

# Scotia Funds™

## Prospectus

Relating to the continuous offering of Units in the following mutual fund on the terms described in this Prospectus

Units of

Scotia Trinidad and Tobago Fixed Income Fund

and

Scotia Trinidad and Tobago Growth and Income Fund

(Collectively referred to as “Units” and “Fund” respectively)

Class AT and Class IT Units

Registered in Trinidad and Tobago

Dated 02<sup>nd</sup> June, 2021

The Fund was established in Trinidad and Tobago on 02<sup>nd</sup> June 2021 for distribution to Subscribers.

This Prospectus may not be distributed in any form to any residents of any country except the Republic of Trinidad and Tobago.

### FUND MANAGER

Scotia Investments Trinidad and Tobago Limited  
56-58 Richmond Street  
Port of Spain  
Trinidad

### DISTRIBUTOR

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

# Scotia Funds™

The Trinidad and Tobago Securities Exchange Commission has not in any way evaluated the merits of the securities distributed hereunder and any representation made to the contrary is an offence.

Scotia Global Asset Management and Scotia Funds are the brand names under which the Scotiabank group of companies, including Scotiabank & Trust (Cayman) Ltd., Scotia Investments Jamaica Limited, and Scotia Investments Trinidad and Tobago Ltd. markets and distributes mutual funds and unit trusts.™ Trademark of The Bank of Nova Scotia, used under license where applicable.

## NOTICE TO NON-RESIDENTS

Nothing in this Prospectus constitutes an offer of securities for sale in any jurisdiction other than in the Republic of Trinidad and Tobago.

Except as stated hereunder, the invitation to subscribe for Units described in this Prospectus is not being made to Non-Residents. Any Person who is in doubt as to his or her position should consult an appropriate professional advisor without delay.

Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus must be treated as sent for information only and should not be copied or redistributed.

Subject to the following, no Person receiving a copy of this Prospectus in any jurisdiction other than the Republic of Trinidad and Tobago may treat the same as constituting an invitation or offer to him/her, unless, in the relevant territory, such an invitation or offer could be lawfully made to him/her without contravention of any registration or other legal requirements.

Persons (including without limitations, custodians, nominees, agents and trustees) receiving a copy of this Prospectus should not, in connection with this invitation to subscribe for Units, distribute or send that same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. Any Person (including without limitations, custodians, nominees, agents and trustees) who forwards this Prospectus into any such jurisdictions (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this Notice.

The Trustee reserves the right, but shall not be obliged, to treat as invalid and will not be bound to issue any Units in respect of any acceptance or purported acceptance of the invitation to subscribe for Units which:

- (a) Appears to the Trustee or its agents to have been executed, effected or dispatched from any jurisdiction outside of the Republic of Trinidad and Tobago; or
- (b) Appears to the Trustee or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or which the Trustee believes, or its agents believe would violate applicable legal or regulatory requirements.

Despite any other provision of this Prospectus, the Trustee reserves the right to permit any Person to subscribe for Units if the Trustee in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

## RESPONSIBILITY STATEMENT

This Prospectus has been seen and approved by the directors of the Fund Sponsor and they all accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no facts the omission of which would make any statement within this document misleading.

The Directors of the Fund Sponsor are:

Mr. Derek Hudson  
Mrs. Wendy-Fae Thompson  
Ms. Gayle Pazos  
Ms. Roxane De Freitas  
Mrs. Lisa Mackenzie  
Mr. Alan Fitzwilliam  
Mr. Steve Ragobar  
Mr. David Thomas  
Ms. Anya Schnoor  
Mr. John Hadad

Dated this 02<sup>nd</sup> day of June 2021

Derek Hudson

Mr. Derek Hudson

Wendy Hudson

Mr. Steve Ragobar

Wendy Fae Thompson

Mrs. Wendy-Fae Thompson

David Thomas

Mr. David Thomas

Gayle Pazos

Ms. Gayle Pazos

Anya Schnoor

Ms. Anya Schnoor

Roxane De Freitas

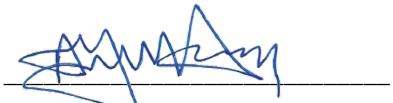
Ms. Roxane De Freitas

John Hadad

Mr. John Hadad



Ms. Lisa Mackenzie



Mr. Alan Fitzwilliam

### REGISTRATION

This Prospectus is dated the 02<sup>nd</sup> day of June 2021. A copy of this Prospectus has been filed with the Trinidad and Tobago Securities and Exchange Commission and they have issued a receipt for this Prospectus.

## NOTICE TO SUBSCRIBERS

If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, attorney, accountant or other financial advisor. The contents of this Prospectus are not to be construed as a recommendation or advice to any prospective Subscriber in relation to the subscription, purchase, holding or disposition of Units. Prospective Subscribers should consult their professional advisors accordingly.

**You are encouraged to read this Prospectus in its entirety, prior to making any investment decision and you are advised to retain this Prospectus for future reference.**

No authorized Distributor, sales agent or other person has been authorized to provide any information or to make any representations, whether orally or in writing, other than as described in this Prospectus. Any other information given or representations made by any person must be regarded as unauthorized. Any distribution or reproduction of all or any part of this Prospectus, or the divulgence of its contents other than as specifically set forth herein, is unauthorized.

A decision to subscribe for Units should be made on the basis of the information contained in this Prospectus and the documents available for inspection specified herein, copies of which may be obtained from the Fund Manager or its duly appointed agents. Neither the delivery of this Prospectus nor the issue of Units shall imply that there has been no change in the affairs of the Fund since the date of this Prospectus.

The value of Units is subject to the performance of the investments of the Fund and as these investments are subject to prevailing and unanticipated economic, political and social conditions, the value of such Units may fall as well as rise. Past performance of the Fund is not necessarily a guide as to how the Fund will perform in the future, as economic conditions do not remain constant and are subject to change. The nature of the Fund is such that the Fund should be regarded as a short-term investment (see Risk Factors).

No application has been made for the Fund to be listed on any stock exchange.

Certain information contained in this Prospectus may constitute "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "estimate", "intend", or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those described in Risks Factors, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

Subscribers of Units should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, incorporation or domicile and which might be relevant to the subscription, holding or disposal of Units. In making a decision whether to subscribe for Units in the Fund, Subscribers must rely on their own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved. No information or advice herein contained shall constitute advice to a prospective unit holder in respect of his personal position.

Statements in this Prospectus are based on the law and practice at the date hereof and are subject to change.

## DISTRIBUTION

This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation would be unlawful.

## ENQUIRIES

Copies of this Prospectus, Subscription Form and the documents specified herein may be available at all locations where the Fund is to be sold in Trinidad & Tobago, that is, all branches of Scotiabank Trinidad and Tobago Limited.

All documents filed with the Trinidad and Tobago Securities and Exchange Commission, constitute full, true and plain disclosure of all material facts relating to the securities being distributed by the Prospectus.

A list of all broker-dealers registered under the Securities Act, 2012 may be obtained on the website of the Trinidad and Tobago Securities and Exchange Commission – [www.ttsec.org.tt](http://www.ttsec.org.tt).

## TABLE OF CONTENTS

1.	MANAGEMENT AND ADMINISTRATION DIRECTORY .....	7
2.	DEFINITIONS.....	9
3.	THE FUNDS AND INVITATION TO PURCHASE UNITS.....	13
4.	INITIAL INVESTMENT.....	13
5.	INITIAL CAPITALISATION AND NET ASSET VALUE.....	13
6.	GENERAL INFORMATION .....	13
7.	BENEFITS TO SUBSCRIBERS .....	14
8.	INVESTMENT OBJECTIVES AND STRATEGIES .....	14
9.	CONCENTRATION RESTRICTION AND CONTROL RESTRICTION.....	18
10.	BORROWING POWERS .....	18
11.	CLASSES OF UNITS .....	18
12.	DISTRIBUTION POLICY.....	18
13.	RISK FACTORS.....	19
14.	RIGHTS RELATED TO THE FUND ASSETS .....	22
15.	PERFORMANCE DATA.....	22
16.	ACCOUNTS AND REPORTS.....	22
17.	TRANSACTIONS - SUBSCRIPTION, REGISTRATION, REDEMPTION, TRANSFER, EXCHANGE AND TERMINATION.....	23
18.	SCOTIA PORTFOLIOS.....	26
19.	VALUATION .....	26
20.	SUSPENSION AND COMPULSORY REDEMPTION.....	26
21.	MANAGEMENT AND SERVICE PROVIDER.....	27
22.	PROFILE OF THE BOARD OF DIRECTORS OF THE TRUSTEE .....	29
23.	FEES AND EXPENSES.....	32
24.	TAXATION AND EXCHANGE CONTROLS .....	33
25.	SUBSCRIBER CONSENT TO DISCLOSURE .....	34
26.	ANTI-MONEY LAUNDERING (AML) REGULATIONS.....	34
27.	KEY ORGANISATIONAL DOCUMENTS OF THE FUND .....	34
28.	DOCUMENTS FOR INSPECTION.....	35
29.	ADMISSIBILITY IN THE STATUTORY FUNDS OF INSURANCE COMPANIES AND BY PENSION PLANS.....	36
30.	APPENDIX A - SUMMARY OF FINANCIAL POSITION OF SCOTIABANK TRINIDAD AND TOBAGO LIMITED FOR THE LAST FOUR YEARS.....	37
31.	APPENDIX B - SUMMARY OF FINANCIAL POSITION OF SCOTIA INVESTMENTS TRINIDAD AND TOBAGO LIMITED FOR THE LAST THREE YEARS .....	39

This Prospectus contains information to help you make an informed investment decision and to help you understand your rights. It contains information about the Fund, as well as the names of persons responsible for its organization and management. You are encouraged to read this Prospectus in its entirety, prior to making any investment decision.

## 1. MANAGEMENT AND ADMINISTRATION DIRECTORY

### FUND SPONSOR

Scotiabank Trinidad and Tobago Limited  
Scotiabank Center  
56-58 Richmond Street  
Port of Spain, Trinidad and Tobago  
Phone: (868) 625-3566  
Email: [CustomerCareTT@scotiabank.com](mailto:CustomerCareTT@scotiabank.com)

The Fund Sponsor offers the Units for sale in accordance with the provisions of the Trust Deed.

### REGISTRAR

International Financial Data Services Ltd.  
30 Adelaide Street East, Suite 1  
Toronto, Ontario, M5C 3G9  
Canada  
Phone: 1 (416) 506-8000

The Registrar maintains a record of all Unitholders and performs the role of transfer agent and income paying agent.

### BANKER

Scotiabank Trinidad and Tobago Limited  
Scotiabank Center  
56-58 Richmond Street  
Port of Spain, Trinidad and Tobago  
Phone: (868) 625-3566  
Email: [CustomerCareTT@scotiabank.com](mailto:CustomerCareTT@scotiabank.com)

### FUND MANAGER

Scotia Investments Trinidad and Tobago Limited  
Scotiabank Center  
56-58 Richmond Street  
Port of Spain, Trinidad and Tobago  
Phone: (868) 625-3566  
Email: [CustomerCareTT@scotiabank.com](mailto:CustomerCareTT@scotiabank.com)

In its capacity as fund manager, Scotia Investments Trinidad and Tobago Limited shall perform or arrange the performance of the administrative services necessary for the daily operation of the Fund. These include maintaining the corporate and financial books and records of the Fund, preparing Financial Statements of the Fund, and calculation of the Net Asset Value of the Fund and the Net Asset Value per Unit. In its capacity as the investment manager of the Fund, Scotia Investments Trinidad and Tobago Limited shall identify, evaluate, and monitor existing investments and potential investments and has power to enter into transactions on behalf of the Funds.

Scotia Investments Trinidad and Tobago Limited (“SITT”) is a 100% owned subsidiary of Scotiabank Trinidad and Tobago (“SBTT”). SITT was first incorporated as Dehring Bunting and Golding Trinidad Limited on 23rd August 2007 and on 18th November 2008, by Certificate of Amendment, the company’s name was changed to Scotia Investments Trinidad and Tobago Limited (“SITT”). SITT is a licenced Broker and a registered broker-dealer with the Trinidad and Tobago Securities Exchange Commission, and is also licenced under the Financial Institutions Act as a Non-Bank Financial institution. SITT has been in the investment management industry since the launch of SBTT’s two TT Dollar Collective Investment Schemes, for which it has acted exclusively as their Investment Manager, since 2013. In total, SITT oversees management of TT\$3.1BN. The Members of the Board of Directors of SITT are, Steve Ragobar, Alan Fitzwilliam, Brian Frazer, David Thomas, and Savon Persad.

### FUND SUB-ADMINISTRATOR

State Street Cayman Trust Company, Ltd.  
45 Market Street Suite # 3206A  
Gardenia Court, Camana Bay, P.O. Box 31113  
Grand Cayman KY1-1205  
Cayman Islands, BWI  
00216981-1

Phone: (617) 786-3000  
Email: [information@statestreet.com](mailto:information@statestreet.com)

State Street Cayman Trust Company, Ltd. shall be appointed by the Fund Manager to assist the Fund Manager with certain of the Fund Manager's responsibilities under the Fund Management Agreement.

#### **TRUSTEE**

Scotiabank Trinidad and Tobago Limited  
Scotiabank Center  
56-58 Richmond Street  
Port of Spain, Trinidad and Tobago  
Phone: (868) 625-3566  
Email: [CustomerCareTT@scotiabank.com](mailto:CustomerCareTT@scotiabank.com)

The Trustee shall be responsible for administering the Trust in accordance with the Trust Deed. In this regard the Trustee shall delegate certain of its responsibilities to the Fund Manager. The Trustee has a fiduciary responsibility to the Unitholders. The Trustee will ensure that the rights of the Unitholders are in no way infringed.

#### **CUSTODIAN**

State Street Bank and Trust Company  
225 Franklin St.  
Boston, Massachusetts 02110  
Phone: (617) 786-3000  
[www.ssga.com](http://www.ssga.com)  
Email: [information@statestreet.com](mailto:information@statestreet.com)

The Custodian shall be the custodian of the portfolio of assets of the Fund.

State Street Bank and Trust Company is a subsidiary of the State Street Corporation. It is organized as a trust company based in Massachusetts and specializes in services to mutual funds and their advisers, collective investment funds, corporate and public pension funds, insurance companies, operating companies and non-profit organizations. State Street provides core investment custody, hedge fund or investment/securities accounting, fund administration, securities finance and transfer agent services to institutional clients. State Street Bank and Trust company is the largest custodian bank in the world with Assets under administration (AUA) of \$7 trillion 2Q 2017. Members of the Board of Directors of State Street Bank and Trust Company are Mr. Joseph C Antonellis, Mr. Matthew Steinaway, Mr. Chad C Hallet, Mr. Dwight D Churchill, CFA, Ms. Bonny E Boatman, Mr. David M Kelly, and Mr. Frank Nesvet.

#### **AUDITORS**

KPMG  
Savannah East  
11 Queen's Park East  
Port of Spain, Trinidad and Tobago  
Phone: (868) 612-5764  
Fax: (868) 623-1084  
<https://home.kpmg/tt/en/home/about/offices/port-of-spain-1.html>

#### **ATTORNEYS AT LAW**

Johnson, Camacho and Singh, Attorneys at Law  
5th Floor, Newtown Centre  
30-36 Maraval Road  
Newtown, Port of Spain, Trinidad and Tobago  
Phone: (868) 225-4527  
Fax: (868) 622-2671  
[www.jcscaribbeanlaw.com](http://www.jcscaribbeanlaw.com)  
Email: [info@jcscaribbeanlaw.co](mailto:info@jcscaribbeanlaw.co)

## 2. DEFINITIONS

In this Offering Document the following words and phrases have the meanings set forth below:

<b>"AT Units"</b>	means the AT class of Units of the Funds offered pursuant to this Prospectus.
<b>"Affiliate(s)"</b>	means an affiliated body corporate or affiliated person as described below:
(a)	<ul style="list-style-type: none"><li>(i) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other, or both are subsidiaries of the same body corporate, or each of them is controlled by the same person; and</li><li>(ii) if two bodies corporate are affiliated with the same body corporate at the same time, they are affiliated with each other;</li></ul>
(b)	a body corporate is the holding body corporate of another if that other body corporate is its subsidiary; and
(c)	<ul style="list-style-type: none"><li>a person that is not a body corporate or an individual is considered to be an affiliated person of another person, including a body corporate, if it is controlled by that other, provided that a person is controlled by another person, if<ul style="list-style-type: none"><li>(i) in the case of a partnership, the second-mentioned person owns or holds more than fifty percent of the interest in the partnership; and</li><li>(ii) in the case of the first-mentioned person other than a body corporate, an individual, or a partnership, securities of the first mentioned person carrying more than fifty percent of the interests in such person are held or owned, by or for the benefit of the second mentioned person.</li></ul></li></ul>
<b>"Asset Transfer Agreement"</b>	means the asset transfer agreement made between the liquidator of the St. Lucia Funds and the Trustee to transfer the St. Lucia Funds Assets to the Trustee for the benefit of the Unitholders in exchange for Units in the Funds which will be distributed by the liquidator pro rata to the St. Lucia Fund Shareholders, upon the liquidation of the St. Lucia Funds.
<b>"Auditor"</b>	means KPMG
<b>"Board of Directors"</b>	means the board of directors of the Trustee.
<b>"Business Day"</b>	means any day, other than a Saturday or Sunday, that is not a legal holiday or a day on which banks are generally authorized or obliged by law or regulation to close in the Republic of Trinidad and Tobago, or such day that the New-York Stock Exchange is open for business.
<b>"Capital Account"</b>	means the account maintained in the name of the Fund Manager into which the initial investment of \$5,000,000.00 and the proceeds from the subscriptions will be deposited.
<b>"Close of Business"</b>	means 4:00pm Trinidad and Tobago time.
<b>"Custodian"</b>	means the custodian of the portfolio assets of the Funds, which shall be State Street Bank and Trust Company.
<b>"Dealing Day"</b>	means each Business Day or such other day or days as the Fund Manager may from time to time prescribe.
<b>"Distributable Trust Income"</b>	means the income received on the Fund Assets.

<b>"Distributor"</b>	means Scotiabank Trinidad and Tobago Limited or such other person appointed by the Trustee as distributor of Units of the Fund.
<b>"Eligible Subscriber"</b>	means Subscribers who are resident in Trinidad and Tobago.
<b>"Extraordinary Resolution"</b>	means (a) an extraordinary resolution (within the meaning of paragraph 18 of Schedule 2 of the Trust Deeds) of a meeting of Unitholders duly convened and held in accordance with the provisions of Schedule 2 of the Trust Deeds; or (b) a resolution in writing signed by Unitholders holding in the aggregate not less than 75% or 51% in the case of an adjourned meeting be in number of the outstanding Units and so that for this purpose any such resolution may consist of several documents in the like form each signed by one or more of the Unitholders or their attorneys and the signature, in the case of a body corporate which is a Unitholder, shall be sufficient if made by a director thereof (or any other officer or member thereof who holds a position similar to that of a director of a company) or its duly appointed attorney.
<b>"Financial Statements"</b>	means financial statements as defined in Section 3 of the Securities (General) By-Laws, 2015, issued by the Trinidad and Tobago Securities and Exchange Commission.
<b>"Funds"</b>	means the Scotia Trinidad and Tobago Fixed Income Fund and the Scotia Trinidad and Tobago Growth and Income Fund.
<b>"Fund Assets"</b>	means all the assets and investments for the time being held or deemed to be held upon trust by the Trustee under the respective Trust Deeds.
<b>"Fund Documents"</b>	means this Prospectus and the Trust Deeds in respect of the Funds.
<b>"Fund Manager"</b>	means Scotia Investments Trinidad and Tobago Limited or such other Person or Persons as may, for the time being and from time to time be duly appointed by the Trustee as administrator and investment manager of the Fund.
<b>"Fund Sponsor"</b>	means Scotiabank Trinidad and Tobago Limited.
<b>"IT Units"</b>	means the IT class of Units of the Funds offered pursuant to this Prospectus.
<b>"Income Account"</b>	means the account or accounts maintained in the name of the Fund Manager for the benefit of the Trustee, for the purpose of receiving all interest and other income derived from or earned on the Fund Assets and such other receipts as may be received by the Trustee in the nature of income to the Fund.
<b>"Initial Assets"</b>	means the St. Lucia Funds Assets.
<b>"Institutional Investor"</b>	means a Subscriber who makes large investments (minimum of TT\$5,000,000) in Units, and who enter into an agreement directly with the Fund Manager which identifies the management fees negotiated between the Subscriber and the Fund Manager.
<b>"Investment and Fund Management Agreement"</b>	means the agreement dated 02 <sup>nd</sup> June 2021 between Scotiabank Trinidad and Tobago Limited as Trustee of the One Part and Scotia Investments Trinidad and Tobago Limited as Fund Manager of the Other Part, relating to the investment management and administration of the Funds and any renewal or extension of such agreement or any agreement in substitution therefor.
<b>"Management Fee"</b>	means the annual fee charged to the Funds by the Fund Manager for services provided. This fee is calculated as a percentage of the Fund's Net Asset Value.
<b>"Net Asset Value" or "NAV"</b>	means the net asset value of the Funds, or individual Unit (as the case may be) calculated as the market value of all assets less all liabilities of the Funds on a Dealing Day calculated in accordance with the Trust Deed.

<b>"NAV per Unit"</b>	means the NAV per Unit calculated in accordance with the respective Trust Deed.
<b>"Non-Resident"</b>	means a Person who is not resident in the Republic of Trinidad and Tobago.
<b>"Opening NAV per Unit"</b>	means the NAV per Unit calculated in accordance with Clause 11 of the Trust Deed at the close of business on the <b>11<sup>th</sup> day of June 2021</b> .
<b>"Person"</b>	includes individual, firm, partnership, body corporate, trust, the Government of the Republic of Trinidad and Tobago or any government agency thereof.
<b>"Prospectus"</b>	means this prospectus as amended, supplemented or restated.
<b>"Redemption"</b>	means the redemption of Units.
<b>"Redemption Form"</b>	means the form for redemption of Units in such form as the Trustee may from time to time determine.
<b>"Register"</b>	means the register of Unitholders kept in accordance with the Trust Deed.
<b>"Registrar"</b>	means International Financial Data Services Ltd or such other Person as may, from time to time, be appointed by the Trustee to keep the Register.
<b>"Scotiabank"</b>	means Scotiabank Trinidad and Tobago Limited.
<b>"Scotiabank Group"</b>	means the Bank of Nova Scotia and its Affiliates, officers, employees and agents.
<b>"St. Lucia Funds"</b>	means the mutual funds established under the laws of St. Lucia by the Fund Sponsor which are being re-domiciled under the laws of Trinidad and Tobago pursuant to the Funds' Documents.
<b>"St. Lucia Funds Assets"</b>	mean the assets held by the St. Lucia Funds which are being vested in the Trustee in accordance with the provisions of the Asset Transfer Agreement to be held in trust by the Trustee for the benefit of the Unitholders in the same manner as these assets are presently held by the St. Lucia Funds for the benefit of the St. Lucia Funds Shareholders.
<b>"St. Lucia Funds Shareholders"</b>	mean the investors in the St. Lucia Funds.
<b>"Subscriber"</b>	means an investor who subscribes for Unit(s).
<b>"Subscription"</b>	means the subscription for Units and the issuance thereof by the Fund.
<b>"Subscription Consideration"</b>	means the initial prices per Unit and such subsequent consideration payable from time to time during the life of the Funds.
<b>"Subscription Day"</b>	means each Business Day on which a Subscription is accepted.
<b>"Subscription Form"</b>	means the form completed by a Subscriber to acquire Units of the Funds.
<b>"TT\$" or "Trinidad and Tobago Dollars"</b>	means the lawful currency of Trinidad and Tobago.
<b>"Transfer Form"</b>	means the form, as prescribed by the Trustee from time to time, to be used to transfer the Units to another Person.
<b>"Trusts"</b>	means collectively the trust constituted by the Trust Deed to be known as Scotia Trinidad & Tobago Fixed Income Fund and the trust constituted by the Trust Deed to be known as the Scotia Trinidad & Tobago Growth and Income Fund, and individually as either of them.

<b>"Trustee"</b>	means Scotiabank Trinidad and Tobago Limited.
<b>"Trust Deed"</b>	means the declaration of trust by the Trustee made by deed for each Fund.
<b>"US\$" or "United States Dollars"</b>	means the lawful currency of the United States of America.
<b>"Unit(s)"</b>	means the units of the Fund offered pursuant to this Prospectus.
<b>"Unitholder"</b>	means a person who is registered on the Register of Unitholders of the Funds as the holder of a Unit of the Funds.
<b>"Unit Price"</b>	means the Subscription Consideration.
<b>"Valuation Date"</b>	means each and every Business Day or such other day or days as the Trustee may from time to time select and notify to the Unitholders.
<b>"Year"</b>	means calendar year.

### **3. THE FUNDS AND INVITATION TO PURCHASE UNITS**

This Prospectus constitutes an invitation to the public by the Fund Sponsor to subscribe for Units to be issued by the Trustee in mutual funds known as the SCOTIA TRINIDAD AND TOBAGO FIXED INCOME FUND and the SCOTIA TRINIDAD AND TOBAGO GROWTH AND INCOME FUND

This Prospectus sets forth the basic information that a Subscriber should know before subscribing for Units in the Funds. Any distribution or reproduction of all or any part of this Prospectus or the divulgence of its contents other than with the written approval of the Fund Sponsor is unauthorized.

The Funds are constituted as trusts under the laws of Trinidad and Tobago and are registered as collective investment schemes with the Trinidad and Tobago Securities and Exchange Commission.

The Fund Manager may from time to time arrange for the Units to be marketed, distributed and sold in jurisdictions where the Units may lawfully be marketed, distributed and sold.

### **4. INITIAL INVESTMENT**

Prior to the filing of this Prospectus with the Trinidad and Tobago Securities and Exchange Commission, the Fund Sponsor shall deposit the sum of Five Million TT Dollars (TT\$5,000,000.00) into the Capital Account of each of the Funds, which will be the initial investment in the Funds by the Fund Sponsor.

### **5. INITIAL CAPITALISATION AND NET ASSET VALUE**

The Funds shall be capitalized by the Initial Assets.

### **6. GENERAL INFORMATION**

The contents of this Prospectus are qualified in their entirety by the detailed provisions of the Trust Deeds.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

The Funds are neither insured with the Deposit Insurance Corporation of Trinidad and Tobago nor are they guaranteed by the Fund Sponsor. Any investment in the Funds is at the sole risk of the Subscriber.

It should be noted that the Net Asset Value per Unit in the Funds will vary based on the underlying value of the assets in each Funds.

Circulation of this Prospectus will be restricted to residents of Trinidad and Tobago and potential Subscribers are responsible for informing themselves of any applicable laws or regulations.

The application for Units shall be made only on the basis of this Prospectus alone and on the Subscription Forms as provided by the Trustee.

Neither the delivery of this Prospectus nor the offer, sale or issue of Units shall constitute a representation that the information given herein is necessarily correct as of any time subsequent to the date hereof.

The Prospectus does not purport to give legal, tax or financial advice and does not include information relating to events occurring subsequent to its date except as specifically indicated.

The Funds are designed to enable Unitholders to participate indirectly in the ownership of the Fund Assets which includes the Initial Assets.

Ownership of Units in the Funds is to be evidenced by the recording thereof on the Register.

The Funds are governed by the laws of the Republic of Trinidad and Tobago.

The obligations as to the trusteeship, administration and investment management of the Funds and all distributions are the ultimate responsibility of the Trustee. The Trustee pursuant to the power contained in the respective Trust Deeds has delegated certain duties and functions as follows:

- (i) As to administration, management and investment management of the Funds, to the Fund Manager;
- (ii) As to the functions of the registrar and transfer agent, to the Registrar; and
- (iii) As to the custodianship of the portfolio assets of the Funds', to the Custodian

The Trustee may also empower the Fund Manager to appoint such Persons as the Fund Manager sees fit to assist with its duties and functions as Fund Manager.

The Board of Directors of the Trustee will be responsible for authorising all actions under the Trust Deed.

The Board of Directors is responsible for managing the business and affairs of the Fund, including the appointment of officers to administer the Funds on a day to day basis. The Board of Directors may delegate its authorities to sub-committees of the Board of Directors and/or to executive officers of Scotiabank.

The Units will be offered only to residents of Trinidad and Tobago.

The Trustee will provide the total return calculation for the Funds which represents the income per Unit paid and accrued to the Unitholder from dividends, on the Fund Assets, over a specified period of time, expressed as a percentage of the current offering price per Unit. A yield quotation may reflect changes in NAV.

## 7. BENEFITS TO SUBSCRIBERS

The Funds are intended to appeal to Eligible Subscribers, who seek an investment denominated in Trinidad and Tobago Dollars (TT\$) and who have medium to long term investment horizons.

## 8. INVESTMENT OBJECTIVES AND STRATEGIES

Subscribers should recognize that each Fund has a particular investment objective and that investing in the Fund(s) should not be considered a complete or balanced investment program.

The Funds will offer Units in different Classes as described in Classes of Units.

### SCOTIA TRINIDAD AND TOBAGO FIXED INCOME FUND

The Scotia Trinidad and Tobago Fixed Income Fund's objective is to provide income and modest capital gains. The Fund is designed to invest primarily in fixed income securities, issued or guaranteed by the Government of the Republic of Trinidad and Tobago or by foreign governments, or issued by local or foreign corporations.

#### Investment Strategies

The Scotia Trinidad and Tobago Fixed Income Fund will invest primarily in fixed income securities. The Fund Manager, in its capacity as investment manager of the Fund, uses interest rate, yield curve and credit analysis to select individual investments and to manage the Scotia Trinidad and Tobago Fixed Income Fund.

The Scotia Trinidad and Tobago Fixed Income Fund may invest in high-quality mortgages on commercial and residential properties in Trinidad and Tobago purchased from and administered by Scotiabank.

The Scotia Trinidad and Tobago Fixed Income Fund can also invest in money market instruments, commercial paper, bankers' acceptances, mortgage-backed securities, asset-backed securities and other fixed income investments.

The Scotia Trinidad and Tobago Fixed Income Fund may also invest a significant portion or even all of its net assets in units of other mutual funds or exchange-traded funds, including funds managed by the Fund Manager, or other members of the Scotiabank Group.

The Fund Manager in its capacity investment manager of the Scotia Trinidad and Tobago Fixed Income Fund, may temporarily invest the Scotia Trinidad and Tobago Fixed Income Fund Assets in cash or cash equivalent securities to try to protect the Scotia Trinidad and Tobago Fixed Income Fund during a market downturn, or for other reasons.

In conjunction with other investment strategies, the Scotia Trinidad and Tobago Fixed Income Fund may participate in securities lending transactions in a manner considered to be most appropriate to achieving the Scotia Trinidad and Tobago Fixed Income Fund's overall investment objectives and enhancing the Scotia Trinidad and Tobago Fixed Income Fund's returns.

The Scotia Trinidad and Tobago Fixed Income Fund may use derivatives, such as forwards, futures and swaps, for hedging purposes.

The main risks of investing in the Scotia Trinidad and Tobago Fixed Income Fund are:

- credit risk
- interest rate risk
- currency risk
- liquidity risk
- concentration risk
- emerging markets risk
- international markets risk
- asset-backed securities and mortgage-backed securities risk
- repurchase transaction and reverse repurchase transaction risk

The Scotia Trinidad and Tobago Fixed Income Fund may have these additional risks:

- large transaction risk
- cross class risk
- securities lending risk
- derivatives risk
- headline risk
- underlying fund risk
- equity risk
- commodity risk
- financial services risk
- smaller company risk

For additional information on these risks, please see Risk Factors – Specific Risks of Mutual Funds as set out on page 19

The Scotia Trinidad and Tobago Fixed Income Fund may be suitable for you if:

- you want liquidity
- you want income distributions
- you can accept low to medium risk to your capital, and
- you are investing for the medium to long term.

The Scotia Trinidad and Tobago Fixed Income Fund is not permitted to:

- a) purchase securities on margin
- b) purchase a security of an issuer if, immediately after the purchase, the Fund would hold securities representing more than 10% of the votes attaching to the outstanding voting securities of that issuer, or the outstanding equity securities of that issuer
- c) purchase a security for the purpose of exercising control or direction over, or control or direction over the management of, the issuer of the security
- d) purchase a security of an issuer if, immediately after the purchase, more than 10% of the net assets of the Scotia Trinidad and Tobago Fixed Income Fund, taken at market value at time of purchase would be invested in the securities of the issuer, except in respect of purchases of evidences of indebtedness that are cash equivalents with a remaining term to maturity of not more than one year that are issued, or fully and unconditionally guaranteed as to principal and interest by a financial institution or government
- e) purchase equity securities other than through recognized market facilities unless the purchase price approximates the prevailing market price or is negotiated on an arm's length basis
- f) enter into derivatives contracts for non-hedging purposes, with the exception of forwards, futures or swaps

No change will be made in the investment strategies and restrictions described above without giving Unitholders at least 30 days prior notice in the form of a modification of, supplement to, or restatement of, this Prospectus. Although no specific restriction is included in the investment policies of the Scotia Trinidad and Tobago Fixed Income Fund, it is not the intention of the Fund Manager to take management control of any issuer of securities in which the Scotia Trinidad and Tobago Fixed Income Fund invests.

## SCOTIA TRINIDAD AND TOBAGO GROWTH AND INCOME FUND

The Scotia Trinidad and Tobago Growth and Income Fund's objective is to achieve a balance of current income and long-term capital appreciation, with a bias towards capital appreciation. The Scotia Trinidad and Tobago Growth and Income Fund is designed to invest primarily in a mix of equity and fixed income securities from Trinidad and Tobago and from around the world.

### Investment Strategies

The Fund Manager, in its capacity as investment manager of the Scotia Trinidad and Tobago Growth and Income Fund, uses fundamental security analysis to identify investments that have the potential for capital appreciation over the medium to long term.

The Scotia Trinidad and Tobago Growth and Income Fund Assets are primarily invested in and exposed to equity securities, and are diversified by sector, industry, country and company. The Scotia Trinidad and Tobago Growth and Income Fund may also invest a portion of its assets in fixed income securities issued by governments or corporations, and money market instruments.

The Fund may invest a significant portion or even all of its net assets in units of other mutual funds or exchange-traded funds, including funds managed by the Fund Manager, or other members of the Scotiabank Group.

The Fund Manager in its capacity as investment manager of the Scotia Trinidad and Tobago Growth and Income Fund, may temporarily invest the Scotia Trinidad and Tobago Growth and Income Fund Assets in cash or cash equivalent securities to try to protect the Scotia Trinidad and Tobago Growth and Income Fund during a market downturn, or for other reasons.

In conjunction with other investment strategies, the Scotia Trinidad and Tobago Growth and Income Fund may participate in securities lending transactions in a manner considered to be most appropriate to achieving the Scotia Trinidad and Tobago Growth and Income Fund's overall investment objectives and enhancing the Fund's returns.

The Scotia Trinidad and Tobago Growth and Income Fund may use derivatives, such as forwards, futures and swaps, for hedging purposes.

The main risks of investing in the Scotia Trinidad and Tobago Growth and Income Fund are:

- equity risk
- international markets risk
- emerging markets risk
- credit risk
- interest rate risk
- currency risk
- credit risk
- small company risk
- asset-backed securities and mortgage-backed securities risk
- commodity risk
- liquidity risk
- repurchase transaction and reverse repurchase transaction risk
- concentration risk

The Scotia Trinidad and Tobago Growth and Income Fund may have these additional risks:

- large transaction risk
- cross class risk
- securities lending risk
- derivatives risk
- headline risk
- underlying fund risk

For additional information on these risks, please see Risk Factors – Specific Risks of Mutual Funds as set out on page 19.

The Scotia Trinidad and Tobago Growth and Income Fund may be suitable for you if:

- you seek growth and diversification potential of investing primarily in equity securities of local and international companies
- you can accept medium to high risk to your capital, and
- you are investing for the long term.

The Scotia Trinidad and Tobago Growth and Income Fund is not permitted to:

- (g) purchase securities on margin
- (h) purchase a security of an issuer if, immediately after the purchase, the Fund would hold securities representing more than 10% of the votes attaching to the outstanding voting securities of that issuer, or the outstanding equity securities of that issuer
- (i) purchase a security for the purpose of exercising control or direction over, or control or direction over the management of, the issuer of the security
- (j) purchase a security of an issuer if, immediately after the purchase, more than 10% of the net assets of the Scotia Trinidad and Tobago Growth and Income Fund, taken at market value at time of purchase would be invested in the securities of the issuer, except in respect of purchases of evidences of indebtedness that are cash equivalents with a remaining term to maturity of not more than one year that are issued, or fully and unconditionally guaranteed as to principal and interest by a financial institution or government
- (k) sell securities short
- (l) purchase equity securities other than through recognized market facilities unless the purchase price approximates the prevailing market price or is negotiated on an arm's length basis
- (m) enter into derivatives contracts for non-hedging purposes, with the exception of covered calls, forwards, futures or swaps

No change will be made in the investment strategies and restrictions described above without giving Unitholders at least 30 days prior notice in the form of a modification of, supplement to, or restatement of, this Prospectus. Although no specific restriction is included in the investment policies of the Scotia Trinidad and Tobago Growth and Income Fund, it is not the intention of the Fund Manager of the Fund to take management control of any issuer of securities in which the Scotia Trinidad and Tobago Growth and Income Fund invests.

## **9. CONCENTRATION RESTRICTION AND CONTROL RESTRICTION**

The Fund Manager in its capacity as investment manager shall not purchase a security of an issuer if, immediately after the purchase more than ten percent (10%) of the NAV of each Fund, taken at market value at the time of the purchase, would be invested in any one security. Further, in accordance with the provisions of the Trinidad and Tobago Securities and Exchange Commission's guidelines on collective investment schemes, the Fund Manager in its capacity as investment manager shall not (1) purchase a security of an issuer if, immediately after the purchase, a Fund would hold securities representing more than ten percent of the votes attaching to the outstanding voting securities of the issuer, or the outstanding equity securities of the issuer; or (2) purchase a security for the purpose of exercising control or direction over, or control or direction over the management of, the issue of the security.

## **10. BORROWING POWERS**

The Funds shall not undertake any borrowings (cash or otherwise) or provide security interest over any of their portfolio assets unless the transaction is temporary and is for the purpose of accommodating requests for the redemption of Units of the Funds while the Funds effect an orderly liquidation of portfolio assets, or to permit the Funds to settle portfolio transactions and, after giving effect to all permitted borrowings the outstanding amount of all borrowings of the Funds shall not exceed five percent of the portfolio assets of the Funds at market value at the time of borrowing. For the purposes of this section, a transaction shall be deemed to be temporary if the borrowing is repaid within six months from the date of the borrowing.

## **11. CLASSES OF UNITS**

The Funds have established two Classes of Units, which have different terms.

Each Class of the Fund(s) will bear the expenses and liabilities directly attributable to that Class and a portion of the Fund's general administrative expenses allocated on the basis of total net assets or another equitable method. The value of each Class is calculated separately, however there's a risk that the expenses or liabilities of one Class of Units may affect the value of the other Classes; note "Cross Class Risk" in Risk Factors – Specific Risks of Mutual Funds.

The Funds will offer Class AT Units and Class IT Units denominated in Trinidad and Tobago Dollars. The Subscription Form for the Funds will identify what Classes are available.

The Classes of Units offered under the Funds have different management fees and are intended for different investors, as follows:

- (a) Class AT units are denominated in TT\$ and are available to all Subscribers.
- (b) Class IT units are denominated in TT\$ and are only available to eligible Institutional Investors.

You will find information about the Management Fees applicable to each Class of Units under *Fees and Expenses*.

## **12. DISTRIBUTION POLICY**

Unlike some bank deposits or other investments which pay a fixed yield for a stated period of time, the yield and total rate of return of the Funds may vary depending, inter alia, upon the current market value of the Fund Assets and the income earned by the Funds and changes in the Funds' expenses.

- i. Scotia Trinidad and Tobago Fixed Income Fund

For the Scotia Trinidad and Tobago Fixed Income Fund, distributions of the income paid on the Fund Assets will be made quarterly. Payments of distributions are dependent on the receipt of Distributable Trust Income in respect of the Fund, as determined by the Trustee and the Fund Manager acting jointly from time to time or as set out in the Trust Deed.

All distributions will, in the absence of written instructions from the Unitholder to the contrary, be reinvested in additional Units of the Funds at the NAV per Unit of such Units calculated on the date of distribution.

ii. Scotia Trinidad and Tobago Growth Income Fund

For the Scotia Trinidad and Tobago Growth Income Fund, all income earned by the Fund will be reinvested by the Fund Manager in line with the Fund's Investment Objectives.

## 13. RISK FACTORS

### What are the Risks?

Risk is often measured by volatility or the extent of which the net asset value of a mutual fund fluctuates. The value of a fund's shares can change from day to day for many reasons, including changes in the economy, interest rates, and market news affecting a particular company or industry sector, which the fund may be invested in.

The degree of risk depends on the fund's investment objectives and the types of securities it invests in. A general rule of investing is that the higher the risk, the higher the potential returns.

- Cash equivalent funds - usually offer the least risk as they invest in highly liquid, short-term investments such as treasury bills. Their potential returns are tied to short-term interest rates.
- Bond funds - generally have a medium level of risk as they invest in fixed income securities that fluctuate in value based on changes in interest rates or in the credit quality of the issuer of these bonds. Bond funds typically have higher long-term returns than cash equivalent funds.
- Equity funds - have the highest level of risk as they invest in equity securities, such as common shares, whose prices can rise or fall significantly in a short period of time.

### Managing Risk

One way to manage risk is to diversify investments across the three main asset classes: cash, bonds and equities. Since different types of investments tend to move independently from one another, positive performance in one asset class may help offset negative performance in another, thereby reducing a diversified portfolio's volatility and overall risk over the long-term. However, there can be no guarantee such an approach will mitigate risk.

While risk is an important factor to consider when choosing a mutual fund, you should also consider your investment goals and time horizon (i.e. when you will need the money). For example, if you are saving for a large purchase in the next year or so, you should consider investing in a fund with very low risk. However, if you want your retirement savings to grow over the next 20 years, you should likely put more of the money in funds bearing more risk.

A carefully chosen mix of investments can help reduce risk and still help meet investment goals. A mutual fund representative can assist you in building a portfolio that is suited to your goals and risk comfort level. If your investment goals or tolerance for risk change, you can, and should, change your investments to match your new situation.

### Specific Risks of Mutual Funds

Asset-backed Securities and Mortgage-backed Securities Risk - Asset-backed securities are debt obligations that are backed by pools of consumer or business loans. Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market perception of the issuers of these types of securities, or in the creditworthiness of the parties involved, then the value of the securities may be affected. In the use of mortgage-backed securities, there is also a risk that there may be a drop in the interest rates charged on mortgages, a mortgagor may default on its obligations under a mortgage, or there may be a drop in the value of the property secured by the mortgage.

Commodity Risk - Some mutual funds may invest directly or indirectly in gold and other commodities, including precious metals, metals and minerals, energy, natural resources, and agricultural commodities. The market value of such a mutual fund's investments may be affected by adverse movements in commodity prices. When commodity prices decline, this generally has a negative impact on the earnings of companies whose business is based in commodities.

Concentration Risk - This is the risk associated with mutual funds that concentrate their investments in a particular issuer, issuers, sector, or in a single country or geographic region. This allows the fund to focus on the potential of that particular sector, country or region, or of a relatively few number of securities. However, mutual funds that concentrate their investments tend to have greater fluctuations in price than funds with broader diversification. Funds that invest in fewer securities, sectors, countries or regions have greater concentration risk.

Credit Risk - Credit risk is the risk that the government or company that issued a fixed income or money market security will be unable to make interest payments or pay back the principal. Securities that have a low credit rating have higher credit risk. Lower-rated debt securities issued by companies or governments in developing countries generally have higher credit risk. Securities issued by well-established companies or by governments of developed countries generally have lower credit risk. The market value of a debt security can be affected by a change in the issuer's credit rating resulting from a change in the creditworthiness, or perceived creditworthiness, of the issuer.

Currency Risk - When a fund buys or holds an investment that is denominated in a currency other than Trinidad & Tobago dollars, changes in the exchange rate between that foreign currency and the Trinidad & Tobago dollar will affect the value of the fund.

Cross Class Risk - Some funds may offer two or more classes of units of the same fund. Although the Net Asset Value of each Class is calculated separately, there remains a risk that the expenses or liabilities of one Class of Units may affect the Net Asset Value of the other Classes, as in the event of the insolvency of a Fund. If one Class is unable to cover its liabilities, the other Classes are legally responsible for covering the difference.

Derivatives Risk - Derivatives can be useful for hedging against loss, gaining exposure to financial markets and making indirect investments, but they involve certain risks:

- Hedging with derivatives may not achieve the intended result. Hedging instruments rely on historical or anticipated correlations to predict the impact of certain events, which may or may not occur. If they occur, they may not have the predicted effect.
- It is difficult to hedge against trends that the market has already anticipated.
- Costs relating to entering and maintaining derivatives contracts may reduce the returns of a Fund.
- A currency hedge will reduce gains in the event that the hedged currency increases in value.
- Currency hedging can be difficult in smaller emerging growth countries because of the limited size of their markets.
- Currency hedging provides no protection against changes in the value of the underlying securities.
- There is no guarantee that a liquid exchange or market for derivatives will exist. This could prevent a Fund closing out its positions to realize gains or limit losses. At worst, a Fund might face losses from having to settle underlying futures contracts.
- The prices of derivatives can be distorted if trading in their underlying assets is halted. Trading in the derivative might be interrupted if trading is halted in a large number of the underlying stocks or assets. This would make it difficult for a Fund to close out its positions.
- The other party in a derivatives contract might not be able to meet its obligations.
- Derivatives trading on foreign markets may take longer and be more difficult to complete. Derivatives on foreign markets are subject to international markets risk.
- Investment dealers and futures brokers may hold a Fund's assets on deposit as collateral for a derivative contact. As a result, someone other than the Fund's custodian is responsible for the safekeeping of that portion of the Fund's assets.

Emerging Markets Risk - Some mutual funds may invest in foreign companies or governments which may be located in, or operate in, developing countries. In general, securities issued in more developed markets, such as Western Europe and North America, have lower international markets risk. Securities issued in emerging or developing markets, such as Southeast Asia or Latin America, have significant international markets risk and may be exposed to emerging markets risk. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the company. Political instability, possible corruption, as well as lower standards of business regulation increase the risk of fraud and other legal issues. Mutual funds that invest in emerging market securities may be exposed to greater volatility as a result of such issues.

Equity Risk - Funds that invest in equities, such as common shares, are affected by changes in the general economy and by stock market movements. When the economy is strong, the outlook for many companies will be good, and share prices and stock markets will generally rise, as will the value of a fund that holds shares in these companies. On the other hand, share prices usually decline in times of general economic or industry downturn. The price of equity securities of certain companies or companies within a particular industry sector may fluctuate differently than the value of the overall stock market because of changes in the outlook for those individual companies or the particular industry.

Financial Services Risk - Risks of investing in the financial services sector include:

- Regulatory actions: financial services companies may suffer setbacks if regulators change the rules under which they operate.
- Changes in interest rates: unstable and/or rising interest rates may have a disproportionate effect on companies in the financial services sector.

- Non-diversified loan portfolios: financial services companies whose securities the Fund purchases may themselves have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that industry.
- Credit: financial services companies may have exposure to investments or agreements which, under certain circumstances, may lead to losses, for example sub-prime loans.
- Competition: the financial services sector has become increasingly competitive.

**Headline Risk** - The Fund may invest in securities of companies with durable business models that can be purchased at attractive valuations relative to what the Fund Manager believes to be the companies' intrinsic values. The Fund may make such investments when a company becomes the center of controversy after receiving adverse media attention. The company may be involved in litigation, the company's financial reports or corporate governance may be challenged, the company's public filings may disclose a weakness in internal controls, greater government regulation may be contemplated, or other adverse events may threaten the company's future. While the Fund Manager researches companies subject to such contingencies, the Fund cannot be correct every time, and the company's stock may never recover.

**Interest Rate Risk** - Mutual funds that invest in fixed income securities, such as bonds, money market instruments and mortgages, are affected by changes in the general level of interest rates. In general, when interest rates rise, the value of these investments tends to fall. When rates fall, fixed income securities tend to increase in value. Fixed income securities with longer terms to maturity are generally more sensitive to changes in interest rates.

**International Markets Risk** - Mutual funds that invest in securities of foreign companies or governments may be subject to additional risk.

- The economic environment or the particular economic and political factors of a country or geographic region in which the foreign issuer operates may impact the value of its securities.
- Volume, liquidity and price volatility in some foreign stock and bond markets may vary.
- Stock exchanges, listed companies and investment dealers in foreign countries may be less regulated or have different regulations and reporting practices relative to an investor's local market.
- Political and social instability, restrictions on the movement of capital and the threat of expropriation, can affect the value of investments.

**Large Transaction Risk** - Units may be purchased in a large number by an entity or entities such as another investment fund. These types of Shareholders may make large purchases or redemptions of a Fund. In the case where an entity purchases a large number of Shares, the Fund may temporarily have a higher than normal cash position until this cash can be invested. In the case of a large redemption, the Fund may be required to sell existing investments at unfavorable prices if it does not have enough cash on hand to fund the redemption. In order to mitigate the impact of this risk to Shareholders, the Fund may require large Shareholders to provide notice when significant redemptions are being contemplated.

**Liquidity Risk** - Liquidity Risk is the possibility that a mutual fund will not be able to convert its investments into cash when it needs to, or will not be able to do so without causing the price of the investments to drop. Some securities are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, a shortage of buyers or sellers, or other reasons. Generally, investments with lower liquidity tend to be subject to more dramatic price changes and this may subject the holder to losses or additional costs. Investments in other funds are often subject to restricted transferability, partially gated redemptions, or suspension of redemptions, which significantly increases liquidity risk.

**Market Risk** - If the markets fall substantially across all sectors of the global economy or a particular industry sector in which a fund is invested then the fund's Net Asset Value will likely drop in line with the market decline.

**Repurchase and Reverse Repurchase Transaction Risk** - Some mutual funds may enter into repurchase or reverse repurchase agreements to generate additional income. When a mutual fund agrees to sell a security at one price and buy it back on a specified later date from the same party with the expectation of a profit, it is entering into a repurchase agreement. When a mutual fund agrees to buy a security at one price and sell it back on a specified later date to the same party with the expectation of a profit, it is entering into a reverse repurchase agreement. Mutual funds engaging in repurchase and reverse repurchase transactions are exposed to the risk that the other party to the transaction may become insolvent and unable to complete the transaction. In those circumstances, there is a risk that the value of the securities bought may drop or the value of the securities sold may rise between the time the other party becomes insolvent and the time the fund recovers its investment.

**Securities Lending Risk** - Some mutual funds may enter into securities lending transactions to generate additional income from securities held in a mutual fund's portfolio. A mutual fund may lend securities held in its portfolio to qualified borrowers who provide

adequate collateral. In lending its securities, a mutual fund is exposed to the risk that the borrower may not be able to satisfy its obligations under the securities lending agreement and the lending mutual fund is forced to take possession of the collateral held. Losses could result if the collateral held by the mutual fund is insufficient, at the time the remedy is exercised, to replace the securities borrowed.

Small Company Risk - The prices of shares issued by smaller companies tend to fluctuate more than those of larger companies. Smaller companies may not have established markets for their products and may not have solid financing. These companies generally issue few shares and have a lower share trading volume, which increases their liquidity risk.

Underlying Fund Risk - A mutual fund may invest all or a portion of its assets in one or more underlying funds. Accordingly, the risks associated with investing in that mutual fund will include the risks associated with the securities in which the underlying fund invests, along with the other risks of the underlying fund. Also, if an underlying fund suspends redemptions, the fund that invests in the underlying fund may be unable to value part of its portfolio and may be unable to process redemption orders.

NO ASSURANCE CAN BE GIVEN THAT THE FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE.

## 14. RIGHTS RELATED TO THE FUND ASSETS

The interest in the Fund Assets of each Unitholder shall be represented by and limited to the Units for the time being held by such Unitholder. No Unitholder shall be entitled to any interest or share in any particular part of the Fund Assets.

All rights of voting conferred by any securities that make up the Fund Assets shall be exercised in such manner as the Trustee shall determine and the Trustee may exercise its own discretion in the exercise of any voting rights and no Unitholder shall have any right to interfere or complain with the Trustee's exercise of this discretion. The Trustee shall be entitled to exercise the said voting rights in what it may consider to be in the best interests of the Unitholders, but the Trustee shall not be under any liability or responsibility in respect of any vote, action or consent given or taken or not given or taken by the Trustee whether in person or by proxy and neither the Trustee nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted or approval voted or given or withheld by the Trustee or by the holder of such proxy or power of attorney under the Trust Deed; and the Trustee shall be under no obligation to anyone with respect to any action taken or caused to be taken or omitted by the Trustee or by any such proxy or attorney in respect of the exercise of the said voting rights.

The phrase "rights of voting" or the word "vote" shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Funds' Asset and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

## 15. PERFORMANCE DATA

The calculation of performance data shall be in accordance with the promotion presentation standards to be published from time to time by the Trinidad and Tobago Securities and Exchange Commission.

The past performance of the Fund as reflected by the calculation of performance data is no guarantee of future results.

## 16. ACCOUNTS AND REPORTS

The Trustee shall file with the Trinidad and Tobago Securities and Exchange Commission all required accounts and reports and shall maintain complete and accurate records, as outlined in any guidelines governing Collective Investment Schemes issued by the Trinidad and Tobago Securities and Exchange Commission.

Financial Statements of the Funds will be prepared in accordance with IFRS as at the Funds' financial year-end of 31 December beginning on 1st January and at the end of each three (3) month period of the operation of the Funds.

As at 31st December in each year beginning 1st January, the Trustee shall be responsible for ensuring that Financial Statements of the Funds are prepared and audited.

Such Financial Statements shall contain a report by the Auditors and shall be approved and signed by the Trustee. The annual audited Financial Statements of the Funds will be filed with the Commission and published on the Trustee's website within ninety (90) days of the Funds' financial year-end.

Copies of the most recent audited financial statements of the Funds will be available from the Trustee (see *Documents for Inspection*).

Each Unitholder will be sent quarterly reports showing the number and Net Asset Value of its Units in the respective Fund.

## 17. TRANSACTIONS - SUBSCRIPTION, REGISTRATION, REDEMPTION, TRANSFER, EXCHANGE AND TERMINATION

### Transactions

The Funds' transactions must be processed through the Distributor. Such transactions include the subscription, redemption, transfer and/or exchange of Units, as well as any changes to the registration particulars of Units. Units of the Funds are issued or redeemed at the price determined by reference to the Net Asset Value of the Funds on the applicable Dealing Day. In order for transactions to be accepted on a Dealing Day, instructions must be received by the Fund Manager, in good order, by the Close of Business on such date. Instructions, in good order, received after the Close of Business on a Dealing Day will be processed on the next Dealing Day.

All instructions should be received by the Fund Manager electronically by the Close of Business on a Dealing Day. Accordingly, each Distributor can set an earlier cut off time for its clients to ensure that the Close of Business is met.

Unitholders are responsible for reviewing and confirming their account statements in respect of each transaction affected for their account as well as their semi-annual statements of account for completeness and accuracy.

### Subscription

Units of the Funds are issued at the subscription price determined by reference to the Net Asset Value of the Funds on the applicable Dealing Day.

The Subscription requires the completion of a Subscription Form, or such other form that the Distributor may require, in good order. To invest in the Funds, Subscribers must forward instructions to purchase Units to the Fund Manager through the Distributor. For a subscription to be accepted on a Dealing Day, instructions must be received by the Fund Manager, together with payment of the Subscription Consideration in the form of immediately cleared funds or such other consideration as may be accepted by the Trustee, before the Close of Business on such day. Instructions received after the Close of Business will be dealt with on the next applicable Dealing Day.

Subscriptions made by way of submitting a Subscription Form shall not be binding on the Subscriber if the Subscriber provides written notice to the Distributor, within two (2) Business Days after the Subscriber submits the Subscription Form, that the Subscriber intends to withdraw his/her application for Units. This written notice should be addressed to and delivered to the Distributor.

No interest is credited or paid on Subscription Consideration pending the issue of Units, and no Units of the Funds will be issued whilst the calculation of their Net Asset Values is suspended. Any expenses and losses suffered by the Funds in the event of non-payment, shall be paid by the Distributor, and the Subscriber may be responsible to the Distributor, depending upon arrangements with the Distributor.

The Trustee or the Fund Manager reserves the right to require, at any time, satisfactory evidence that a Subscriber is legally entitled to acquire and hold Units. The Fund Manager reserves the right to reject any Subscription in whole or part, whenever deemed appropriate. If a subscription is rejected, the Subscription Consideration will be returned without interest, at the risk and expense of the Subscriber, within three Business Days of rejection.

The minimum initial investment for Class AT Units is TT\$ 5,000.00, or such other amount as may be prescribed from time to time by the Fund Manager. Each additional investment in Class AT Units must be at least TT\$ 500.00.

The minimum initial investment for Class IT Units is TT\$5,000,000.00, or such other amount as may be prescribed from time to time by the Fund Manager. Each additional investment in Class IT Units must be at least TT\$150,000.

### **Registration**

Units are issued in registered form and no certificates will be issued. The Funds will issue a transaction confirmation which will act as confirmation of purchase. The advantage of a confirmation over a certificate is that Units may be redeemed or transferred without the necessity of surrendering the applicable certificate.

### **Pre-Authorized Contributions (PAC)**

Following an initial investment of TT\$ 5,000.00 in the Fund, or TT\$ 5,000.00 in a Scotia Portfolio account, a Unitholder may make regular Pre-Authorized Contributions (“PAC”) for Units in the Funds or Scotia Portfolio account using automatic transfers from their Scotiabank banking account to the Funds, or Scotia Portfolio account, selected. Following the initial investment in Units, a Unitholder can invest a minimum monthly PAC amount of TT\$ 500.00.

Instructions may be sent to discontinue the Pre-Authorized Contributions at any time.

### **Redemption**

Units will be redeemed at the redemption price determined by reference to the Net Asset Value of the respective Funds (see Valuation) on the applicable Dealing Day. For a redemption order to be accepted on a Dealing Day, the instructions to redeem must be received in good order before the Close of Business on such day and any later instructions shall be dealt with on the next applicable Dealing Day. No Units may be redeemed whilst the calculation of Net Asset Value of the Funds is suspended.

Units that are redeemed within ninety (90) calendar days of purchase may be subject to a short-term trading fee of up to 2% of the redemption amount which will be payable to the respective Fund(s), at the discretion of the Fund Manager.

Payment of redemption proceeds will normally be dispatched within seven (7) Business Days after the relevant Dealing Day at the risk and expense of the Unitholder, subject to delay where necessary to conduct an orderly liquidation of appropriate assets to satisfy the redemption requests. The details of where such monies are to be forwarded must accompany each redemption instruction. The Fund Manager will reserve the right to insist on instructions being received in writing with regard to payment under the verified signature of the Unitholder. When there are multiple Unitholders on an account and the redemption instruction does not provide express payment instructions, proceeds will be made payable to all the Unitholders.

### **Exchanges**

A Unitholder holding units in one Fund may exchange such units for units in another fund(s) under management by the Scotiabank Group. No Exchanges will be allowed between funds or classes denominated in different currencies, or between different classes of the same fund. The exchange shall take place as redemption of the Units held and applying the redemption proceeds to subscribe for units in the other fund. Administration charges or sales fees may be charged on such transactions. The net amount, after deduction of the fees, if any, will be invested in the designated fund(s).

### **Transfers**

Each Subscriber must represent and warrant in the Subscription Form that it is purchasing the Units for its own account, and not with a view to the assignment, transfer or disposition of such interest. Unitholders may not assign, transfer or otherwise dispose of, by gift or otherwise, any of their Units without written notice to, and the prior written consent of, the Trustee, which consent they may withhold for any or no reason.

The notice to the Trustee must include evidence satisfactory to the Trustee that the proposed assignment, transfer or disposition is in accordance with the laws applicable to the Unitholder and the proposed transferee, that the proposed transferee meets any requirements imposed by the Trustee with respect to Subscriber or transferee eligibility and suitability, or both, and must be accompanied by a Transfer Form duly executed by the transferee and such verification of identity documentation relating to the transferee as may be requested by the Trustee (see the section entitled “Anti-Money Laundering Regulations” below).

If an assignment, transfer or disposition occurs by reason of the death of a Unitholder, the duly authorised representative of the estate of the Unitholder may give the required notice. Where such deceased Unitholder shall have designated a beneficiary or beneficiaries of its interest in Units in the Subscription Form, upon being given satisfactory evidence that such beneficiary or

beneficiaries meet the foregoing requirements, the Trustee shall consent to any such assignment, transfer, or other disposition of Units to any such beneficiary or beneficiaries.

The foregoing notice must be supported by proof of legal authority and a valid assignment acceptable to the Trustee.

The transferor shall be deemed to remain the holder of a Unit until the name of the transferee is entered in the Register of Unitholders in respect thereof. The Trustee shall refuse to register a transfer to or for the benefit of any person who is not an Eligible Subscriber.

### **Register of Unitholders**

If a Subscription is accepted, the Subscription Consideration shall be vested in the Trustee who will use the Subscription Consideration to purchase the Fund Assets and the Subscriber shall be entered on the Register as the owner of the Units.

No certificates shall be issued in respect of Units and, save as provided in the Trust Deeds, the Register shall be conclusive evidence as to the Persons entitled to the Units entered therein. No notice of any trust, express, implied or constructive, shall be entered on the Register.

The Unitholder shall be the only Person to be recognized by the Trustee as having any right, title or interest in or to Units registered in the Unitholder's name and the Trustee may recognize such Unitholder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or see to the execution of any trust or, save as herein expressly provided or save as by some court of competent jurisdiction ordered, to recognize any trust or equity or other interest affecting the title to any Units.

A receipt signed or purporting to be signed by the Unitholder for any monies payable in respect of the Units shall be a good discharge to the Trustee, and if several Persons are registered as joint Unitholders, or in consequence of the death of a Unitholder are entitled to be registered, any one of them may give effectual receipts for any such moneys. The primary Unitholder shall be determined by the order in which the name stands on the Register.

The Fund Manager shall maintain records with respect to each Unitholder, and such records shall include copies of all Subscription Forms relating to such Unitholder. It is the responsibility of each Unitholder to inform the Fund Manager of any change in the Unitholder's records.

A body corporate may be registered as a Unitholder but not as one of joint Unitholders.

### **Termination**

Upon giving ninety (90) days prior written notice to the Unitholders, the Trustee will have the power to terminate the Fund. The rights of Unitholders with respect to redemption shall cease.

The Trustee in consultation with the Fund Manager shall sell all remaining Fund Assets in its possession and such sale shall be carried out and completed in a manner and within a period as determined by the Fund Manager. The Trustee shall be entitled to retain out of any monies in its hands payments for all debts, liabilities, fees or commissions outstanding. The Trustee will then distribute to Unitholders of records on the date of termination, pro rata to the number of Units held by them respectively all net proceeds of the Fund Assets available.

Upon the termination of the Fund, a Unitholder holding Units may exchange such Units for units in another fund(s) under management by the Scotiabank Group. No Exchanges will be allowed between funds or classes denominated in different currencies, or between different classes of the same fund. Administration charges or sales fees may be charged on such transactions. The net amount, after deduction of the fees, if any, will be invested in the designated fund(s).

## **18. SCOTIA PORTFOLIOS**

Scotia Portfolios (formerly the Scotiabank Asset Management Service) are a suite of managed portfolio solutions that invest in a diverse mix of underlying Investment Funds to meet the needs of a range of investor profiles. Each portfolio is diversified by asset class, region and security. The Manager monitors and maintains each Scotia Portfolio to ensure that it remains aligned with the investor's risk profile. The prescribed weightings for the funds for each Scotia Portfolio are determined by the Fund Manager and may be changed from time to time without notification to Unitholders. A Unitholder electing to open a Scotia Portfolio account is authorizing the Fund Manager as its attorney-in-fact to subscribe and redeem Units of the Fund as, and when, the Fund Manager deems appropriate to maintain the Scotia Portfolio selected by the Unitholder.

A Subscriber may request an account be managed by the Fund Manager in accordance with a specific Scotia Portfolio.

The Subscription Form will identify if Scotia Portfolios are available for the Fund, as well as the Scotia Portfolio names, primary objectives, risks characteristics and potential portfolio volatility.

## **19. VALUATION**

The Net Asset Value of the Funds, and each class of Units will be determined by the Fund Manager as at the close of business on each Dealing Day and in accordance with International Financial Reporting Standards ("IFRS") and shall be published daily on the Trustee's website and twice a week in one or more daily newspapers in the Republic of Trinidad and Tobago. Securities for which market quotations are not readily available are valued at their fair value using methods which are in accordance with IFRS and which have been approved by the Fund Manager. The Fund Manager may depart from the normal valuation principles if the Fund Manager, in good faith, believes that the use of a different valuation principle or principles is appropriate. The Net Asset Value represents the market value of all assets less all liabilities of the Funds on the Dealing Day.

The subscription and redemption price for Units are calculated by taking the Net Asset Value of the Fund or Class (as the case may be) on the relevant Dealing Day and dividing it by the number of Units of the Fund or Class (as applicable) in issue or deemed to be in issue.

Where the underlying investments are represented by securities quoted on a regulated securities market or exchange, these are valued at a quoted bid price as at the time of calculating the NAV. If an investment is quoted, listed or normally dealt in on one or more exchange or regulated market, the Fund Manager shall adopt the price on the exchange or regulated market, which in the Fund Manager's opinion, provides the principal market for such investment. Securities which are not quoted on any active market will be valued in accordance with the Manager's customary valuation methodology for such securities. Under the Fund Manager's customary valuation methodology, the market value of such securities will be calculated using the yield curves developed by reputable international and local securities broker-dealers and which are published on a daily basis. Further, the market value of securities which are not traded internationally (zero or minimal publicly available trade data) such as domestic market sovereign and corporate bonds will be determined using the yield curve developed or approved internally which includes inputs from reputable data houses, brokers, the Trinidad and Tobago Stock Exchange, and/or by the Central Bank of Trinidad and Tobago. Of note, the general lack of actual market trade data implies that there exists the possibility of deviation of the price from the actual executable trade price. In the case of any investment for which no price quotations are available or if the price, in the opinion of the Fund Manager, is not a true reflection of the value of the investment, the Fund Manager will use another method to determine its value. This method is called fair value pricing and it will be used when a security's value is affected by events which occur during or after the closing of the market where the security is principally traded. Fair value pricing may also be used in other circumstances as deemed appropriate by the Fund Manager.

## **20. SUSPENSION AND COMPULSORY REDEMPTION**

### Suspension

The determination of Net Asset Value of the Funds may be declared suspended by the Fund Manager for the whole or part of a period during which:

- (a) by reason of the closure or suspension of trading on any capital market or exchange or over the counter market or for any other reason, the Fund Manager consider it not reasonably practicable for the investments of the Funds to be realized or disposed of or for the Net Asset Value of all or any Class of Units to be fairly determined;

- (b) as a result of an emergency state of affairs, the reasonable disposal or sale of securities of the Funds becomes impracticable or there exist circumstances which the Fund Manager deems will cause material harm or serious prejudice to the Funds or the Funds' Unitholders;
- (c) there is a breakdown in the means normally employed by the Fund Manager in ascertaining the value of assets or for any other reason the Fund Manager considers that it cannot ascertain the value of assets of the Funds during the valuation process on the Dealing Day; or
- (d) the Fund Manager deems it impracticable to transfer moneys of or for the Funds at applicable exchange rates at any time.

Any such suspension shall be publicized by the Funds in such manner as the Fund Manager may think fit and shall take effect at such time as the Trustee shall declare, but not later than as at the Close of Business on the Business Day next following such declaration. Thereafter there shall be no determination of the Net Asset Value of the Funds until the Trustee shall declare the suspension at an end, except that the suspension shall terminate, in any event, on the first Business Day on which:

- (i) the condition giving rise to the suspension shall have ceased to exist; and
- (ii) no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription and redemption of Units will also be suspended; and any unprocessed redemption requests may be withdrawn in writing during the period of suspension.

#### **Compulsory Redemption**

The Funds may redeem their Units at the current redemption price, in certain circumstances including, but not limited to, the following:

- (a) the redemption value of the Units in each Fund held by a Unitholder is less than TT\$ 5,000 (excluding where caused by declining Net Asset Value), or such other amount or currency as the Trustee may determine either generally or in any particular case; or
- (b) it comes to the notice of the Fund Manager that Units are owned directly or beneficially in breach of any law or requirement of any country or governmental authority or that any person is not qualified to hold such Units directly or beneficially by virtue or such law or requirement or that the relevant Unitholder has refused or failed to provide satisfactory evidence that such Units are not being held in breach of such law or requirement; or
- (c) it comes to the notice of the Fund Manager that continued direct or beneficial ownership of any Units might result in pecuniary or financial disadvantage to the Funds or any of its Unitholders; or
- (d) an enactment of any legislation or regulation or the issuance of any guidelines (whether mandatory or not) or directive by any regulatory body having jurisdiction over mutual funds and/or their managers that the Fund Manager considers not to be in the best interest of Unitholders.

## **21. MANAGEMENT AND SERVICE PROVIDER**

#### **Conflict of Interest**

The **Scotiabank Group** is engaged in wholesale and retail banking, lending, equity investing, financial and merger and acquisition advisory, underwriting, investment management, brokerage, trustee, custodial and similar activities on a world-wide basis. In addition, members of the Scotiabank Group may manage other funds with objectives identical or similar to or overlapping those of the Funds. In the course of engaging in these activities, members of the Scotiabank Group may compete with the Funds or provide financing or other services to competitors of the Funds. Members of the Scotiabank Group will be under no obligation to refer any opportunity to the Funds, or refrain from investing in, or providing advice or services to others with respect to any such opportunity. Members of the Scotiabank Group have relationships with a significant number of clients and provide, and will in the future provide, advisory services to its clients. In the course of considering the execution of any transaction on behalf of the Funds, the Fund Manager, may consider a client relationship and may choose not to execute any such transaction for the Funds on account of any such client relationship. In providing services to other clients, a member of the Scotiabank Group may recommend actions that would compete with or otherwise adversely affect the Funds. Members of the Scotiabank Group may from time to time come into

the possession of information that could preclude the Fund Manager from taking an action that would be in the best interests of the Funds. In addition, members of the Scotiabank Group have in the past sponsored or advised, and in the future may sponsor or advise, clients that may acquire interests in, provide financing to or otherwise deal with entities, the securities of which may be acquired, held or disposed of by the Funds. Such securities may be, or have been, underwritten, distributed or placed by a member of the Scotiabank Group. A member of the Scotiabank Group may, in certain circumstances, be selling an asset in circumstances in which the Funds are acquiring or retaining the same asset, acquire or dispose of an asset, or take or refrain from taking an action that may adversely affect the Funds.

Furthermore, the Funds may from time to time acquire and hold assets, deposits and investments underwritten, promoted, issued, sold or distributed by a member of the Scotiabank Group.

In certain circumstances, there may be foreign exchange transactions where Scotiabank Group members act as counterparty. In such cases, the Scotiabank Group counterparty may take a reasonable spread or commission on these transactions.

Other transactions may occur where Scotiabank Group members broker or effect such transactions on reasonable, commercial-term basis where a spread or commission is taken by such other members.

It is intended that all such transactions would be undertaken on economic terms consistent with market pricing.

It should also be recognized that the terms upon which the Fund Manager was appointed have not been negotiated at arm's length.

The Trust Deed generally does not restrict any actions taken by the Scotiabank Group. Accordingly, no assurance can be given that potentially suitable investments of which the Scotiabank Group may become aware will be offered to the Funds, nor is there any assurance that suitable investments will not be acquired by the Scotiabank Group or other Scotiabank clients.

The Trustee holds all of the voting rights of the securities which form part of the Funds' Assets. The Trustee is performing the duties of, Distributor and Custodian and, it's wholly owned subsidiary, the Fund Manager, will administer and manage the investments of the Funds.

The Fund Manager may aggregate transactions entered into on behalf of the Funds with transactions entered into on behalf of itself or third parties, provided that the terms of such transactions are no less favourable to the Funds than would have been the case had the transactions not been so aggregated. The Fund Manager has engaged State Street Cayman Trust Company Limited to act as Fund Sub-Administrator to perform certain of its functions.

The Board of Directors of the Fund Manager are either directors or are senior officers employed by the Trustee and/or its Affiliates. The directors of the Fund Manager may from time to time act as directors, fund managers, investment advisors or distributors in relation to, or be otherwise involved in other funds or collective investment schemes which have similar investment objectives to those of the Funds. It is therefore possible that any of them may, in the course of their responsibilities or business, have potential conflicts of interest with the Funds. In such event, each will at all times have regard to his obligations under the Trust Deed, Fund Investment & Management Agreement, and the obligation to act in the best interests of the Unitholders of the Funds when undertaking any transactions where conflicts of interest may arise. Each will also endeavour to ensure that such conflicts are resolved fairly.

In summary, there is no prohibition on dealings in the assets of the Funds with entities related to the Trustee of the Funds, the Fund Manager, or its Affiliates, provided that such transactions are carried out as if effected at arm's length on normal commercial terms. Transactions will be regarded as being affected at arm's length on normal commercial terms if they are executed on terms which the Fund Manager reasonably regard as conforming to normal commercial terms then prevailing.

**The foregoing is not an exhaustive list of potential conflicts associated with the other activities of the Scotiabank Group, and there is no assurance that actions of members of the Scotiabank Group, or their respective clients, will not adversely affect the Funds.**

## 22. PROFILE OF THE BOARD OF DIRECTORS OF THE TRUSTEE

The Board of Directors of the Trustee is as follows:

### **Derek Hudson**

Chairman, Scotiabank Trinidad and Tobago Limited  
Strategic Business Advisor, Shell Trinidad and Tobago

Derek Hudson was appointed Chairman of the Board of Directors of Scotiabank Trinidad and Tobago Limited effective December 8, 2020. He joined the Board in June 2016 and has chaired various sub-committees and most recently held the role of Deputy Chairman.

Derek is a geologist by profession and has worked in the oil and gas industry for almost 30 years. He joined BG Group in 1995 and held several senior roles as Vice President of one of BG's UK upstream businesses from 2000 – 2004; Chief of Staff in Trinidad and Tobago from 2005 – 2007; President and Asset General Manager of BG Trinidad and Tobago from 2007 – 2012 and thereafter assumed a similar role for BG in East Africa, covering Tanzania, Kenya and Madagascar.

Following the combination of Royal Dutch Shell and BG Group in February 2016, Derek served as Shell's Vice President, Tanzania before his appointment to the position of Vice President and Country Chairman, Shell Trinidad and Tobago. Derek retired from the latter position in June 2019 and is now serving in an advisory capacity to Shell Trinidad and Tobago.

Derek was the non-Executive Chairman of the Port Authority of Trinidad and Tobago from 2005 – 2010, and also served on the Boards of United Way, the Development and Endowment Fund of the University of the West Indies and Atlantic LNG for extended periods.

### **Wendy-Fae Thompson**

Deputy Chairperson, Scotiabank Trinidad and Tobago Limited  
Managing Counsel, BP Trinidad and Tobago LLC

Wendy-Fae Thompson was appointed Deputy Chairperson of the Board of Directors of Scotiabank Trinidad and Tobago Limited effective December 8, 2020. She joined the Board in February 2012 and has served as Chairperson of the Corporate Governance and Human Resource Committees.

Wendy-Fae is an Attorney-at-Law with over 29 years post-qualification experience. She is presently the Managing Counsel and Vice President at BP Trinidad and Tobago LLC with oversight for the Americas, Gulf of Mexico and Canada. She manages the company's legal portfolio with specific focus on risk management, corporate governance, regulatory, compliance, energy and commercial matters.

Wendy-Fae holds a Bachelor of Science in Economics and Management and Bachelor of Laws degree from the University of the West Indies, and is a graduate of the Hugh Wooding Law School. She began her career at Messrs. Pollonais, Blanc, de la Bastide & Jacelon, Attorneys-at-Law, Notaries Public and Trademark Agents. As a Partner at the firm, her areas of responsibility included corporate, civil, intellectual property, commercial, insurance and energy matters. Wendy-Fae has also served at the Board level of the Industrial Development Corporation, the Port Authority of Trinidad and Tobago and the Public Transport Service Corporation.

Wendy-Fae also serves as a Director of ScotiaLife Trinidad and Tobago Limited.

### **Gayle Pazos**

Senior Vice President and Managing Director, Scotiabank Trinidad and Tobago Limited  
Head, Caribbean South and East

Gayle Pazos was appointed the Managing Director of Scotiabank Trinidad and Tobago Limited and Senior Vice President and Head, Caribbean South & East, on May 1, 2021.

Gayle joined Scotiabank Trinidad & Tobago in 1996 and has since held progressively senior leadership roles within the Bank. She was appointed Head of Corporate and Commercial Banking in 2011 and successfully led her team to deepen commercial relationships and grow market share. In 2015 Gayle moved on to lead Risk Management and was promoted to the role of Vice President and Chief Risk Officer, Caribbean South & East where she fostered a high-performance risk culture, strengthening financial and non-financial risk oversight across the region. Eighteen (18) months ago, as part of her leadership development, Gayle was seconded to a position within Western Canada, leading a large Retail Distribution team.

Gayle leads the development and implementation of the local business strategy for the region in retail, commercial, insurance and wealth divisions.

She holds a B.A. Honours degree in Business Administration from the Richard Ivey School of Business, University of Western Ontario, Canada.

**Anya M. Schnoor**

Executive Vice President, Caribbean, Central America & Uruguay, International Banking  
The Bank of Nova Scotia

Anya M. Schnoor was appointed to the Board of Directors effective October 30, 2020.

Having held progressively senior roles across Trinidad and Tobago, Jamaica and Canada over her 28-year career, including the position of Managing Director of Scotiabank Trinidad & Tobago Limited during 2012-2017, Anya M. Schnoor was recently appointed the Executive Vice-President, Caribbean, Central America & Uruguay (CCAU), International Banking. In this role, Anya leads the development of the overall strategic direction for the Bank's personal, commercial, corporate, wealth, and insurance operations for the countries in the region. In her most recent role as Executive Vice President, Retail Products, Canadian Banking, Anya led major initiatives that launched new innovative solutions and fundamentally transformed the way Scotiabank serves its retail customers in Canada.

Anya is currently a Director on various Scotiabank subsidiary boards and is an active member of the community and serves on the Campaign Cabinet for the United Way of the Greater Toronto Region. She is also a member of the International Women's Forum (IWF), an organization dedicated to supporting the next generation of women leaders.

Anya holds a Master of Business Administration from Barry University and a Bachelor of Business Administration in Finance and International Business from Florida International University.

**Roxane De Freitas**

Senior Vice President & Chief Executive Officer, Massy Stores

Roxane De Freitas is the Senior Vice President & Chief Executive officer of Massy Stores Trinidad, the leading supermarket chain in the Caribbean and has direct responsibility for its Trinidad and Tobago operations with 23 stores and over 2000 plus employees. She also holds directorship on the Integrated Retail and Distribution Portfolio, a subsidiary of Massy Holdings that oversees the retail and distribution businesses across the Caribbean and US.

Prior to Massy Stores Roxane has had an extensive and successful career as a Leadership Executive with Unilever. At Unilever Caribbean, she held the position of Marketing Director Caribbean, Regional North Exports Director and was a member of the Unilever Greater Caribbean Board. Roxane was the first female Managing Director of Unilever Caribbean Limited where she served for five years up to August 2012 when she was expatriated to the Head Office in Puerto Rico for 4 years.

Roxane graduated from the University of Western Ontario, Canada, with a Bachelor's degree in Business Administration.

Roxane was appointed to the Bank's Board of Directors in February 2009 and in December 2017, assumed the role of Chairperson of the Scotiabank Trinidad and Tobago Foundation, a registered charitable organization that manages Scotiabank's philanthropic activities in Trinidad and Tobago.

**Lisa Mackenzie**

Finance and Administration Director and Co-Owner, Access & Security Solutions Ltd.

Lisa Mackenzie is a chartered accountant of several years' standing. She is the Finance and Administration Director and Co-Owner of Access and Security Solutions Ltd. She is also a Director of Agostini's Limited and SuperPharm Limited.

Lisa is a Fellow of The Association of Chartered Certified Accountants (F.C.C.A.) and a Member of the Institute of Chartered Accountants of Trinidad and Tobago.

She joined the Bank's Board of Directors in March 2013 and also serves as a Director of ScotiaLife Trinidad and Tobago Limited.

**Steve Ragobar**  
Chartered Accountant

Steve Ragobar is a Chartered Accountant who retired in 2013 as a Senior Partner at PricewaterhouseCoopers in Trinidad and Tobago. He has over 43 years of experience in providing Assurance and Business Advisory Services to a wide variety of clients, inclusive of those in the Oil and Gas, Petrochemical, Banking, Manufacturing, State, Construction and Distributive sectors. His expertise extends to key activities such as mergers and acquisitions, corporate finance, financial restructuring and corporate recovery.

Steve is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a Member of the Institute of Chartered Accountants of Trinidad and Tobago.

He joined the Bank's Board of Directors in April 2015. He also serves as a Director of ScotiaLife Trinidad and Tobago Limited and Scotia Investments Trinidad and Tobago Limited.

**Alan Fitzwilliam**  
Managing Director / Chief Executive Officer, F.T. Farfan Limited

Alan Fitzwilliam was appointed to the Board of Directors in December 2015.

He is the Managing Director/Chief Executive Officer of F.T. Farfan Limited, which represents some of the world's leading construction and industrial brands, providing products and services to customers in various sectors.

Alan also has a wealth of experience in banking, project financing, capital market operations and corporate account management. He has sat on several private and public sector Boards in a non-executive capacity. He is presently the Chairman of the Board of Scotia Investments Trinidad & Tobago Limited.

Alan holds a B.A. in Finance from the University of Western Ontario, London, Ontario, Canada and is a Non-Executive Director on the Board of AS Bryden & Sons Holdings Limited.

**David Thomas**  
Financial Consultant

David Thomas was appointed to Board of Directors, effective March 10, 2020.

He is a banker by profession and has worked at Scotiabank for over 30 years. Most recently, he was the Vice President, Corporate Finance, Caribbean Region, a position he held until his retirement in October 2018.

David possess extensive experience in corporate banking, investment banking, risk management, international banking, resolution of problem loans and implementation of digital technology. He is also a professional engineer who has also consulted to the health care sector prior to seeking an MBA from Dalhousie and pursuing a career in banking.

David's extensive International and Caribbean banking experience involved responsibility for leading lending teams across 18 countries focused on origination of corporate and commercial loans across all industries utilizing his in-depth knowledge of local and regional financial markets.

He completed the ICD.D Directors program in June 2019 through the Rotman School of Business at the University of Toronto.

**John Hadad**  
Co-Founder and Co-Chief Executive Officer, HADCO Group

John Hadad was appointed to Board of Directors, effective October 30, 2020. He is the Co-Founder and Co-Chief Executive Officer of the HADCO Group, a diversified conglomerate with 16 sub-companies spanning 4 countries. John is qualified in executive management and engineering physics, with extensive experience in various sectors including energy, manufacturing, retail, distribution and construction.

He also holds memberships on the Board of Engineering of Trinidad and Tobago and the Association of Professional Engineers of Trinidad and Tobago. John completed the Owner/President Management Program from the Harvard Business School in 2016 and possesses a B.Sc. in Engineering Physics from Queen's University, Canada.

## 23. FEES AND EXPENSES

### Fees and Expenses Payable by the Fund

Management Fee	0 – 2.25%
Custody Fee	0 – 0.60%
Trustee Fee	0 – 0.15%
Legal, Audit, & Other Expenses	0 – 0.50%

### Preliminary Expenses

The marketing fees, the preparation and printing of the Prospectus, as well as the initial professional and legal expenses will be covered by the Fund Sponsor. All other fees will be covered by the Funds. The relevant fees and expenses are set out below.

#### Management Fees

The Fund Manager shall be paid a Management Fee out of the assets of the Funds for providing general management services, including covering the fees of the Fund Manager and any other person to whom such functions are delegated by the Fund Manager, along with all investment related direct expenses. Trailing commissions may also be paid by the Fund Manager to Distributors out of the Management Fees.

The Management Fees for the Class AT Units accrue daily and are paid quarterly in arrears.

Maximum Annual Management Fees	Class AT Unit (up to)
Scotia Trinidad and Tobago Fixed Income Fund	1.90 %
Scotia Trinidad and Tobago Growth and Income Fund	2.25%

The Fund Manager may choose from time to time to absorb any portion of the annual Management Fees on Units of the Funds.

There is no Management Fee payable by the Funds directly on Class IT Units. Instead, Subscribers for IT Units will negotiate a separate fee that is paid directly to the Fund Manager. The Funds continue to pay certain operating expenses for the Class of IT Units.

#### Operating Expenses

The Funds pay certain operating expenses. These expenses include the fees paid to the Fund Sub-Administrator, the Fund Manager, Trustee and Custodian, as well as legal fees, audit and accounting fees, and regulatory filing fees. In addition, the Fund Manager and Custodian are entitled to be reimbursed by the Funds for all their out-of-pocket disbursements (excluding their normal overhead costs) wholly and exclusively incurred in performance of their duties for the Funds.

Other expenses incurred, paid or accrued by, or on behalf of, the Funds in their ordinary and usual course of business and other direct expenses of the Fund's operations will be charged to the Funds.

The Funds shall also pay all extraordinary expenses relating to the operation of the Funds including, without limitation, litigation or extraordinary regulatory expenses. No reimbursement shall be made to the Fund Manager for any expenses incurred for providing or arranging for the provision of investment management services, such as communication, travel, office rent and research.

The Fund Manager may choose to absorb any of these expenses, at any time. Such expenses may include, but are not limited to, administrative costs (including but not limited to the cost of printing and distributing periodic reports and statements), interest on borrowed funds, auditing expenses, legal expenses, insurance, licensing, accounting, fees and disbursements of transfer agents, registrars, custodians, sub-custodians and escrow agents and the annual registration fees payable in Trinidad and Tobago.

#### Funds that Invest in Other Funds

An underlying fund pays its own fees and expenses, which are in addition to the fees and expenses payable by a fund that invests in the underlying fund. No management or incentive fees are payable by a fund if the payment of those fees could reasonably be perceived as a duplication of fees payable by an underlying fund for the same services.

No sales or redemption fees are payable by the Fund when it buys or sells securities of an underlying fund that is managed by the Scotiabank Group or if the payment of these fees could reasonably be perceived as a duplication of fees paid by a Unitholder in the Funds.

#### **Fees and Expenses Payable Directly by the Unitholders**

##### **1) Sales Charge**

An initial sales charge of up to 5% of the total amount paid by Subscribers in Class AT Units may be deducted by the Fund Manager and paid as a commission to the Distributor. The initial sales charges are negotiable between the Subscriber and the Distributor. The net Subscription Consideration, after deduction of the initial sales charge, if any, will be invested in the Funds, if and only if, the subscription order is accepted.

Subscribers in Class IT Units pay no sales charges.

##### **2) Short Term Trading Fees**

Units that are redeemed or exchanged within ninety (90) calendar days of purchase may be subject to a redemption fee of up to 2% of the redemption amount which will be payable to the respective Fund(s), at the discretion of the Fund Manager.

Unitholders will be provided at least 30 days prior notice of any increase in the fees or additional expenses payable by the Funds, to the Fund Manager, and the Custodian in the form of a modification, supplement or restatement of this Prospectus or by such other permissible means.

### **24. TAXATION AND EXCHANGE CONTROLS**

As Unit Trusts registered in Trinidad and Tobago, the Funds are exempt from payment of Corporation Tax on their net income. In addition, the Funds may incur withholding tax on income and proceeds of some of their investments, which may not be recoverable.

The Funds are not obliged to withhold tax on dividends to Unitholders, or from amounts paid to Unitholders on the redemption of Investment Units.

The above summarizes the tax position of the Funds as at the date of this Prospectus, as it is understood by the Board of Directors. The Board of Directors does not guarantee the correctness of the above summary and shall not be liable in the event that any aspect of it is or becomes incorrect, incomplete or otherwise inaccurate.

#### **US Tax Withholding and reporting Under the Foreign Account Tax Compliance Act**

The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (or "FATCA") impose a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign pass thru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Funds will likely be classified as a foreign financial institution for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld either from amounts due to the Fund or from payments made to investors, neither the Fund nor any other person would be required to pay additional amounts as a result of the deduction or withholding. In order to avoid withholding tax attributable to FATCA, the Funds will likely need to provide the US Internal Revenue Service or other applicable taxing authority with certain information in respect of its investors and (where applicable) their beneficial owners. Investors who do not provide required information may also be subject to 30% withholding tax. In addition, if an investor does not provide the information necessary for the Funds to comply with these requirements, the Fund may redeem the securities held by such investor.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model intergovernmental agreements, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Fund and to payments they may receive from the Fund.

## **General**

The above information is general information only given at the date hereof and does not constitute any form of tax advice or directions to any Shareholder of the Funds. Subscribers should consult their own professional advisors on the possible tax, regulatory or exchange control consequences in all relevant jurisdictions, of acquiring, holding, redeeming or selling Shares.

## **25. SUBSCRIBER CONSENT TO DISCLOSURE**

Pursuant to the new U.S. Foreign Account Tax Compliance Act ("FATCA") rules effective January 1, 2014 (see "U.S. Withholding Tax" under "Risk Factors"), the Funds may be required to provide identity, residency and certain other information of subscribers who are U.S. persons or provide information on accounts held by certain other persons or entities to the U.S. tax authority in order to avoid a 30% U.S. withholding tax from being imposed on U.S. source income such as interest, dividends and proceeds from the sale or disposition of property that can produce U.S. source income and on distributions made by the Funds. By investing in the Funds and, through your dealer, providing us with your identity and residency information you will be deemed to have consented to the Funds disclosure of such information to the U.S. tax authority. Other jurisdictions may impose similar requirements.

## **26. ANTI-MONEY LAUNDERING (AML) REGULATIONS**

In order to comply with regulations aimed at the prevention of money laundering, the Funds will require verification of identity from all Subscribers. The Funds reserve the right to request such information as is necessary to verify the identity of a Subscriber. In the event of delay or failure by the Subscriber to produce any information required for verification purposes, the Funds may refuse to accept the subscription for Units and, if so, any funds received will be returned without interest to the account from which the monies were originally debited.

By purchasing these Funds, you consent to your financial institution and advisor releasing such documents or information required by the regulators in Trinidad and Tobago and/or any other pertinent jurisdiction(s) where Funds may be registered and/or purchased in order to comply with global standards of AML best practices.

## **27. KEY ORGANISATIONAL DOCUMENTS OF THE FUND**

### **Trust Deed**

Each Fund will be governed by its own Trust Deed. The Trust Deed is made by the Trustee. It is the principal document constituting the Funds and serves to establish the Funds. It vests the assets of the Funds in the Trustee and contains all the rights, powers and obligations of the Trustee subject to the terms and conditions of the Trust Deed, the Unitholders and the Fund Sponsor. The Trust Deed also details the method of valuation of the Units of the Funds and provides for how the Trustee issues Units in the Funds and how they can be transferred by Unitholders. It sets out the requirements for the termination of the Funds and details the rights and obligations of Unitholders including their rights in relation to distributions.

The Trust Deeds will continue until the Funds are liquidated. The ways in which the Funds can be terminated are detailed earlier in this Prospectus under the heading "Termination of the Fund".

The Trustee is only subject to removal by Extraordinary Resolution of the Unitholders.

The Trustee may by a deed supplemental modify, alter or add to the provisions of the Trust Deed in such manner and to such extent as the Trustee may consider expedient provided that, unless the Trustee shall certify in writing that in its opinion such modification, alteration or addition:

- (a) is necessary in order to make possible compliance with any fiscal, statutory or official requirement (whether or not having the force of law); or
- (b) is made to correct a manifest error; or
- (c) is necessary to facilitate the efficient execution of the duties of the Trustee and any Person to whom the Trustee has delegated any of the Trustee's functions.

The Trustee shall as soon as practicable after any modification or alteration of or addition to the provisions of the Deed in respect of which the Trustee shall have certified in accordance with sub-clauses 26.1.1, 26.1.2 and 26.1.3 of the Trust Deed thereof give notice of such modification, alteration or addition to the Unitholders.

#### **The Investment and Fund Management Agreement**

The Investment and Fund Management Agreement is made between the Trustee and the Fund Manager. It serves to appoint the Fund Manager as administrator and investment manager of the Funds and contains all of the Fund Manager's rights and obligations in relation to the Funds.

Either party may terminate the Investment and Fund Management Agreement as follows:

- (i) by mutual agreement at any time or where one party wishes to terminate, that party can do so by giving the other party (90) days written notice;
- (ii) by written notice taking immediate effect if the other party is in breach of any of the terms of the Investment and Management Agreement and has not remedied the breach within 15 days of receipt of written notice disclosing and requiring the breach to be remedied.

Either party may immediately terminate the Investment and Management Agreement (i) if an order is made or a resolution passed or other proceedings taken for the dissolution of the other party, or (ii) if the other party consents to or makes a general assignment for the benefit of creditors, or makes a proposal to creditors under any insolvency law, or is declared bankrupt or if a liquidator, trustee in bankruptcy, or receiver is appointed by the other party

The Investment and Fund Management Agreement provides that the Fund Manager shall exercise its powers and discharge its duties hereunder honestly, in good faith and in a manner believed to be in the best interests of the Funds and shall exercise the degree of care, diligence and skill that a reasonably prudent fund manager and investment advisor of an international public mutual fund, with objectives similar to those of the Funds, would exercise in the circumstances. Provided that it has fulfilled its standard of care obligation, the Fund Manager will not be liable for any error in judgment or for any loss sustained by reason of any action taken or omitted to be taken, including but not limited to the adoption or implementation of any investment program or the purchase, sale or retention of any portfolio investment by it in respect of the Funds.

## **28. DOCUMENTS FOR INSPECTION**

Copies of the following documents may be inspected during usual business hours at the offices of the Trustee in Trinidad & Tobago and/or such other offices as the Trustee may from time to time determine and notify to Unitholders and prospective Unitholders:

- (a) Trust Deed;
- (b) Investment and Fund Management Agreement;
- (c) Registrar Agreement;
- (d) the Prospectus; and
- (e) the most recent audited financial statements of the Funds.

#### **Tax Considerations**

Potential Subscribers should consult their professional advisers on the tax consequences of subscribing, purchasing, holding, redeeming or selling Units under the laws and practice of their country of citizenship, domicile or residence or under the laws (including securities laws) of any other relevant jurisdiction and in the light of their personal circumstances. Investment in the Funds is at the sole risk of the Unitholder.

Green Fund Levy may be applicable on dividends and distributions paid by the Funds to the Republic of Trinidad and Tobago tax resident corporate Unitholders.

## **29. ADMISSIBILITY IN THE STATUTORY FUNDS OF INSURANCE COMPANIES AND BY PENSION PLANS**

As mutual funds approved for registration by the Trinidad and Tobago Securities and Exchange Commission, the Units of the Funds qualify as investments that may be: (1) held by registered pension plans; and (2) be included in the Statutory Fund of insurance companies, under paragraph 1 (i) of the Seventh Schedule of the Insurance Act.

## 30. APPENDIX A - SUMMARY OF FINANCIAL POSITION OF SCOTIABANK TRINIDAD AND TOBAGO LIMITED FOR THE LAST FOUR YEARS

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

Separate Statement of Financial Position

October 31, 2019

(\$ thousands)

	Notes	2019	Restated 2018	Restated 2017
<b>ASSETS</b>		\$	\$	\$
Cash on hand and in transit		198,721	149,333	225,376
Loans and advances to banks and related companies	5	429,403	782,539	1,353,398
Treasury bills	6	3,217,464	3,289,595	3,443,254
Deposits with Central Bank	7	3,271,132	2,560,438	2,826,390
Loans to customers	8	15,509,878	13,464,160	13,003,093
Investment securities	9	374,762	406,758	1,074,976
Miscellaneous assets	10	7,331	42,945	42,483
Investment in subsidiary companies		92,951	142,951	142,951
Investment in associated companies		3,475	3,475	3,475
Property and equipment	11.1	254,385	256,817	246,780
Deferred tax asset	16.1	82,836	80,964	74,603
Defined benefit pension fund asset	12.1	<u>24,277</u>	<u>—</u>	<u>8,646</u>
<b>Total assets</b>		<b><u>23,466,615</u></b>	<b><u>21,179,975</u></b>	<b><u>22,445,425</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Deposits from customers	13	19,041,461	17,284,198	18,538,048
Deposits from subsidiaries		216,244	134,610	211,619
Deposits from banks and other related companies	14	88,527	42,953	39,240
Other liabilities	15	386,956	378,821	317,320
Taxation payable		41,379	48,847	46,348
Deferred tax liability	16.1	24,143	22,915	20,006
Defined benefit pension fund liability	12.1	-	1,893	-
Post-employment medical and life benefits obligation	12.1	<u>145,618</u>	<u>129,673</u>	<u>126,633</u>
<b>Total liabilities</b>		<b><u>19,944,328</u></b>	<b><u>18,043,910</u></b>	<b><u>19,299,214</u></b>
<b>EQUITY</b>				
Stated capital	17	267,563	267,563	267,563
Statutory reserve fund	18	732,563	687,563	687,563
Investment revaluation reserve		10,188	10,490	8,488
Retained earnings		<u>2,511,973</u>	<u>2,170,449</u>	<u>2,182,597</u>
<b>Total equity</b>		<b><u>3,522,287</u></b>	<b><u>3,136,065</u></b>	<b><u>3,146,211</u></b>
<b>Total liabilities and equity</b>		<b><u>23,466,615</u></b>	<b><u>21,179,975</u></b>	<b><u>22,445,425</u></b>

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

Separate Statement of Financial Position

October 31, 2020

(\$ thousands)

	Notes	2020	2019
<b>ASSETS</b>		\$	\$
Cash on hand and in transit		150,566	198,721
Loans and advances to banks and related companies	5	437,609	429,403
Treasury bills	6	3,321,253	3,217,464
Deposits with Central Bank	7	4,357,607	3,271,132
Loans to customers	8	15,769,349	15,509,878
Investment securities	9	778,954	374,762
Miscellaneous assets	10	75,249	7,331
Taxation recoverable		4,916	4,436
Investment in subsidiary companies		92,951	92,951
Investment in associated companies		3,475	3,475
Property and equipment	11.1	398,499	254,385
Deferred tax asset	16.1	142,487	82,836
Defined benefit pension fund asset	12.1	<u>12,794</u>	<u>24,277</u>
<b>Total assets</b>		<b><u>25,545,709</u></b>	<b><u>23,471,051</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Deposits from customers	13	20,868,861	19,041,461
Deposits from subsidiaries		377,990	216,244
Deposits from banks and other related companies	14	46,920	88,527
Other liabilities	15	566,857	369,720
Taxation payable		71,968	63,051
Deferred tax liability	16.1	27,542	24,143
Post-employment medical and life benefits obligation	12.1	<u>154,260</u>	<u>145,618</u>
<b>Total liabilities</b>		<b><u>22,114,398</u></b>	<b><u>19,948,764</u></b>
<b>EQUITY</b>			
Stated capital	17	267,563	267,563
Statutory reserve fund	18	802,563	732,563
Investment revaluation reserve		8,530	10,188
Retained earnings		<u>2,352,655</u>	<u>2,511,973</u>
<b>Total equity</b>		<b><u>3,431,311</u></b>	<b><u>3,522,287</u></b>
<b>Total liabilities and equity</b>		<b><u>25,545,709</u></b>	<b><u>23,471,051</u></b>

## 31. APPENDIX B - SUMMARY OF FINANCIAL POSITION OF SCOTIA INVESTMENTS TRINIDAD AND TOBAGO LIMITED FOR THE LAST THREE YEARS

SCOTIA INVESTMENTS TRINIDAD AND TOBAGO LIMITED

Statement of Financial Position

October 31, 2019

(\$ thousands)

	Notes	2019	2018
<b>ASSETS</b>		\$	\$
Cash and Cash Equivalents		5,548,704	11,339,829
Investment Securities	7	39,953,282	29,970,946
OTHER ASSETS			
Taxation recoverable		275,478	275,478
Other receivables	8	<u>287,147</u>	<u>202,205</u>
		<u>562,625</u>	<u>477,683</u>
Deferred tax asset	13	<u>613</u>	<u>12,727</u>
<b>Total assets</b>		<b><u>46,065,224</u></b>	<b><u>41,801,185</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities		989,055	509,468
<b>Total liabilities</b>		<b><u>989,055</u></b>	<b><u>509,468</u></b>
<b>EQUITY</b>			
Stated capital	9	30,000,000	30,000,000
Statutory reserve fund	10	1,449,000	999,000
Investment revaluation reserve		98,154	48,142
Retained earnings		<u>13,529,015</u>	<u>10,244,575</u>
<b>Total equity</b>		<b><u>45,076,169</u></b>	<b><u>41,291,717</u></b>
<b>Total liabilities and equity</b>		<b><u>46,065,224</u></b>	<b><u>41,801,185</u></b>

SCOTIA INVESTMENTS TRINIDAD AND TOBAGO LIMITED

Statement of Financial Position

October 31, 2020

(\$ thousands)

	Notes	2020	2019
<b>ASSETS</b>		\$	\$
Cash and cash equivalents		5,649,949	5,548,704
Other receivables	9	606,483	287,147
Investment securities	8	33,993,749	39,953,282
Taxation recoverable		-	275,478
Deferred tax asset	15	<u>99</u>	<u>613</u>
<b>Total assets</b>		<b><u>40,250,280</u></b>	<b><u>46,065,224</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities		724,227	989,055
Deferred tax liability	15	<u>52,500</u>	<u>-</u>
<b>Total liabilities</b>		<b><u>776,727</u></b>	<b><u>989,055</u></b>
<b>EQUITY</b>			
Stated capital	11	30,000,000	30,000,000
Statutory reserve fund	12	1,951,000	1,449,000
Investment revaluation reserve		125,168	98,154
Retained earnings		<u>7,397,385</u>	<u>13,529,015</u>
<b>Total equity</b>		<b><u>39,473,553</u></b>	<b><u>45,076,169</u></b>
<b>Total liabilities and equity</b>		<b><u>40,250,280</u></b>	<b><u>46,065,224</u></b>