period, comparable with that set by the Commercial Banks in Jamaica, before an encashment is processed. If a cheque is dishonored by the bank, the Managers reserve the right to cancel the unit holdings of the applicant after reasonable efforts have been made to secure the replacement of these funds.

To transfer units, send the Contract Note (by mail or by hand) with an authorizing letter and a completed Transfer Form to the Managers who will have a new Contract Note issued and returned. Instruments of Transfer must be signed by the Transferor. Each instrument of Transfer must be left with the Trustee for registration along with the Contract Note(s) relating to the units being transferred. There is no fee chargeable for the issue of a new Contract Note in the name of the transferee or a balance Contract Note, if necessary, in the name of the Transferor.

Contract Notes are in the form set out in the First Schedule to the Trust Deed or as agreed between the Managers and Trustee. They are issued in serial numbers and specify the number of Units and the name of each holder. Contract Notes may be issued in any denomination of one hundred (100) or more whole units, provided that no Contract Note is issued which would give rise to a holding of less than one thousand (1,000) units, except with the approval of the Managers and Trustee.

Where a Contract Note becomes mutilated or lost, the Trustee in its discretion may issue a new Contract Note. Appropriate evidence of mutilation, loss, theft, destruction, etc. has to be supplied before the issue of a new Contract Note can be effected.

A register of Unit Holders will be kept by or on behalf of the Trustees. The register will list the names and addresses of Unit Holders, the number of Units and the serial number of the Contract Notes held by each Unit Holder. Where a Unit Holder becomes the owner of Units by virtue of an instrument of transfer, the register will list the name and address of the transferor, the date of registration of the transfer, and the name and address of the transferee. The register will open on each business day to inspection of any Unit Holder or any person authorized in writing by such Unit Holder, without charge.

A body corporate may be registered as a Unit Holder or as one of joint Unit Holders. When encashing Units, the seal and authorizing signatures of the body corporate will be required on all documents.

Any person becoming entitled to units in consequence of the death or bankruptcy of any sole Unit Holder or of the survivor of joint Unit Holders may subject as hereinafter provided upon producing such evidence as to his title as the Trustee shall think sufficient either be registered himself as the Unit Holder of such Units upon giving to the Trustee notice in writing of such desire or transfer such Units to some

other person and all the limitations restrictions and provisions of the Trust Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Unit Holder.

The executors or administrators of the estate of a deceased Unit Holder (not being one of several joint Unit Holders) shall be the only persons recognized as having title to the Units. On the death of any one of the joint holders of units, the survivor(s) will be the only person(s) recognized as having title to the Units.

13. UNIT TRUST PRICE MOVEMENTS

The purchase of units in a well managed Unit Trust is a method of investing on a regular basis with the advantage of continuous professional investment expertise. The Money Market Fund is designed to provide investors with the ability to attract the premium rates on their short-term investments through the pooled fund approach. **Although no guarantee can be given that unit price movements will only be upward the very nature of the investments ensures that any fluctuations will be minimal.**

14. APPLICATION FORM

See attached.

15. DATE OFFERING CIRCULAR SUBMITTED FOR REGISTRATION

Offering Circular submitted for registration on March 26, 2010

Offering Circular registered on April 27, 2010

16. SPECIAL TAX CONCESSIONS AND WITHHOLDING TAX – MMF

The income received by the Trustee of the **DB&G Unit Trust Money Market Fund** is exempt from tax, and if tax is deducted at source from such income the **DB&G Unit Trust Money Market Fund** is entitled to be refunded the amount so deducted.

While distribution of income by the Trustee to the Unit Holders would be subject to Jamaican tax (at the rate of 25% for individuals or 33 1/3% for companies) under section 39(1) of the Income Tax Act of Jamaica ("ITA"), in practice the **DB&G Unit Trust Money Market Fund** does not distribute its income but rather reinvests it, and the Unit Holders enjoy the benefit of this reinvestment through accretions in the price of their units.

When units are encashed, disposed of or redeemed by a Unit Holder, the accretion thereupon realized by the Unit Holder is taxable in Jamaica as income, and is subject to Jamaican withholding tax at the rate of 25% under section 39(3) of the ITA.

As regards units which were purchased prior to June 1999, on encashment of those units the accretion to which the 25% withholding tax applies is the accretion which has occurred since June 1, 1999. The withholding tax is calculated as 25% of the difference between J\$4.50 per unit (i.e. the price which prevailed on June 1, 1999) and the value of the units as at date of encashment.

Unit Holders may however seek to take advantage of section 12(ak) of the ITA, which states that there shall be exempt from income tax:-

“accretions realized on the encashment, disposal or redemption of units in a money market fund (within the meaning of section 31A) operated by a qualified unit trust scheme, which have been

acquired on or after the 1st June, 1999 where the following conditions apply-

- (i) *the units are to be held by individuals for a period of not less than 5 years;*
- (ii) *the units are not transferable except on the death or bankruptcy of the investor;*
- (iii) *not more than 75 per cent of the accretions realized in any year have been paid out;*
- (iv) *the amount invested in the acquisition of any such units in any year does not exceed one million dollars;*

and for the purposes of this paragraph the valuation of a money market fund shall be determined on the basis of its average monthly value during the prior 3-month period.”

There is no stamp duty, transfer tax or capital gains charged in Jamaica on the encashment, disposal or redemption of units.

Unit Holders resident for tax purposes outside of Jamaica should seek advice in the jurisdiction where they are resident, as to tax treatment in that jurisdiction of an investment in the DB&G Unit Trust Money Market Fund.

17. DERIVATIVES AND STRUCTURED PRODUCTS

The Fund may utilize derivative instruments and structured products to modify or replace the economic attributes associated with an investment in a security, commodities, currencies, interest rates or other financial instruments. These investments are all subject to additional risk that can result in a loss of all or part of an investment. Such risks include interest rate risk, credit risk, volatility risk, market price risk and general economic factors and activity.

FOR FURTHER INFORMATION CONTACT:

Our Offices

Scotia DBG Fund Managers Limited
7 Holborn Road, Kingston 10, Jamaica, W.I.
Tel: (876) 960-6700/960-6699

Rep Offices

Scotia DBG Investments Limited
132-132A Constant Spring Road, Kingston 8, Jamaica, W.I.
Tel: (876) 969-6215

Scotia DBG Investments Limited
8 Market Street, Montego Bay, Jamaica, W.I.
Tel: (876) 940-0691-3

Scotia DBG Investments Limited
72 Great George Street, Savanna-La-Mar, Jamaica, W.I.
Tel: (876) 955-4932, (876) 918-1717

Scotia DBG Investments Limited
6 Park Crescent, Mandeville, Jamaica, W.I.
Tel: (876) 962-6000-1

Email: info@scotiadb.com
Website: www.scotiadb.com

THE DB&G UNIT TRUST MONEY MARKET FUND

Offering Circular Conditions & Regulations

Effective April 28, 2010
to November 27, 2010

Scotia DBG Fund Managers Limited

7 Holborn Road, Kingston 10, Jamaica, W.I.
Tel: (876) 960-6700

DB&G UNIT TRUST MONEY MARKET FUND PORTFOLIO OF INVESTMENTS AS AT FEBRUARY 28, 2010

Fixed Income Securities	Market Value JA (\$)	% of Fund
Repo	1,721,115,483	24.24%
GOJ AIC Receivable	38,090,451	0.54%
GOJ FR Benchmark Investment Notes	2,156,586,000	30.37%
GOJ Treasury Bond	690,780,000	9.73%
GOJ VR Benchmark Investment Notes	2,111,148,000	29.73%
GOJ Global Bond	5,598,585	0.08%
GOJ FR USD Benchmark Investment Notes	80,297,904	1.13%
Sub - Total Fixed Inc Securities	6,803,616,424	95.80%
Cash & Other Assets Less Liabilities		
Cash	25,779,869	0.36%
Other Assets Less Liabilities	272,293,179	3.83%
Sub - Total Cash & Other Assets Less Liabilities	298,073,048	4.20%
TOTAL VALUE OF DEPOSITED PROPERTY	7,101,689,472	100.00%

1. NAME AND IDENTIFICATION OF SCHEME

The DB&G Unit Trust Money Market Fund is a diversified money market scheme constituted by a Trust Deed dated 11th February, 1994, and registered on 22nd February, 1994. The Trust Deed may be inspected at the offices of the Managers or the Trustee between the hours of 10:00 a.m. and 3:00 p.m., Mondays to Fridays.

2. TRUSTEE

The Trustee is JCS Trustee Services Limited, 40 Harbour Street, Kingston. The Directors of the Trustee are:

Mr. Curtis Martin	—	Chairman
Mr. Alvaro Casserly	—	Director
Mr. Christopher Berry	—	Director
Miss Janet Wallace	—	Director
Mr. Leo Williams	—	Director
Mr. Livingstone Morrison	—	Director
Mrs. Marlene Street Forrest	—	Director
Mr. Robin Levy	—	Secretary/General Manager

3. MANAGER

The Managers are Scotia DBG Fund Managers Limited (formerly DB&G Unit Trusts Managers Limited), 7 Holborn Road, Kingston 10, a wholly owned subsidiary of Scotia DBG Investments Limited (formerly Dehring Bunting & Golding Limited). The Directors of Scotia DBG Fund Managers Limited are:

Ms. Barbara Alexander	—	Chairperson
Ms. Muna Issa	—	Director
Ms. Anya Schnoor	—	Director
Mrs. Jacqueline Sharp	—	Director
Mr. Lissant Mitchell	—	Director
Miss Audrey Richards	—	Director

4. AUTHORISED AND PAID-UP CAPITAL OF THE MANAGERS

The authorised share capital of Scotia DBG Fund Managers Limited is \$20,010,500 which is comprised of 20,010,500 ordinary shares of \$1.00 each. The issued and fully paid-up share capital is \$20,010,500.

5. AUDITORS, ATTORNEYS-AT-LAW, STOCKBROKERS & COMMERCIAL BANKS

(a) AUDITORS KPMG Peat Marwick Chartered Accountants
6 Duke Street
Kingston

(b) ATTORNEYS-AT-LAW Hart Muirhead Fatta
2 St. Lucia Avenue
Kingston 5

(c) COMMERCIAL BANKS The Bank of Nova Scotia Ja. Ltd.
86 Slipe Road
Kingston 5

6. BUYING AND SELLING UNITS AND PRICE QUOTATIONS AND CHARGES**a) Buying and Selling Units**

Units can be bought and sold on any normal business day at the prevailing "offer" and "bid" prices respectively. These prices are based on the current selling and buying prices of the investments in the Fund. Purchases are made using the "ask", "offer" or "issue" price and cannot initially be made for less than 1,000 units except with the approval of the Managers and the Trustee. When a purchase is made, confirmation in the form of a contract note and receipt is given to the client. When an encashment (sale) is made by a Unit Holder the "Bid" or "Purchase" price is used. The Unit Holder will be required to complete a transfer form signed by one or more of the joint holders and returned along with his/her Contract Note to the offices of the Managers. It should be noted that no encashment can be done which would give rise to holdings of less than 1,000 units except with the approval of the Managers and Trustee. After the offices of the Managers have received all documents, a cheque will subsequently be prepared. Any amount payable to a Unit Holder in respect of any realization of units shall not be payable until the expiration of ten (10) clear business days except with the approval of the Managers. In the case of investments quoted on a stock exchange this period will include the customary period for the realization of investment and any moratorium which may be at any time applied to payments in respect of stock exchange transactions.

b) Prices Quotations and Charges

At least once per week the Fund's portfolio of investments is valued at the prices prevailing at the close of business on the day before. The bid and ask prices are subsequently published in the daily press. The offer (ask or issue) price of units shall be determined by dividing the value of the Fund's portfolio by the number of units in issue. To this resultant value per unit is added:

- A preliminary charge not exceeding eight percent (8%).
- Such sum as the Managers may consider, which represents an appropriate provision for fiscal and purchase charges (together with any General Consumption Tax payable or any other taxes or levies which may be imposed by the Government of Jamaica).
- A rounding-up factor not exceeding one cent.

Where the underlying investments are represented by securities quoted on the Jamaica Stock Exchange, these are valued for the purpose of arriving at the offer price at what appears to be midway between bid prices and offer prices on the Principal Stock Exchange (The Jamaica Stock Exchange). However, where the Managers consider the prices ruling on a Stock Exchange other than the Principal Stock Exchange to provide a fairer criterion of value for any security, they may adopt such prices.

The bid price (price at which a Unit Holder will sell his units back to the Managers) of units is determined by dividing the value of the Fund's portfolio by the number of units in issue. From this resultant, value per unit is deducted:

- An appropriate provision for fiscal and sale charges (stamp duty and brokerage commissions).
- A rounding down factor not to exceed one cent.

Where the underlying investments are represented by securities which are quoted on the Jamaica Stock Exchange, these are valued for the purpose of arriving at the bid price, at what appears to the Managers to be the highest market dealing bid price on the Jamaica Stock Exchange. However, where the Managers consider the prices ruling on the Jamaica Stock Exchange other than the Principal Stock Exchange to provide a fairer criterion of value for any security, they may adopt such prices.

(c) Offer Price of Units

Offer price of units is inclusive of a preliminary charge of 5%. This preliminary charge is waived if an investment remains in the Money market Fund for a period of no less than 90 days. The Managers reserve the right to adjust this waiver as it is deemed necessary.

7. BORROWING

The Managers, with the concurrence of the Trustee, may borrow such amount not exceeding 10% of the total Deposited Property, if such borrowing is deemed to be advantageous by them. The period of such borrowing shall not exceed six (6) months and must meet the prior approval of the Financial Services Commission. Such borrowing would, of course, be chargeable upon the assets of the Fund. For the purpose of securing any such borrowing and interest thereon, the Trustee shall be at liberty to mortgage, charge or pledge in such manner as it shall think fit, all or any of the Investments comprised in the Deposited Property. Any interest or expenses directly incurred in effecting, maintaining and terminating such borrowing shall be payable out of the Deposited Property.

The Trustee and the Managers shall be entitled to be indemnified out of and have recourse to the Deposited Property in respect of any liability, costs, claims, or demands which they or either of them may suffer arising directly or indirectly from the operation of any borrowing arrangements.

8. INVESTMENT POLICY

The Fund will be so managed as to provide investors with a diversified money market fund seeking maximum current income consistent with

liquidity and conservation of capital with investments in high grade money market instruments. The Managers may:-

- Acquire cash or deposits with or loans to a company or body which is lawfully authorized to accept such cash or take such deposits or loans.
- Acquire investments issued by the Government of Jamaica and Bank of Jamaica.
- Acquire bills of exchange or promissory notes and/or commercial paper issued by a company or body.
- Acquire investments which are issued by a building society incorporated under the Building Societies Act, are not subordinated.
- Acquire other investments which are not subordinated.
- Derivatives and other structured products (such as swaps, forwards, credit linked notes and shares in mutual funds) PROVIDED that such instruments shall not exceed ten percent 10% in value of the Deposited Property immediately after such investment has been made.

Bearing in mind that the value of certain underlying investments may fluctuate and to ensure that the Fund's investment goals are achieved, the Managers may not:

- Invest more than ten percent (10%) in value of the Deposited Property in instruments issued by the same issuer immediately after such investment has been made **PROVIDED THAT** such instruments shall not exceed ten percent (10%) of any one class of instruments issued by the same issuer.
- Invest more than ten percent (10%) in value of the Deposited Property on deposit with the same company or body immediately after such investment has been made.
- Invest more than ten percent (10%) in value of the Deposited Property in transferable securities issued by the same issuer immediately after such investment has been made **PROVIDED THAT** such transferable securities shall not exceed ten percent (10%) in any one class of transferable securities issued by any one issuer.
- Invest more than fifteen percent (15%) in value of the Deposited Property on deposit with any company or body incorporated or registered outside of Jamaica and which is not lawfully authorized to accept such deposits in Jamaica or shall consist of instruments or transferable securities issued by a company or body incorporated or registered outside of Jamaica immediately after such investment has been made **PROVIDED THAT** such deposits shall not exceed one percent (1%) of the aggregate deposits in any one such company or body immediately after such deposits have been made and that such instruments or transferable securities shall not exceed ten percent (10%) of any one class of instruments or transferable securities issued by any such company or body as aforesaid.

Notwithstanding, up to twenty percent (20%) in value of the Deposited Property may consist of instruments issued by and of deposits placed with the same company or body provided that the total value of any instruments issued by and of any deposits placed with the same company or body does not exceed ten percent (10%) of the amount of issued capital and reserves of that company or body and further provided that such

instruments shall not exceed ten percent (10%) of any class of such instruments issued by the same company or body as the case may be.

These limitations shall not apply to:

- instruments issued by or deposits placed with or guaranteed by the Government of Jamaica or the Bank of Jamaica
- instruments or classes of instruments as the Regulator or the law may stipulate are exempt from the diversification requirements for unit trusts.

It should also be noted that not less than twenty percent (20%) of the value of the Net Deposited Property shall consist of instruments or deposits which are repayable within the period of three hundred and sixty five (365) days beginning on the date upon which they become part of the Deposited Property or which are made on terms on which repayment may be demanded within the period unconditionally and without penalty.

These limitations apply immediately after the investment is made, but if through appreciation the limits are exceeded, then the Managers may not make further acquisition in respective class until they have divested themselves of the appropriate class of investment. These limitations come into effect once there are 10,000,000 units in issue.

9. TERMINATION OF TRUST

The Trust can be terminated in the following circumstances:

- Either the Trustee or the Managers may in their absolute discretion terminate the Trust by not less than one year's notice in writing to the other given so as to expire at the end of the Accounting Period current at the end of the year 2003 or any fifteenth year thereafter. Notice must immediately be given to the Financial Services Commission stating the reason or reasons for the termination.
- The Trust may be terminated by the Trustee in writing as follows:-
 - If the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee).
 - If in their opinion the Managers are incapable of performing their duties or have failed to perform their duties satisfactorily or have acted in such a manner as to bring the Trust into disrepute or harmful to the interest of Unit Holders. Where the Managers are dissatisfied with such opinion the matter shall be referred to the President for the time being of the Institute of Chartered Accountants in Jamaica or some person appointed by him for determination and his determination shall bind the Trustee and the Managers.
 - If it becomes prohibited by law, or its registration has been cancelled under any statutory provision and the Trustee and Managers have been so notified or where in the opinion of the Trustee together with the Managers it is impracticable or inadvisable to continue the Trust.
 - If the Trustee notifies the Managers in writing of the Trustee's desire to retire and no new Trustee has been appointed within six (6) months of the receipt of such notice by the Managers.