EC 111/11

NCB

GROUP

A SCHEME OF ARRANGEMENT

pursuant to section 192 of the Companies Act

between

NATIONAL COMMERCIAL BANK JAMAICA LIMITED

N.C.B. GROUP LIMITED

and their

SHAREHOLDERS

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PART 1

EXPLANATORY STATEMENT

0.1 Definitions

In this Scheme Document, unless the context otherwise requires or when otherwise expressly provided, the following capitalised terms shall have the meanings set out below:

"Act"	The Companies Act;
"Atriums"	Atrium Holdings and Atrium XS Holdings;
"Atrium Holdings"	Atrium Holdings Limited, a wholly owned subsidiary of FINSAC;
"Atrium XS Holdings"	Atrium XS Holdings Limited, a wholly owned subsidiary of FINSAC;
"Bank"	National Commercial Bank Jamaica Limited;
"Companies"	NCB and NCB Group;
"Company"	Either of NCB or NCB Group;
"Court"	the Supreme Court of Jamaica;
"Effective Date"	The date upon which a copy of the Court Order approving the Scheme pursuant to Section 192 of the Act is delivered to the Registrar of Companies for registration;
"Eureka Properties"	All those parcels of land comprised in Certificates of Title registered at Volume 968 Folio 224 and Volume 1065 Folio 406 of the Register Book of Titles known as 14 Eureka Road, Kingston 5 in the Parish of St. Andrew and owned by Computer Service and Programming Limited;
"Epsom"	Epsom Holdings Limited.
"FAA"	The Financial Assistance Agreement dated 14 April 1998 between, N.C.B, NCB Group, N.C.B. Trust and Merchant Bank Limited and FINSAC.
"FINSAC"	FINSAC Limited;
"FIS"	Financial Institutions Services Limited.
"FIS Promissory Note"	A promissory note by FIS with a par value of $450,000,000 which is guaranteed by the Government and was issued as consideration for redeemable convertible preference shares of $450,000,000 in NCB and which is non-interest bearing and repayable on or before 14 November 2007.
"Government"	The Government of Jamaica acting through the Ministry of Finance and Planning;

EXPLANATORY STATEMENT

A. PRELIMINARY

"Knutsford Branch"	All those parcels of land comprised in Certificates of Title registered at Volume 953 Folios 171-174 of the Register Book of Titles known as 1-7 Knutsford Boulevard, Kingston 5, in the Parish of St. Andrew and owned by Noxid Limited.
"NCB"	National Commercial Bank Jamaica Limited;
"New Core Subsidiaries"	N.C.B. (Investments) Limited, *OMNI Insurance Services Limited, Edward Gayle & Company Limited, West Indies Trust Company Limited, Data-Cap Processing Limited and N.C.B. Jamaica (Nominees) Limited.
"NCB Group"	N.C.B. Group Limited;
"NCB Group Shareholders"	All persons who are shown in NCB Group's register of members as holding ordinary shares in NCB Group as at 3 November 2000;
"NCBI Properties"	The assets owned by N.C.B. (Investments) Limited and which are identified in Appendix G;
"Non-FINSAC Shareholders"	Shareholders in NCB after the Effective Date other than the Atriums;
"The Preference shares"	The redeemable non-cumulative preference shares of J$1.00 each in the capital of NCB (with a par value of J$3,670,000,000.00), the zero coupon 30-year redeemable preference shares of J$1.00 each in the capital of NCB (with a par value of J$1,162,667,000.00), both held by FINSAC the terms of which are set out in Appendix H and the zero coupon redeemable preference shares of J$1.00 each in the capital of NCB, (with a par value of J$450,000,000.00), held by FIS, the terms of which are set out in Appendix H.
"Public Shareholders"	NCB Group Shareholders other than FINSAC;
"Scheme"	The Scheme of Arrangement proposed in relation to the Companies and their shareholders and set out herein;
"Scheme Document"	All of this document, including Part 1 (the Explanatory Statement), Part 2 (the Scheme of Arrangement) and Part 3 (Notice of the Scheme Meetings and Proxy Form);
"Scheme Meetings"	The meetings of Shareholders convened by the Companies at the direction of the Court to consider and, if thought fit, to approve the Scheme;
"Shareholders"	NCB Group Shareholders, FIS, FINSAC and NCB Group;
"Stock Exchange"	The Jamaica Stock Exchange;

In this Document wherever the context allows, the singular includes the plural and vice versa, references to persons include individuals, partnerships, bodies corporate, unincorporated associations or any agency thereof, and words importing any gender includes other genders, unless otherwise defined.

*OMNI is included subject to the waiver referred to in the third paragraph of Part I, B, 0.7.

0.2 Statement from the Directors of NCB Group

Your Board has been engaged in discussions with FINSAC Limited (in this statement referred to together with its associated company, Financial Institutions Services Limited as "FINSAC") on the most appropriate mechanism for effecting a reorganisation of your company with a view to facilitating the divestment of FINSAC's shareholding. FINSAC, having appointed as its advisers the United Kingdom based investment bank, HSBC Investment Bank plc, has been advised that such divestment will require them being in a position to offer control of the business i.e. 75% plus one (1) share. As a result of these discussions, FINSAC has made a formal reorganisation proposal to your Board.

Under the proposal, all shareholders in NCB Group will receive one (1) share in National Commercial Bank Jamaica Limited ("Bank") for each NCB Group share held and FINSAC will redeem or convert its entire preference shareholding with a par value of J$5.3 billion in Bank into 940,151,975 ordinary shares. On completion of the reorganisation, FINSAC will own 76% of Bank (including 1% minus one share to be allocated to employees of Bank and its subsidiaries) and Public Shareholders will own 24%. Had a shareholder owned 10% of the ordinary shares in the Group prior to the reorganisation, that shareholder would own 4.39% in the Bank after the reorganisation. After reorganisation, Public Shareholders will have no shares in NCB Group. It is proposed to seek a listing of Bank's ordinary shares on the Jamaica Stock Exchange immediately after the Effective Date of the Scheme.

FINSAC agrees that dependent on financial performance and the maintenance of appropriate regulatory capital, it will support the proposal that Bank will pay a dividend of not less than 15% of the post tax profits of the new banking group available for distribution in the year ending 30 September 2001. That dividend will be payable in two halves, the first on April 30, 2001 or 30 days after the date on which the Scheme comes into effect whichever is later, and the second six (6) months after the first. In the case of FINSAC such dividend will be payable in FINSAC bonds unless monetisation has taken place in full. In the case of Non-FINSAC Shareholders dividends will be payable in cash.

Your Board, being of the view that the rehabilitation of Bank is well advanced, regards this proposal as a necessary step in the return of a strengthened Bank into private ownership to complete the rehabilitation process. While FINSAC's shareholding in Bank will increase to 76%, the proposed terms of conversion of the preference shares into ordinary shares are such that the relative economic interests of Public Shareholders and FINSAC will be preserved.

This Scheme is the result of lengthy negotiations with FINSAC involving our professional advisers, PricewaterhouseCoopers ("PwC"), from an early stage. As you would expect, your Board has given careful consideration as to whether the Scheme is in your best interests. Our principal concern was to ensure that the reorganisation is fair to Public Shareholders in that their economic interest is at least maintained, if not enhanced.

PwC explained to the Board why they believed that the final proposal from FINSAC satisfied this concern. They reported they had taken into account the impact of the preference share obligations on the prospects of ordinary shareholders receiving a return on their investment and presented calculations to demonstrate why the terms of conversion of the preference shares into ordinary shares, as well as the other terms of the reorganisation, when taken as a whole, resulted in their opinion that the proposal is fair. In particular, they had determined that the fair value of the preference shares was below their par value as the yields were below market rates. Their opinion appears on page 6.

EXPLANATORY STATEMENT

A. PRELIMINARY

The following table illustrates the financial impact of the proposed reorganization on net assets and earnings per share. More detailed financial information is provided in the Appendices.

NET ASSETS AND EARNINGS PER SHARE

	NEW BANKING GROUP AFTER REORGANISATION	EXISTING GROUP BEFORE REORGANISATION
	Unaudited Proforma	Unaudited Actual
Number of ordinary shares	1,973,410,262	865,925,287
Net Assets at 30 June 2000 attributable to ordinary shareholders per share	$4.01	$2.17
Annualised earnings per ordinary share (based on the results for the nine months ended 30 June 2000)	$0.37	$0.64

Appendix F contains additional information on the impact of the Scheme on earnings attributable to public shareholders.

Your Board recognises that the current earnings of the Group do not represent an adequate return on the net assets invested. While there can be no guarantees about the future, the record over the past two years is evidence of the steps being taken to improve the earnings stream. The proposed reorganisation, by allowing the Group to return to its core financial services business, will facilitate this process. The Government of Jamaica's commitment to the monetisation of FINSAC bonds with effect from 1 April 2001 will further assist us in our endeavours.

It is impossible to predict with certainty the price at which Bank's ordinary shares will trade. In valuing a company, the market looks to several factors not all of which are derived from historical financial information. A convenient way of expressing share values is the "price earnings multiple" i.e. the price per share divided by the earnings per share. In arriving at the price earnings multiple, investors consider a number of factors including asset backing (net assets per share), future business prospects, quality of earnings and dividend prospects. The multiple ascribed to Group shares before reorganisation is not necessarily that which the market will apply to Bank shares after reorganisation.

As shown in the table above, the unaudited net assets per ordinary share at 30 June 2000 of Group was $2.17 but after giving effect to the reorganisation the similar figure for Bank would be $4.01. Whether or not the market will recognise this, is not predictable.

It is proposed that the reorganisation will be effected through the Court by means of a Scheme of Arrangement. Accordingly, a Scheme Meeting to seek your formal approval of the proposal has been convened with the approval of the Court and is to take place at the National Arena in Kingston, at 10:00 a.m. on 8 November 2000.

Your Board has been advised that in order to ensure that notice of the Scheme Meetings is properly effected, trading in NCB Group shares will have to be suspended for a period of time. Trading will be suspended on 3 November 2000 and will resume upon the Stock Exchange's approval of the listing of the Bank.

What is a Scheme of Arrangement and what is the procedure?

A Scheme of Arrangement is a compromise or arrangement between a company and its shareholders or its creditors or any class of them. In this case, an arrangement between Bank, NCB Group and their Shareholders is proposed. It requires approval by a majority in number representing 75% by shareholding of those Shareholders voting in person or by proxy at each Scheme Meeting. The Scheme would then be submitted to Court for approval and it would become effective when the Court order sanctioning the Scheme is filed with the Registrar of Companies.

Your Board believes that the proposal is in the best interests of Shareholders and recommends that you support it. The members of your Board who are shareholders intend to vote in favour of the Scheme.

Yours sincerely,

Hon. Oliver F. Clarke, O.J.
Chairman

PRICEWATERHOUSECOOPERS

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The Directors
N.C.B. Group Limited
32 Trafalgar Road
Kingston 10

29 September 2000

Dear Sirs

REORGANISATION PROPOSAL BY FINSAC

We have reviewed the proposal from the Financial Sector Adjustment Company Limited ("FINSAC") for the reorganisation of N.C.B. Group Limited and its subsidiaries, as set out in a letter dated 4 September 2000 and a Scheme of Arrangement document dated 29 September 2000.

We are of the opinion that the proposal is fair to the non-FINSAC shareholders of N.C.B. Group Limited.

This opinion is provided on the basis that it will not be referred to, in whole or in part, in any future document other than the Scheme of Arrangement document, without our prior written consent.

Yours very truly

PricewaterhouseCoopers.

AKJ:RLD:ms

0.3 Present shareholding structure of the Companies

In the course of the 1990's, NCB was faced with a liquidity and solvency crisis that necessitated Government intervention. This intervention was implemented formally in accordance with the terms of the FAA. In respect of recapitalisation and the purchase of non-performing loan portfolios, FINSAC injected some J$19.5 billion in the form of notes.

As a result of an earlier agreement reached with Jamaica Mutual Life Assurance Society, the then largest shareholder in NCB Group, FINSAC acquired over 45% of the ordinary shares in NCB Group.

Pursuant to the terms of the FAA, FINSAC also subscribed for approximately J$4.9 billion in preference shares in NCB and J$1 billion in preference shares in NCB Group.

FIS had earlier acquired J$450 million in preference shares in NCB in exchange for issuing the FIS Promissory Note to NCB as part of a financing agreement between FIS and NCB.

NCB Group owns shares in a number of other companies. Six of those companies (the New Core Subsidiaries) provide services to NCB or carry on operations which are otherwise complementary to NCB's operations. The New Core Subsidiaries are described in greater detail in paragraphs 0.6 to 0.12 of this Explanatory Statement.

One of the New Core Subsidiaries, N.C.B. (Investments) Limited owns assets (the NCBI Properties) which are not related to the banking activities of NCB. The NCBI Properties are to be transferred to NCB Group for book value.

One of NCB Group's subsidiaries (Noxid Ltd) owns the Knutsford Branch which houses one of the Bank's branches. This property will be transferred to NCB for $1.00. Another subsidiary of NCB Group, Computer Service and Programming Limited owns the Eureka Properties which house the information technology facilities of the Bank. The Eureka Properties are to be transferred to NCB.

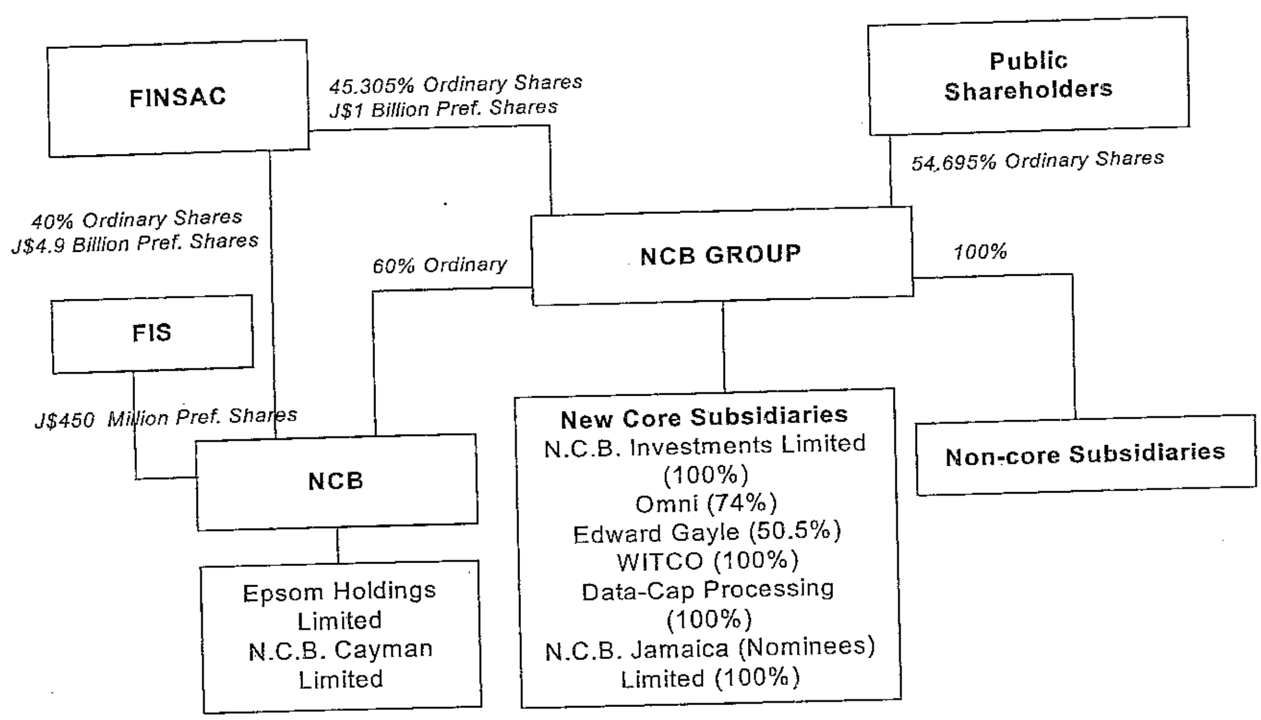
NCB owns all the shares in Epsom Holdings Limited, which owns a vacant lot of land in St. Ann. NCB acquired these shares as part of a settlement with a debtor. These shares are to be transferred to NCB Group for book value.

EXPLANATORY STATEMENT

B. BACKGROUND INFORMATION

The present shareholding structure of the Companies and the New Core Subsidiaries is as follows:

EXISTING STRUCTURE



0.4 Interests of the directors

It is not believed that any of the directors of the Companies have a material interest in the Scheme except as set out below. The following directors of both Companies hold the shares indicated in NCB Group:

Hon. Oliver F. Clarke, O.J.	85,803
Prof. Terrence E. Forrester	47,520
Hon. Noel A. A. Hylton, O.J., C.D.	96,148
Mr. Dunbar T. McFarlane	1,586,514
Ms. Kathleen A. J. Moss	4,800
Prof. The Hon. Rex Nettleford, O.M.	39,700
Mr. Paul T. A. Stewart	335,084
Mr. Christopher Lowe	250,000

Save for those directors who are also employees and who will therefore be offered shares on the basis set out in clause 0.19, the Scheme would have the same effect on the interests of these directors as it would have on the interests of other NCB Group Shareholders. Hon. Oliver Clarke is also a director of Jamaica National Building Society, which is the largest single shareholder in NCB Group after FINSAC. Patrick Hylton, a director of NCB Group, is also a director of FINSAC.

0.5 Financial position of the Companies and the New Core Subsidiaries

Appendix A sets out the review report of PricewaterhouseCoopers.

Appendix B sets out NCB Group's consolidated profit and loss account and balance sheet as at 30 June 2000.

Appendix C sets out NCB's Consolidated profit and loss account and balance sheet as at 30 June 2000.

Appendix D sets out the New Core Subsidiaries' profit and loss accounts and balance sheets as at 30 June 2000.

Appendix E sets out an NCB and New Core Subsidiaries pro forma post-reorganization consolidated profit and loss account and balance sheet as at 30 June 2000.

Appendix F sets out the impact of the Scheme on earnings attributable to public shareholders.

0.6 NCB Group's Subsidiaries

NCB Group holds shares in a number of companies (the New Core subsidiaries) which, although not engaged in commercial or retail banking, successfully provide financial services now routinely provided by universal banking groups or ancillary to their provision. These subsidiaries are also largely dependent on NCB for premises, personnel and other essential infrastructure. It is therefore proposed that the New Core Subsidiaries be kept with NCB to complement its services rather than with NCB Group. The following are the New Core Subsidiaries and the extent of NCB Group's Shareholding in each:

Group subsidiary	Net assets (30/6/2000) J$m	% of shares held by NCB Group
West Indies Trust Company Limited	112.1	100
OMNI Insurance Services Limited (formerly NCB Insurance Services Limited)	210.5	74
Edward Gayle & Company Limited	140.7	50.5
N.C.B. (Investments) Limited	502.8	100
Data-Cap Processing Limited	5.7	100
NCB Jamaica (Nominees) Ltd	2.1	100

0.7 OMNI Insurance Services Limited

This subsidiary formerly operated as N.C.B. Insurance Services Limited, and is the life insurance arm of NCB Group. It is primarily involved in marketing its flagship product "OMNI" which is a Savings Investment Plan packaged with insurance geared to assist policyholders to achieve medium to long term financial goals, such as the accumulation of retirement income and to provide funds for university education.

The subsidiary achieved profit before tax of $101 million for the year ended 30 September 1999, marginally down from $101.6 million in the previous year. At 30 September 1999 the policyholders fund stood at $1.59 billion an increase of 16 percent over the previous year.

NCB Group's shares in this company are subject to pre-emption rights in favour of the other shareholders. If the other shareholders agree to waive those rights, NCB Group will agree to a transfer of its shares to NCB in accordance with the Scheme. If the other shareholders do not so agree, NCB Group will enter into a Trust Deed pursuant to which it will hold the said shares on trust for NCB.

0.8 Edward Gayle & Company Limited

Edward Gayle and Company Limited continues to be a leading player in the areas of Securities Trading and Investment Advisory Services. Profit before tax of $28.6 million in 1999 ensured the continued strengthening of the Company's Balance Sheet, with Shareholder's equity increasing to some $107.8 million as at 30 September 1999.

The company has undertaken several initiatives to improve the quality of service to local and overseas clients. Licensed representatives have been placed in Montego Bay and Mandeville; trade links set up with reputable brokers in the United States and the Caribbean to facilitate access to international securities.

0.9 West Indies Trust Company Limited

This subsidiary is a licenced securities dealer. Its main business is pension fund management and it offers expertise in administration, investment management and trustee services.

The company recorded profit before tax of $33.5 million in 1999. Funds under management at the end of the period, 30 September 1999 were in excess of $10 billion.

0.10 N.C.B. (Investments) Limited

The merger of National Mutual Investments Limited and N.C.B. (Investments) Limited (N.C.B.I.) was successfully implemented in 1998.

Funds under management grew by 23% increasing from $12.1 billion in 1998 to $14.9 billion in 1999. During the same period, profit moved from $110 million to $119 million. The NCBI Properties will be transferred to NCB Group for book value.

0.11 Data-Cap Processing Limited

Data-Cap Processing Limited offers data entry services to NCB.

0.12 N.C.B. Jamaica (Nominees) Limited

N.C.B. Jamaica (Nominees) Limited carries on the business of securities' nominees and Registrar and Transfer Agent.

0.13 Epsom Holdings Limited

Epsom is a wholly owned subsidiary of NCB. It is a non-trading company and its principal activity is the holding of real estate. NCB acquired the shares in Epsom as part of a settlement with a debtor of the Bank. Its activities are non-financial and it therefore will be transferred to NCB Group.

EXPLANATORY STATEMENT

C. THE TERMS OF THE SCHEME

0.14 What does the Scheme hope to achieve?

The Scheme hopes to achieve an "exchange" of shares in NCB Group for shares in NCB and the segregation of the assets of NCB and NCB Group such that:

(a) NCB Group shareholders will have a direct shareholding in NCB;

(b) NCB will become the owner of the Knutsford Branch, the Eureka Properties and the shares in those viable financial services companies normally associated with a banking group (the New Core Subsidiaries);

(c) FINSAC will become the sole owner of NCB Group, comprising those entities and assets not regarded as appropriate for inclusion within NCB and will be solely responsible for its liquidation. NCB Group will no longer use "NCB" in its name;

(d) The Preference Shares will be redeemed or converted into ordinary shares;

(e) FINSAC will attain an indirect shareholding in NCB which will enable it to divest 75% plus one share of the shareholding in the Bank to an investor; and

(f) NCB Group will become the owner of the NCBI Properties.

0.15 Putting the Scheme into place

Section 192 of the Companies Act creates a procedure by which the Court can approve and effect a restructuring of the Companies upon the approval of certain majorities being obtained. An application will be made to the Supreme Court for the approval of the Scheme. If the Court finds the Scheme to be in order, it will direct that meetings of the Shareholders be held. Separate meetings will be held of NCB Shareholders, NCB Group Shareholders and the holders of preference shares in each of the Companies.

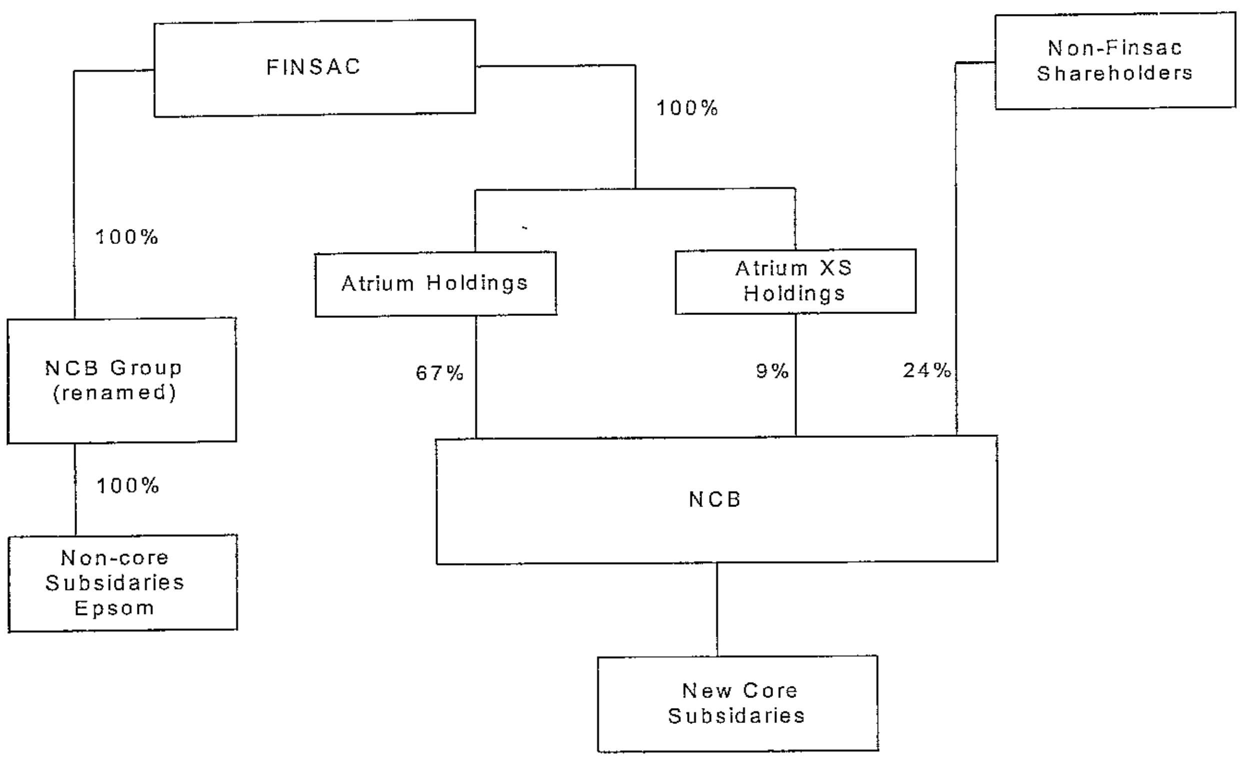
If the necessary majorities approve the Scheme, the Court will be asked to give its final approval. If it does so, the Scheme will be effected subject to the approval of the Bank of Jamaica and the Minister of Finance. NCB Group Shareholders will receive shares in NCB, and the shares held by the Public Shareholders in NCB Group will be vested in FINSAC.

This is intended only as a summary of the terms of the Scheme, and should be read in conjunction with the Scheme itself, which is set out in full in Part 2 of this Document.

0.16 Proposed Structure

It is proposed that the Scheme will result in the following structure:

PROPOSED STRUCTURE



This would be achieved in the following way:

1. FINSAC now has 392,306,824 ordinary shares in NCB Group. It will therefore get that number of shares in NCB.
2. The Public Shareholders now have 473,618,463 ordinary shares in NCB Group. They will therefore get that number of shares in NCB.
3. 1 and 2 above are not exchanges.
4. The Public Shareholders' shares in NCB Group will be transferred to FINSAC.
5. FIS' preference shares will be redeemed with the FIS Promissory Note.
6. FINSAC now has 167,333,000 ordinary shares in NCB, which it will keep.
7. FINSAC's preference shares in NCB will be converted to 940,151,975 ordinary shares.
8. The shares referred to in 1, 6 and 7 will total 1,499,791,799, the shares to be held by the Atriums.
9. The shares referred to in 2 and 8 will constitute 24% and 76% respectively, of the total of 1,973,410,262.

EXPLANATORY STATEMENT

C. THE TERMS OF THE SCHEME

NCB Restructuring

Pre Scheme

NCB Group

Owned by FINSAC	392,306,824	
Owned by Public Shareholders	473,618,463	
Issued, fully paid		865,925,287
Not issued		134,074,713
Preference		2,000,000,000
Authorised		3,000,000,000

NCB

Owned by FINSAC	167,333,000	
Owned by NCB Group	251,000,000	
Issued, fully paid		418,333,000
Not issued		49,000,000
Preference (FINSAC)		4,832,667,000
Preference (FIS)		450,000,000
Authorised		5,750,000,000

Post Scheme

NCB Group

Owned by FINSAC	865,925,281	
Owned by FINSAC's nominees	6	
Issued, fully paid		865,925,287
Not Issued		134,074,713
Preference		2,000,000,000
Authorised		3,000,000,000

NCB

Owned by Non FINSAC Shareholders (24%)	473,618,463	
Owned by Atrium Holdings (67%)	1,322,184,876	
Owned by Atrium XS Holdings (9%)	177,606,923	
Issued, fully paid		1,973,410,262

To be Done

Offer to staff (1% -1)	19,374,102
Offer to Purchaser (75% + 1)	1,480,057,698

(The above figures refer to number of shares)

0.17 Winding up of NCB Group

Having become a wholly owned subsidiary of FINSAC, NCB Group's shares will no longer trade on the Stock Exchange. To facilitate the reconciliation of the Register of Members for NCB Group in preparation for the Scheme Meetings, NCB Group will suspend trading in its shares on 3 November 2000. NCB Group and its other subsidiaries will eventually be wound up after the implementation of the Scheme. Pending their liquidation none of these companies will be entitled to use "NCB" as part of its name.

0.18 Stock Exchange

As soon as possible after the Effective Date of the Scheme, an application will be made to have NCB's shares listed and traded on the Stock Exchange.

0.19 Share Offer to Staff

FINSAC will be required, within 60 days of the Effective Date, to offer 1% of the shares in NCB less one share to the permanent full time staff of NCB and the New Core Subsidiaries as at the Effective Date on the following terms:

(a) Each member of staff will receive 500 shares free of cost;

(b) Members of staff will be entitled to purchase the remaining shares at $2.08 per share, which is 20% less than $2.60, the price at which the last trade in NCB Group shares occurred on the Stock Exchange prior to close of business on 4 September 2000 (the date of FINSAC's proposal for reoganisatioin of NCB Group);

(c) Subject to FINSAC's approval, NCB will decide how and upon what terms the shares are to be allocated among its staff, and paid for, and will generally administer this aspect of the transaction. In consideration of these services FINSAC will pay to NCB a fee equivalent to one half of any interest paid by staff on the balance outstanding at a rate of 8% per annum;

EXPLANATORY STATEMENT

C. THE TERMS OF THE SCHEME

0.20 Share Offer to Non FINSAC Shareholders

If within 3 years of the Effective Date, FINSAC has not entered into an agreement for the sale of at least 67% of the shares in NCB, or alternatively, if within that time FINSAC has entered into an agreement for the sale of less than 73% plus one of the shares in NCB, FINSAC will if requested by the Board of NCB offer 2% of the shares in NCB to Non-FINSAC Shareholders at the price at which the shares are trading on the Stock Exchange or at a price to be determined by an independent arbiter appointed by the Court in the event that shares are not then trading as aforesaid. At that time FINSAC will also offer to other Non-FINSAC Shareholders at the said price, any of the shares offered to staff and not taken up by them.

0.21 Administration of the Scheme

NCB will administer the Scheme and is empowered to do all things necessary to carry out the terms of the Scheme. This will include seeing to the printing and circulation of this document, arranging the Scheme Meetings, issuing the relevant notices and dealing with the Stock Exchange. FINSAC will bear the administrative and professional costs of implementing and administering the Scheme.

0.22 Indemnities

NCB, FINSAC, their directors, officers and representatives and any persons carrying out the administration of the Scheme will not be personally liable for any loss, in the absence of their own negligence or fraud.

0.23 NCB Group Creditors

Since the Scheme will result in a significant reduction in the assets of NCB Group, FINSAC will ensure the payment of any sums due to creditors of NCB Group as at the Effective Date.

0.24 Termination of the Scheme

The Scheme shall terminate six (6) years from the Effective Date or on the resolution of all outstanding disputes relating to the Scheme whichever date is later, unless NCB decides that it would be beneficial to Shareholders for the Scheme to continue. NCB will publish a notice of termination of the Scheme in at least one daily newspaper within seven (7) days of the termination of the Scheme.

Shareholders are asked to read the following sections carefully. If there is any doubt as to how to exercise the right to vote or any queries regarding the terms of the Scheme, the following number may be contacted for help and clarification:-

(876) 935-2579

0.25 Where and when

The Notice convening the Scheme Meetings is attached at Part 3 Section A of this Scheme Document. The meetings will be held at the National Arena, Kingston, Jamaica on 8 November 2000, at 9:30 am (in relation to the holders of preference shares in NCB), 9:40 a.m. (in relation to the holders of preference shares in NCB Group), 9:50 a.m. (in relation to the holders of ordinary shares in NCB) and at 10:00 a.m. (in relation to the holders of ordinary shares in NCB Group). The registration process will commence at 8:00 am on that day, and Shareholders or proxy holders are asked to arrive well in advance of the relevant meeting and at the very latest by 9:30 am, when the registration process will be closed.

All Shareholders and proxy holders must bring proof of identity bearing a photograph to the meeting (i.e. a drivers licence, passport or a photograph certified by a Justice of the Peace or Notary Public).

Although the Scheme Meetings will be held on the same day and at the same place, the votes cast at each meeting as to whether to approve the Scheme, will be tabulated separately.

The Chairman of the Scheme Meetings will be Mr. Earl Jarrett, who is the General Manager of Jamaica National Building Society, the largest of the Public Shareholders.

EXPLANATORY STATEMENT

D. PROCEDURES REGARDING THE SCHEME MEETINGS

0.26 Voting at the Scheme Meetings

Each Shareholder is entitled to vote at the relevant Scheme Meeting either by attending in person (or, in the case of corporations, by a duly authorized representative) or by appointing a proxy to attend and vote on his behalf. Details of how to appoint a proxy are set out in paragraph 0.27 below. A Shareholder may only vote in respect of that Company in which he is a Shareholder.

Individualised Voting Forms will be available upon registration on the date of the Scheme Meetings.

Each Voting Form will include the number of shares held by the relevant Shareholder according to the Registers of Members for the Companies as at 3 November 2000.

Before voting, each Shareholder should check the number of shares shown on the Voting Form and should also check that the Voting Form relates to the correct Company.

0.27 How to appoint a proxy

Any Shareholder who wishes to appoint a proxy holder to attend and vote on his behalf at a Scheme Meeting must complete and return the Proxy Form included at the back of this Document as Part 3, Section B of this document. **For the proxy to be valid, the Shareholder must complete the Proxy Form relating to the Company of which he is a Shareholder and must affix a $10.00 stamp to the form.** Please follow the instructions on the form carefully. If you are appointing someone other than the Chairman of the Meeting to be your proxy, please delete the words "Chairman of the Meeting" and insert the relevant person's name and address. The proxy holder need not be a Shareholder but must be an individual who attends the Scheme Meeting in person. The Shareholder's signature on the Proxy Form must be witnessed by a Justice of the Peace, a Notary Public, a minister of religion or an attorney at law.

Submission of a Proxy Form does not prevent you from attending the meeting in person and voting as you see fit. If you do so attend and vote, this will invalidate the vote of your proxy holder.

The Proxy Form must be returned to NCB at the "Atrium", 32 Trafalgar Road, Kingston 5, or to any branch of NCB, not later than 48 hours before the time at which the Scheme Meeting is scheduled to commence. Proxy Forms submitted after that deadline, including those presented at the Scheme Meeting, will not be accepted. A faxed copy of a Proxy Form (to 968-1342) will be accepted but subject to the original Proxy Form being received not later than 24 hours after the time at which the Scheme Meeting was scheduled to commence.

0.28 After the Scheme Meetings

After the Scheme Meetings the votes must be checked and verified and the outcome of the Scheme Meetings reported to the Court by the Chairman. It is anticipated that this will be completed within one week after the Scheme Meetings.

The Court must then decide whether to sanction the Scheme. If the Court sanctions the Scheme, the Court Order sanctioning the Scheme must be delivered to the Registrar of Companies, and when this has been done the Scheme will be effective. A notification to the effect that the Scheme has become effective will be published in the Daily Gleaner and in the Gleaner U.K. Edition and the North American Weekly Gleaner newspapers within seven days of the Effective Date.

If approved by the required majority at the Scheme Meetings and if sanctioned by the Court, upon delivery of the Court's Order to the Registrar of Companies, the Scheme will become binding in respect of all Shareholders, whether or not they exercised their right to vote and whether they voted for or against the Scheme.

0.29 Copies of documents

Copies of this Scheme Document are available for collection by Shareholders or their representatives free of charge from all branches of NCB in Jamaica and at the following addresses:-

Jamaica:	FINSAC Limited 76 Knutsford Boulevard Kingston 5
United States:	Embassy of Jamaica 1520 New Hampshire Avenue, N.W. Washington, D.C. 20036
United Kingdom:	High Commission of Jamaica 1 - 2 Prince Consort Road London SW7 2BZ
	NCB London 42 Manchester Street London W1N 5PE
Canada:	High Commission of Jamaica Standard Life Building 275 Slater Street, Suite 800 Ottawa, Ontario KIP 5H9

And from the NCB Website at: http://www.jncb.com

APPENDICES TO THE EXPLANATORY STATEMENT

APPENDIX A

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
Scotiabank Centre
Duke Street
Box 372
Kingston Jamaica
Telephone: (876) 922-6230
Facsimile: (876) 922-7581

22 September 2000

To the Members of
N.C.B. Group Limited

REPORT OF INDEPENDENT ACCOUNTANTS

We have reviewed the consolidated balance sheet of N.C.B. Group Limited and its subsidiaries as at 30 June 2000 and the related consolidated profit and loss account, consolidated statement of changes in equity and consolidated statement of cash flows for the nine months then ended (not presented herein). The comparative figures for the nine months ended 30 June 1999 were extracted from the group's management accounts. We have not reviewed these comparative figures. In our review report dated 22 September 2000, we stated that nothing has come to our attention that causes us to believe that the consolidated financial statements are not free of material misstatement.

The consolidated profit and loss account and consolidated balance sheet set forth in Appendix B have been extracted from the full consolidated financial statements upon which we have reported as stated in the preceding paragraph.

Without qualifying our opinion, we draw attention to the following matters:

For the nine months ended 30 June 2000, $5.8 billion being 61% of the group's income from loans and securities consisted of interest on FINSAC bonds. This interest was paid by issue of further FINSAC bonds except for $3.4 billion which was accrued and may be paid for in FINSAC bonds subsequent to period end.

At 30 June 2000, FINSAC bonds and promissory notes, including accrued interest, amounted to $43.6 billion and accounted for 57% of income earning assets.

The liquidity of the group and its ability to fund its operations and achieve profitability are largely contingent on the collection of FINSAC interest, which the Government of Jamaica has undertaken to pay in cash to the extent required by the group at its request.

PricewaterhouseCoopers

Chartered Accountants

APPENDIX B

N.C.B. GROUP LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT AND BALANCE SHEET
30 JUNE 2000

N.C.B. Group Limited

Consolidated Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue		
Income from loans	1,234,328	1,612,955
Income from securities	8,240,462	8,537,560
	9,474,790	10,150,515
Other operating income	1,474,829	1,298,540
	10,949,619	11,449,055
Expense		
Staff costs	1,646,702	1,759,319
Other operating expenses	3,167,162	2,789,378
	4,813,864	4,548,697
Interest	5,462,078	6,234,224
	10,275,942	10,782,921
Profit before Exceptional Items	673,677	666,134
Exceptional items	-	(326,824)
Profit after Exceptional Items	673,677	339,310
Share of profits of associated companies	6,740	(26,827)
Profit before Taxation	680,417	312,483
Taxation	(101,351)	(84,597)
	579,066	227,886
Minority Interest in Results of Subsidiaries	(160,855)	(47,348)
Net Profit Attributable to the Stockholders of N.C.B. Group Limited	418,211	180,538
EARNINGS PER STOCK UNIT	$0.48	$0.21

N.C.B. Group Limited
Consolidated Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
ASSETS		
Cash Resources		
Cash on hand and at Bank of Jamaica	8,042,439	9,418,743
Fixed deposits and balances with other banks and financial institutions	4,478,903	3,396,716
Cheques and other instruments in the course of collection	787,116	1,474,275
	13,308,458	14,289,734
Investments		
Investment properties	445,730	493,791
Government of Jamaica securities and investments	6,746,088	5,884,403
FINSAC and FIS bonds	48,705,690	42,565,667
Non-interest bearing promissory note	450,000	450,000
Other investments	5,126,896	3,956,761
	61,474,404	53,350,622
Securities Purchased Under Agreements to Resell	3,216,207	2,640,536
Loans and Advances Less Provision for Losses	7,613,695	8,285,773
Customers' Liability on Ex-Im and Central Bank Discount	155,489	126,515
Customers' Liability on Acceptances, Guarantees, Indemnities and Credits	1,332,411	1,694,822
Other Assets	1,664,887	1,496,291
Fixed Assets	1,882,056	1,846,722
	90,647,607	83,731,015

N.C.B. Group Limited
Consolidated Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits and Other Liabilities		
Deposit and current accounts of customers	50,879,100	48,034,707
Promissory notes and certificates of participation	14,717,919	14,623,317
Amounts due to other banks and financial institutions	3,213,631	3,059,729
Cheques and other instruments in the course of payment	733,095	729,409
Taxation	291,605	15,053
Other liabilities	2,753,746	2,722,772
	72,589,096	69,184,987
Liability on Ex-Im and Central Bank Discount	155,489	126,515
Liability on Acceptances, Guarantees, Indemnities and Credits	1,332,411	1,694,822
Assets Sold Under Obligations to Repurchase	5,424,741	2,405,161
Life Assurance Fund	1,777,267	1,591,479
Replacement Reserve	-	147
Deferred Profit	245,765	190,042
Minority Interest in Subsidiaries	6,246,036	6,083,764
Stockholders' Equity		
Preference share capital	1,000,000	1,000,000
Ordinary share capital	432,963	432,963
Share premium	221,490	221,490
Share redemption reserve funds	66,667	171,517
Capital reserve	398,468	378,132
Banking reserve fund	277,463	277,463
Retained earnings reserve	971,434	971,434
Accumulated deficit	(491,683)	(998,901)
	2,876,802	2,454,098
	90,647,607	83,731,015

APPENDIX C

NATIONAL COMMERCIAL BANK JAMAICA LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT AND BALANCE SHEET
30 JUNE 2000

National Commercial Bank Jamaica Limited

Consolidated Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Net Interest Income and Other Income		
Income from loans	1,214,430	1,562,863
Income from securities	7,018,420	7,061,711
	8,232,850	8,624,574
Interest expense	4,870,521	5,152,960
Net interest income	3,362,329	3,471,614
Exchange gains	247,194	125,311
Fees and commissions	773,212	588,850
Other operating income	44,127	112,077
	4,426,862	4,297,852
Non-Interest Expenses		
Staff costs	1,548,947	1,609,060
Other operating expenses	2,276,542	2,073,344
	3,825,489	3,682,404
Depreciation	192,400	198,034
Deposit insurance premium	43,119	46,350
	4,061,008	3,926,788
Profit before Exceptional Item and Taxation	365,854	371,064
Exceptional Item	-	(299,997)
Profit before Taxation	365,854	71,067
Taxation	61,167	-
Net Profit	304,687	71,067

National Commercial Bank Jamaica Limited
Consolidated Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
ASSETS		
Cash Resources and Other Assets		
Cash on hand and at Bank of Jamaica	7,841,581	8,994,645
Fixed deposits and balances with other banks, financial institutions and fellow subsidiaries	4,418,277	3,364,186
Securities purchased under agreements to resell	1,926,776	522,851
Investments in Government of Jamaica and other securities	50,249,528	45,506,261
Loans and advances less provision for losses	7,726,163	8,118,322
Cheques and other instruments in the course of collection	786,358	1,475,301
Taxation recoverable	12,470	246,327
Due from holding company	68,961	68,961
Other assets	570,875	981,637
	73,600,989	69,278,491
Customers' Liability on Ex-Im Bank Discount	155,489	126,515
Customers' Liability on Acceptances, Guarantees, Indemnities and Credit	2,760,594	3,088,340
Fixed Assets	1,657,931	1,616,963
	78,175,003	74,110,309

National Commercial Bank Jamaica Limited

Consolidated Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits and Other Liabilities		
Deposits and current accounts of customers	50,957,597	47,104,781
Amounts due to other banks and financial institutions	3,213,551	2,990,260
Cheques and other instruments in the course of payment	714,991	689,361
Other liabilities	1,842,449	1,747,207
	56,728,588	52,531,609
Obligations Under Repurchase Agreements	10,854,079	10,739,838
Obligations Under Certificates of Loan Participation	-	177,420
Obligations Under Finance Leases	228,730	268,771
Long Term Liability	67,446	114,318
Liability on Ex-Im Discount	155,489	126,515
Liability on Acceptances, Guarantees, Indemnities and Credits	2,760,594	3,088,340
Special Debentures	-	4,888
Stockholders' Equity		
Issued and fully paid up capital		
Ordinary stock units	418,333	418,333
Preference shares	5,282,667	5,282,667
	5,701,000	5,701,000
Share premium	106,453	106,453
Share redemption reserve fund	-	174,750
Capital reserve	126,528	109,748
Banking reserve fund	373,000	373,000
Retained earnings reserve	1,361,897	1,361,897
Accumulated deficit	(288,801)	(768,238)
	7,380,077	7,058,610
	78,175,003	74,110,309

APPENDIX D

NEW CORE SUBSIDIARIES
PROFIT AND LOSS ACCOUNTS AND BALANCE SHEETS
30 JUNE 2000

Edward Gayle & Company Limited

Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue		
Income from securities and investments	79,926	52,760
Other operating income	15,850	7,819
	95,776	60,579
Expenses		
Administration expenses	(48,433)	(38,022)
Operating Profit	47,342	22,557
Finance cost	(3,545)	(5,061)
Net Profit before Taxation	43,798	17,496
Taxation	(10,880)	(4,868)
Net Profit	32,918	12,628

Edward Gayle & Company Limited
Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
NET ASSETS EMPLOYED		
Fixed Assets	12,287	6,215
Current Assets		
Listed Securities	13,852	5,021
Securities purchased under agreements to resell	3,708,627	1,771,377
Investments	94,491	83,088
Receivable from clients	80,192	21,831
Receivable from brokers	60,135	-
Accounts receivable	138,195	75,685
Taxation recoverable	-	2,987
Cash and deposits	66,022	18,275
	4,161,514	1,978,264
Current Liabilities		
Securities sold under agreements to repurchase	3,697,134	1,793,036
Due to shareholders	3,322	3,766
Payable to clients	108,555	17,100
Payable to brokers	38,723	2,208
Accounts payable	127,188	46,805
	3,974,922	1,862,915
Net Current Assets	186,592	115,349
	198,879	121,564
FINANCED BY		
Share capital	49,794	49,794
Share premium	13,500	13,500
Retained earnings	77,452	44,534
	140,746	107,828
Long term liabilities	12,553	12,553
Deferred income	42,116	1,183
Finance lease obligation	3,464	-
	198,879	121,564

Omni Insurance Services Limited

Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Income		
Gross premiums	233,213	213,042
Investment and other income	319,491	279,695
	552,704	492,737
Policy Benefits and Expenses		
Policyholders' benefits and reserves	380,861	361,196
Commissions	4,058	3,099
Management, property & other expenses	88,213	69,560
	473,132	433,855
Operating Profit	79,572	58,882
Taxation	(11,727)	(10,270)
Net Profit	67,845	48,612

Omni Insurance Services Limited

Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
ASSETS		
Fixed Assets	11,627	12,242
Investment Fund	1,865,370	1,640,672
Other Assets	130,720	109,729
	2,007,717	1,762,643
LIABILITIES AND SHAREHOLDERS' FUNDS		
SHAREHOLDERS' FUNDS		
Share capital	50,000	50,000
Retained Earnings	154,402	106,725
Investment reserve	6,123	6,123
	210,525	162,848
POLICYHOLDERS' FUNDS		
Life Assurance Fund	1,777,267	1,591,479
OTHER LIABILITIES	19,925	8,316
	2,007,717	1,762,643

West Indies Trust Company Limited

Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue		
Income from securities and investments	14,604	13,606
Other operating income	44,589	38,152
	59,193	51,758
Expenses		
Administration Expenses	(16,770)	(19,493)
Operating Profit	42,423	32,265
Taxation	(14,141)	(10,755)
Net Profit	28,282	21,510

West Indies Trust Company Limited

Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
NET ASSETS EMPLOYED		
Fixed Assets	3,701	4,055
Investments	96,750	76,254
Current Assets		
Cash	1,339	4,228
Accounts receivables	16,669	12,378
Deposits with fellow subsidiary	-	12,500
Short term investments	10,500	-
Security purchased under agreement for resale	-	1,000
Recoverable taxation	7	7
	28,515	30,113
Current Liabilities		
Due to fellow subsidiary	-	21,083
Accounts payable	2	1,680
Taxation	16,260	3,801
Office accounts	564	-
	16,826	26,564
Net Current Assets	11,689	3,549
	112,140	83,858
FINANCED BY		
Share capital	12,500	12,500
Reserve fund	3,982	3,982
Retained earnings	95,658	67,376
	112,140	83,858

N.C.B. (Investments) Limited

Consolidated Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue		
Income from securities and investments	2,447,027	2,354,478
Other operating income	134,942	122,443
	2,581,969	2,476,921
Expenses		
Staff costs	22,247	21,069
Other operating expenses	157,541	158,987
	179,788	180,056
Operating Profit	2,402,181	2,296,865
Finance costs	2,190,874	2,228,926
Net Profit before Taxation and Exceptional Items	211,307	67,939
Exceptional Items	(111,932)	(14,208)
Profit before Taxation	99,375	53,731
Taxation	-	-
Net Profit	99,375	53,731

N.C.B. (Investments) Limited
Consolidated Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
ASSETS		
Cash	116,619	204,283
Deposits	60,629	54,780
Investments	5,413,076	4,732,188
Securities Purchased Under Agreements to Resell	10,961,365	10,248,430
Finance Leases	-	67,360
Loans Receivable	314,779	299,679
Due from Fellow Subsidiary	-	6,087
Other Assets	655,602	688,806
Investment Properties	449,938	498,000
Fixed Assets	172,945	176,398
	18,144,953	16,976,011
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Bank overdraft	40	27,162
Assets sold under agreements to repurchase	1,352,233	-
Promissory notes and certificates of participation sold	14,844,724	14,944,788
Due to fellow subsidiary	-	138,209
Loans	431,102	418,699
Deferred profit	245,767	190,042
Payables	368,273	451,707
	17,242,139	16,170,607
Replacement Reserves	-	147
Minority Interest	33	-
Shareholders' Equity		
Share capital	615,033	615,033
Share premium	447,967	447,967
Capital reserve	62,954	59,989
Accumulated deficit	(623,173)	(717,732)
	502,781	405,257
Shareholders' Loan	400,000	400,000
	18,144,953	16,976,011

Data-Cap Processing Limited

Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue		
Fees	7,102	7,176
Interest	500	374
	7,602	7,550
Expenses		
Administration expenses	5,944	6,125
Operating Profit	1,658	1,425
Taxation	-	-
Net Profit	1,658	1,425

Data-Cap Processing Limited

Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
NET ASSETS EMPLOYED		
Fixed Assets	227	280
Investment	2	2
Current Assets		
Accounts receivable	1,007	798
Taxation recoverable	119	26
Cash and deposits	5,256	4,026
	6,382	4,850
Current Liabilities		
Taxation payable	523	634
Accounts payable	322	390
	845	1,024
Net Current Assets	5,537	3,826
	5,766	4,108
FINANCED BY		
Share capital	3,000	3,000
Retained earnings	2,766	1,108
	5,766	4,108

N.C.B. Jamaica (Nominees) Limited

Profit and Loss Account

	Unaudited Nine months ended 30 June 2000 $'000	Unaudited Nine months ended 30 June 1999 $'000
Revenue	5,093	-
Expenses	2,007	-
Operating Profit	3,086	-
Taxation	1,029	-
Net Profit	2,057	-

N.C.B. Jamaica (Nominees) Limited

Balance Sheet

	Unaudited 30 June 2000 $'000	Audited 30 September 1999 $'000
NET ASSETS EMPLOYED		
Current Assets		
Cash and bank	2,228	-
Accounts receivable	1,205	-
	3,433	-
Current Liabilities		
Taxation payable	1,029	-
Accounts payable	347	-
	1,376	-
	2,057	-
FINANCED BY		
Share capital	-	-
Retained earnings	2,057	-
	2,057	-

APPENDIX E

NATIONAL COMMERCIAL BANK JAMAICA LIMITED AND NEW CORE SUBSIDIARIES
PROFORMA POST-REORGANISATION CONSOLIDATED PROFIT AND LOSS ACCOUNT AND BALANCE SHEET
30 JUNE 2000

National Commercial Bank Jamaica Limited and New Core Subsidiaries

Proforma Consolidated Statements - 30 June 2000

1. Basis of Presentation

The statements on pages E.2 to E.4 give proforma financial information as at 30 June 2000 and for the nine month period then ended in respect of National Commercial Bank Jamaica Limited and the following subsidiaries ("New Banking Group"):

- N.C.B. Cayman Limited
- N.C.B. Investments Limited
- Data-Cap Processing Limited
- Edward Gayle & Company Limited
- OMNI Insurance Services Limited
- West Indies Trust Company Limited
- N.C.B. Jamaica (Nominees) Limited

The proforma statements include adjustments to the historical financial statements of New Banking Group for the nine months ended 30 June 2000 to reflect the various transactions under the reorganisation proposal. Such adjustments have been made as if such transactions had been effected on 30 June 2000 for the consolidated balance sheet and as of 1 October 1999 (the beginning of the nine month period to 30 June 2000) for the consolidated profit and loss account. The proforma information does not purport to be indicative of financial position or results of operations that would have occurred had the reorganisation been consummated on the indicated dates or which may be expected to occur in the future.

National Commercial Bank Jamaica Limited and New Core Subsidiaries

Proforma Consolidated Profit and Loss Account - nine months ended 30 June 2000

	Unaudited $'000
Revenue	
Income from loans	1,214,430
Income from securities	8,130,288
	9,344,718
Other operating income	1,454,577
	10,799,295
Expense	
Staff costs	1,619,767
Other operating expenses	3,091,168
	4,710,935
Interest	5,396,534
	10,107,469
	691,826
Share of profits of associated companies	-
Profit before Taxation	691,826
Taxation	(96,385)
	595,441
Minority Interest in Results of Subsidiaries	(38,979)
Net Profit	556,462
EARNINGS PER STOCK UNIT	$0.28

National Commercial Bank Jamaica Limited and New Core Subsidiaries

Proforma Consolidated Balance Sheet - 30 June 2000

	Unaudited $'000
ASSETS	
Cash Resources	
Cash on hand and at Bank of Jamaica	8,024,898
Fixed deposits and balances with other banks and financial institutions	4,415,277
Cheques and other instruments in the course of collection	786,081
	13,226,256
Investments	
Investment properties	20,282
Government of Jamaica securities and investments	6,728,785
FINSAC and FIS bonds	48,443,387
Other investments	5,100,671
	60,293,125
Securities Purchased Under Agreements to Resell	3,216,207
Loans and Advances Less Provision for Losses	7,613,695
Customers' Liability on Ex-Im and Central Bank Discount	155,489
Customers' Liability on Acceptances, Guarantees, Indemnities and Credits	1,332,411
Other Assets	1,755,610
Fixed Assets	1,671,956
	89,264,749

National Commercial Bank Jamaica Limited and New Core Subsidiaries

Proforma Consolidated Balance Sheet - 30 June 2000

	Unaudited $'000
LIABILITIES AND STOCKHOLDERS' EQUITY	
Deposits and Other Liabilities	
Deposit and current accounts of customers	50,881,244
Promissory notes and certificates of participation	14,804,144
Amounts due to other banks and financial institutions	3,213,591
Cheques and other instruments in the course of payment	714,850
Other liabilities	2,682,302
	72,296,131
Liability on Ex-Im and Central Bank Discount	155,489
Liability on Acceptances, Guarantees, Indemnities and Credits	1,332,411
Assets Sold Under Obligations to Repurchase	5,424,741
Life Assurance Fund	1,777,267
Deferred Profit	245,765
Minority Interest in Subsidiaries	124,405
Stockholders' Equity	
Share capital	1,973,410
Share premium	4,373,721
Share redemption reserve funds	450,000
Capital reserve	484,635
Banking reserve fund	373,000
Retained earnings reserve	911,897
Accumulated deficit	(658,123)
	7,908,540
	89,264,749

APPENDIX F

IMPACT OF SCHEME OF ARRANGEMENT ON EARNINGS ATTRIBUTABLE TO PUBLIC SHAREHOLDERS

APPENDIX F

Impact Of Scheme Of Arrangement On Earnings Attributable To Public Shareholders

PURPOSE

The purpose of this Appendix is to demonstrate the impact of the Scheme on earnings attributable to public shareholders both in total and on a per share basis.

The contents of this Appendix are for the purposes of illustration only and should not be construed as an indication or forecast of future levels of profitability.

Quality of Earnings (Entitlement to Ordinary Dividends)

FINSAC holds $1 billion and $5.3 billion in par value of preference shares in Existing Group and Bank, respectively and is entitled to receive dividends and repayment of principal in priority to the ordinary shareholders. The contractual terms of the preference shares are such that preference dividends only become payable when there are sufficient post-tax profits after transfers to Banking Reserve, provision for capital redemption of the preference shares and clearing of the accumulated deficit. Ordinary shareholders of Existing Group can receive dividends only after preference dividends in both Group and Bank have been paid in full.

For the 12 months commencing 1 July 2000 the following consolidated post-tax profits would need to be achieved before any earnings would be available to pay ordinary dividends, after clearing the accumulated deficit:

Existing Group before reorganisation	$1,350 million
New Banking Group after reorganisation	$780 million

Therefore, if the Scheme is approved, ordinary shareholders will be eligible for dividends at lower profit levels.

Quantity of Earnings

Financial results of Existing Group and New Banking Group for the nine months ended 30 June 2000 were as follows:

EXISTING Group BEFORE reorganisation

	Nine months (Actual)	Annualised
Existing Group post-tax profits	$418 million	$558 million
Earnings per Ordinary Share ("EPS")	48 cents	64 cents

No preference dividends are likely are payable for the year ending 30 September 2000 as the accumulated deficit has not been eliminated.

NEW Banking Group AFTER reorganisation

	Nine months (Proforma)	Annualised
New Banking Group post-tax profits	$556 million	$742 million
Earnings per Ordinary Share	28 cents	37 cents

APPENDIX F

Impact Of Scheme Of Arrangement On Earnings Attributable To Public Shareholders

The post-tax profits of New Banking Group after reorganisation are higher than those of Existing Group before reorganisation because of the transfer of loss-making non-core subsidiaries and assets along with the removal of FINSAC's 40% direct ordinary shareholding in Bank, accounted for as minority interest in Existing Group.

Some Comparisons of EPS BEFORE and AFTER Reorganisation

- Before reorganisation, increases in the profits of Existing Group accrue primarily to preference shareholders and not to ordinary shareholders.

- After reorganisation, public shareholders of New Banking Group receive a larger share of any profit increase than they would have before reorganisation of Existing Group. This is demonstrated graphically on the next page.

- Increases in Bank's annual post-tax profits will result in a larger percentage increase in EPS of New Banking Group after reorganisation in comparison to Existing Group before reorganisation (once the accumulated deficit is cleared).

  For example, a 100% increase in Bank's annual post-tax profits in the period to 30 September 2002, will result in a:
  14% increase in EPS for Existing Group before reorganisation; but a
  55% for New Banking Group after reorganisation.

- At existing profit levels (shown in the tables above), Proforma EPS of New Banking Group after reorganisation is lower than that of Existing Group before reorganisation. This is due to the increase in issued ordinary shares at reorganisation.

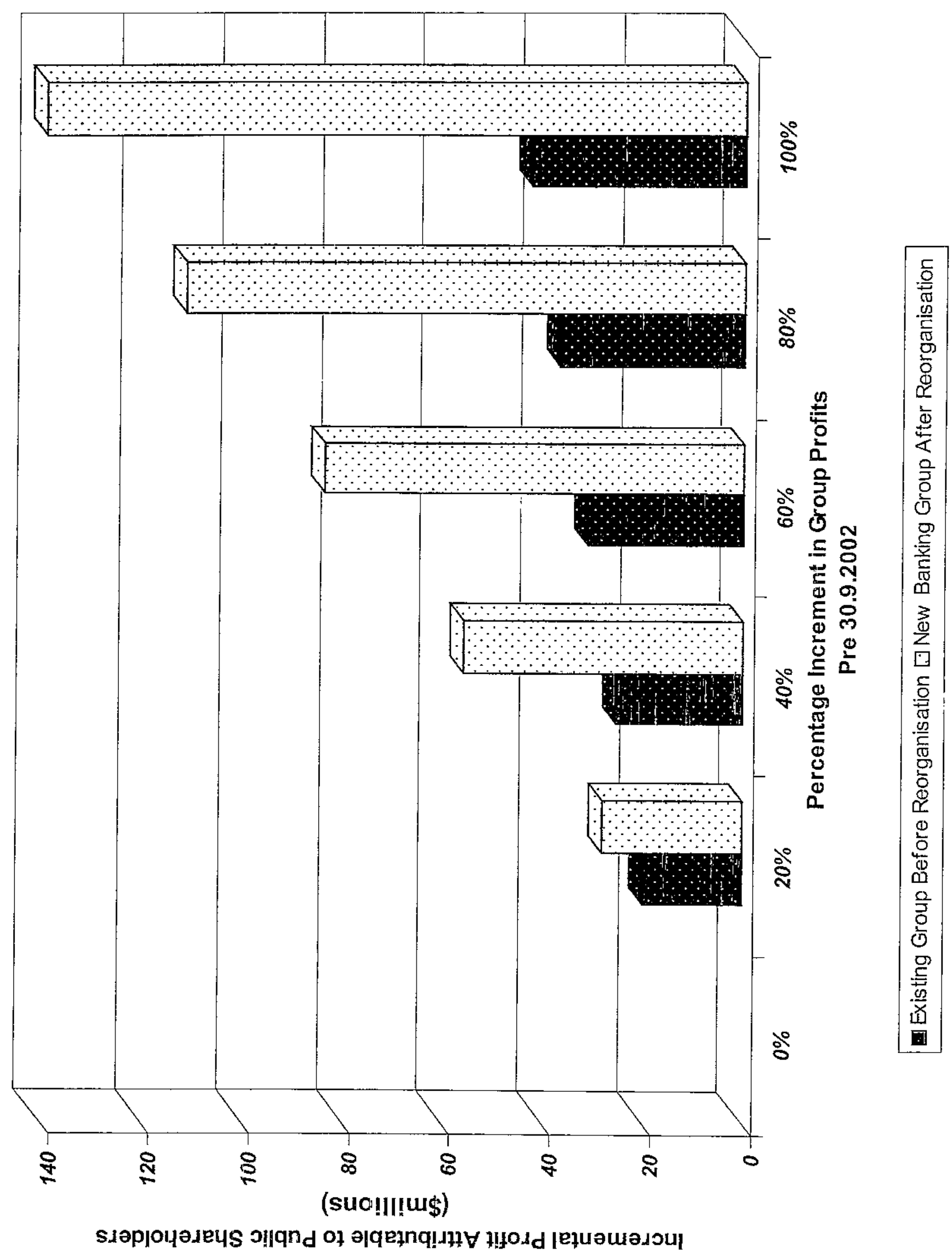
- EPS for the New Banking Group will exceed that for the Existing Group if, in the period to 30 September 2002, Bank's annual post-tax profits are equal to or exceed $925 million ($830 million thereafter).

Bases and Assumptions for Calculations

1. Earnings figures for Existing Group and Bank before reorganisation have been annualised based the on actual results for the nine months ended 30 June 2000, presented in Appendices A and B, respectively.
2. Earnings figures for New Banking Group after reorganisation have been annualised based the on proforma results for the nine months ended 30 June 2000, presented in Appendix E.
3. Bank is the main contributor to group profitability. Profits of all subsidiaries other than Bank have been assumed to be constant at an annualised level based on actual results for the nine months ended 30 June 2000.
4. Unless otherwise stated, the accumulated deficits at 30 June 2000 of $289 million in Bank and $492 million in Existing Group are assumed to have been cleared.
5. The weighted average yield on six month Government of Jamaica Treasury Bills is assumed to be 17.5% with effect from 30 September 2002, the date on which the coupon rate of dividend on the preference shares contractually changes.
6. "Claw back" provisions as described in Appendix H which may result in additional preference dividends becoming payable are assumed not to apply.

APPENDIX F

Impact Of Scheme Of Arrangement On Earnings Attributable To Public Shareholders



APPENDIX G

N.C.B. (INVESTMENTS) LIMITED PROPERTIES

N.C.B. (Investments) Limited
Properties

1. **Carinosa Country Villas, Shaw Park, Ocho Rios, St. Ann**

   Townhouse #12, registered at Volume 1228 Folio 131 of the Register Book of Titles

2. **Baywest, Montego Bay, St. James**

   A shopping complex in Montego Bay St. James partly registered at Volume 1281 Folio 425, partly at Volume 1314 Folio 149, partly at Volume 1314 Folio 150 and partly at Volume 1314 Folio 151, (save for Lots No. 2, 19, 21,40, 41, 42, 43, 44, 45,46,46A, 47, 48 and 49) of the Register Book of Titles.

   Application has been made to the Registrar of Titles for individual strata titles.

3. **Sunshine Village, Negril, Westmoreland**

   One Bedroom Studio Units:

Strata Lot No. 25	-	Volume 1290 Folio 595
Strata Lot No. 26	-	Volume 1290 Folio 596
Strata Lot No. 27	-	Volume 1290 Folio 597
Strata Lot No. 28	-	Volume 1290 Folio 598
Strata Lot No. 29	-	Volume 1290 Folio 599
Strata Lot No. 30	-	Volume 1290 Folio 600
Strata Lot No. 31	-	Volume 1290 Folio 601
Strata Lot No. 32	-	Volume 1290 Folio 602
Strata Lot No. 33	-	Volume 1290 Folio 603
Strata Lot No. 34	-	Volume 1290 Folio 604
Strata Lot No. 35	-	Volume 1290 Folio 605
Strata Lot No. 36	-	Volume 1290 Folio 606
Strata Lot No. 37	-	Volume 1290 Folio 607
Strata Lot No. 38	-	Volume 1290 Folio 608
Strata Lot No. 39	-	Volume 1290 Folio 609
Strata Lot No. 40	-	Volume 1290 Folio 610
Strata Lot No. 41	-	Volume 1290 Folio 611
Strata Lot No. 42	-	Volume 1290 Folio 612
Strata Lot No. 43	-	Volume 1290 Folio 613
Strata Lot No. 44	-	Volume 1290 Folio 614
Strata Lot No. 47	-	Volume 1290 Folio 617
Strata Lot No. 48	-	Volume 1290 Folio 618
Strata Lot No. 49	-	Volume 1290 Folio 619
Strata Lot No. 50	-	Volume 1290 Folio 620
Strata Lot No. 51	-	Volume 1290 Folio 621
Strata Lot No. 52	-	Volume 1290 Folio 622
Strata Lot No. 53	-	Volume 1290 Folio 623
Strata Lot No. 54	-	Volume 1290 Folio 624
Strata Lot No. 55	-	Volume 1290 Folio 625
Strata Lot No. 56	-	Volume 1290 Folio 626
Strata Lot No. 57	-	Volume 1290 Folio 627
Strata Lot No. 58	-	Volume 1290 Folio 628

N.C.B. (Investments) Limited
Properties

Commercial Units

Strata Lot No. 2	-	Volume 1290 Folio 572
Strata Lot No. 6	-	Volume 1290 Folio 576
Strata Lot No. 11	-	Volume 1290 Folio 581
Strata Lot No. 19	-	Volume 1290 Folio 589
Strata Lot No. 22	-	Volume 1290 Folio 592
Strata Lot No. 23	-	Volume 1290 Folio 593
Strata Lot No. 24	-	Volume 1290 Folio 594
Strata Lot No. 46	-	Volume 1290 Folio 616

4. **Liguanea Lands, New Kingston**

Land registered at Volume 1180 Folio 985 of the Register Book of Titles
Intersection of Knutsford Boulevard and Oxford Road

5. **St. Jago Shopping Centre, Spanish Town, St. Catherine**

A property in Spanish Town now known as Bourkes Road Shopping Centre registered at Volume 1224 Folio 492, (save for Lots No. 1, 2, 7, 16, 23, 24, 33 and 34) of the Register Book of Titles.

An application is to be made to the Registrar of Titles for individual strata titles.

6. **Cambridge Hill Farms, Eleven Miles, St. Thomas**

Lot #1 with buildings:
Registered at Volume 1076 Folio 431 of the Register Book of Titles

Lot #2 with buildings:
Registered at Volume 1105 Folio 323 of the Register Book of Titles

7. **Real Resorts Limited**

2,000,000 ordinary shares in Real Resorts Limited. This company is the owner of the Beaches Negril Hotel.

8. **Air Jamaica Limited**

624,375 ordinary shares in Air Jamaica Limited.

APPENDIX H

TERMS OF THE FINSAC PREFERENCE SHARES IN NCB (EXTRACT)

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

RIGHTS ATTACHING TO ZERO COUPON PREFERENCE SHARES

The special rights and restrictions attached to, and imposed on the zero coupon 30 year redeemable preference shares of J$1.00 (herein called the "Zero Preference Coupon Shares") are as follows:

D. As to Redemption

The Zero Coupon Preference Shares shall, subject to the provisions of section 57 of the Companies Act (and/or any other enactment replacing or amending same) and to prior redemption of the Prior Ranking Preference Shares, be redeemed upon and subject to the following terms and conditions:

(a) The Bank shall have the right, at any time, after the date of allotment of any Zero Coupon Preference Share (provided it is fully paid) to redeem such share at par (that is to say, a redemption price of J$ 1.00 per share) and in the case of a partial redemption proportionately in respect of each holding of Zero Coupon Preference Shares.

(b) So long as the Zero Coupon Preference Shares are outstanding the Bank shall at the close of each financial year of the Bank place to the credit of an account in its books to be called "Zero Coupon Preference Share Redemption Fund" a sum (to be appropriated out of its Adjusted Net Profits) representing the Annual Redemption Fund Contribution. For this purpose:

(i) "the Annual Redemption Fund Contribution" means, with respect to any financial year of the Bank, the sum calculated in accordance with the following formula, namely:

$$\frac{RFS}{YTR} = \text{Redemption Fund Contribution}$$

Where:

(1) "RFS" is the Redemption Fund Shortfall, being the amount which, as at the close of the financial year, with respect to which the calculation is being made, would be required along with funds, if any, then standing to the credit of the Zero Coupon Preference Shares Redemption Fund to redeem all the Zero Coupon Preference Shares outstanding as at such date;

(2) "YTR" is the number of financial years (including the financial year in respect of which the calculation is being made) left to run to December 31, 2028 (the Final Redemption Date).

(ii) "Adjusted Net Profits" shall mean the net profits (as defined in section 8(4) of the Banking Act) of the Bank and its subsidiaries and shown in the audited consolidated profit and loss accounts of the Bank and its subsidiaries for the relative financial period to the nearest dollar after recognition of:

(1) any exceptional or extraordinary items (if and to the extent that such items were not taken into account in determining net profits);

(2) provisions for the following, namely:

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

a) the sum transferred or required to be transferred to the Reserve Fund as required by the Banking Act or any other law or regulation for the time being in force;

b) any sum transferred or required to be transferred to the retained earnings reserve in accordance with any written directive or instruction from the Bank of Jamaica or other competent authority;

c) the sum to be transferred or required to be transferred to a preference share redemption fund (to be determined mutatis mutandis in accordance with the principles set out above for the determination of the Annual Redemption Fund Contribution) in respect of the outstanding 1997 Preference Shares;

d) the sum transferred or required to be transferred to the Bank's Preference Share Redemption Fund in accordance with the terms and conditions of the Bank's Preference Shares;

(3) all losses (if any) made by the Bank in any previous financial year or years of the Bank to the extent that such losses have not been made good out of the profits earned subsequently by the Bank, being profits which remain unappropriated in the books of the Bank.

(c) Subject to the provisions of the Companies Act or any enactment modifying or replacing same, the Bank may, at its discretion, redeem at par (that is to say a redemption price of J$ 1.00 per share) all or any of the Zero Coupon Preference Shares.

(d) If at the end of any financial year it shall be determined that the Bank has made Supra Profits then, same shall be applied in redeeming Zero Coupon Preference Shares. For the purposes hereof, "Supra Profits" shall be profits (if any) remaining after deducting from Distributable Finsac Profits (to be determined based on the terms and conditions attaching to the Bank's Preference Shares) or otherwise making allowance for, the following items, namely:

(i) the dividends payable on all preference shares issued by the Bank;

(ii) a final dividend on the ordinary shares in the capital of the Bank of 20% of after tax profits; and

(iii) (any Super Profits (as defined in the relevant terms and conditions attached to the Bank's Preference Shares).

For the avoidance of doubt, it is hereby declared that, whether or not payment is made in full in respect to the above items, allowance shall, nonetheless, be made for those items in calculating Supra Profits.

(e) The Bank shall on December 31, 2028 ("Final Redemption Date") redeem at par (that is to say, a redemption price of J$ 1.00 per share) all the Zero Coupon Preference Shares which are outstanding at that date; and if, in accordance with section 57 of the Companies Act (or any other applicable enactment, replacing or modifying same), the Zero Coupon Preference Shares shall not on any such date be capable of being redeemed by the Bank, such redemption shall be effected as soon as possible after the Zero Coupon Preference Shares shall have become capable of being redeemed.

(f) Not less than one (1) month's notice of the intention of the Bank to redeem shall be given to the holders of the Zero Coupon Preference Shares to be redeemed. The notice shall be in writing and shall fix the time and place for such redemption. At the time and place so fixed the registered holders of the Zero Coupon Preference Shares to be redeemed shall be bound to deliver up to the Bank the relative certificates for cancellation, and the Bank shall pay to them the redemption money in respect of such Zero Coupon Preference Shares.

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Terms of the Finsac Preference Shares in NCB (Extract)

(g) If any holder of Zero Coupon Preference Shares shall fail or refuse to surrender the certificate or certificates for such Zero Coupon Preference Shares or shall fail or refuse to accept the redemption money payable in respect of them such money shall be retained and held by the Bank in trust for such holder but without interest or further obligation whatever.

(h) No Zero Coupon Preference Share shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purpose of the redemption or out of capital to the extent permitted by the law, but the premium payable on redemption shall be paid either out of distributable profits, or to the extent permitted by law, out of the share premium account of the Bank.

(i) Notwithstanding anything herein, any redemption sum or other amount payable by the Bank in respect of the Zero Coupon Preference Shares may be paid by the surrender or endorsement and transfer of Finsac Bonds of a like nominal value as the redemption sum or the amount of payment. "Finsac Bonds" means promissory notes issued by Finsac and guaranteed by the Government of Jamaica.

(j) No Zero Coupon Preference Share redeemed by the Bank shall be capable of reissue and on redemption of any Zero Coupon Preference Shares the directors may convert the authorised share capital created as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Bank is or may at that time be divided of a like nominal amount or (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the Zero Coupon Preference Shares.

E. Variation of Rights

Subject to the provisions of Section 72 of the Companies Act, all or any of the special rights and privileges for the time being attached to the Zero Coupon Preference Shares may from time to time (whether or not the Bank is being wound up), be varied or abrogated in any manner only with the consent in writing of the holders of not less than three-fourths (3/4) of the issued Zero Coupon Preference Shares or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of Zero Coupon Preference Shares. All the provisions of the Bank's Articles of Association as to general meetings of the Bank shall, mutatis mutandis, apply to any such separate general meeting but so that the necessary quorum shall be the holder(s) of not less than one-third (1/3) of the issued Zero Coupon Preference Shares.

H. Prior Ranking Preference Shares

"Prior Ranking Preference Shares" means

(a) 450,000,000.00 zero coupon redeemable convertible preference shares of J$1.00 each ("the 1997 Preference Shares"); and

(b) 3,670,000,000 121/2% redeemable preference shares of J$1.00 each ("the Bank's Preference Shares")

in the capital of the Bank.

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

RIGHTS ATTACHING TO BANK'S PREFERENCE SHARES

The special rights and restrictions attached to, and imposed on, the redeemable non-cumulative preference shares (herein called "the Bank's Preference Shares ") are as follows:

A. As to Income

(a) The Bank's Preference Shares shall confer on the holders thereof, as a class, the right (subject to the provisions hereof) to receive the following dividends:

(i) a fixed non-cumulative dividend at the Agreed Coupon Rate on the capital for the time being paid up or credited as paid up thereon (including any premium, if applicable) to be determined and paid in accordance with the provisions set out at sub-paragraph 2 below; and

(ii) a fixed non-cumulative "claw-back" dividend on the capital for the time being paid up or credited as paid up (including any premium, if applicable) to determined and paid in accordance with the provisions set out in sub paragraph 2 below.

(b) With respect to the aforesaid fixed non-cumulative dividend, the following provisions shall be applicable, namely:

(i) No fixed non-cumulative dividend shall be paid on the Bank's Preference Shares in respect of any financial year of the Bank unless:

(1) at the end of such financial year, it shall be determined that the Bank (based on its audited financial statements) made Distributable Finsac Profits; and

(2) in any event, payment of such dividend will not cause the Bank to violate any relevant BOJ Target or to fail to achieve any relevant BOJ Target.

(ii) In connection with the foregoing, "Distributable Finsac Profits" shall mean the net profits of the Bank (as defined in section 8(4) of the Banking Act) as shown in the audited profit and loss account of the Bank for the relevant financial period to the nearest dollar after recognition of:

(1) any exceptional or extraordinary items (if and to the extent that such items were not taken into account in determining net profits);

(2) provisions for the following, namely:

a) the sum transferred or required to be transferred to the Reserve Fund as required by the Banking Act or any other law or regulation for the time being in force;

b) any sum transferred or required to be transferred to the retained earnings reserve in accordance with any written directive or instruction from the Bank of Jamaica or other competent authority

c) the sum transferred or required to be transferred to a preference share redemption fund (to be determined mutatis mutandis in accordance with the principles set out under paragraph F herein for the determination of the Annual Redemption Fund Contribution) in respect of the outstanding 1997 Preference Shares;

d) the sum transferred or required to be transferred to the Bank's Preference Share Redemption Fund in accordance with paragraph E below;

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

e) the sum transferred or required to be transferred to the 1998 Zero Coupon Preference Share Redemption Fund in accordance with the terms and conditions of the Zero Coupon Preference Shares;

f) all losses (if any) made by the Bank in any previous financial year or years of the Bank to the extent that such losses have not been made good out of the profits earned subsequently by the Bank being profits which remain unappropriated in the books of the Bank.

(iii) If any Distributable Finsac Profits are realised at the close of any financial year then, to the extent that dividend can be paid on the Bank's Preference Shares without causing the Bank to violate any BOJ Target or to fail to achieve any BOJ Target, the Bank shall, out of the available Distributable Finsac Profits, pay the fixed non-cumulative dividend up to the Agreed Coupon Rate on the capital for the time being paid up or credited as paid up on the Bank's Preference Shares. Payment of such dividends shall be made no later than four (4) weeks after the audited financial statements for the relevant financial period are approved by the directors of the Bank.

(iv) In these provisions:

"Agreed Coupon Rate" means:

(1) up to the financial year ending September 30, 2002, 12 1/2 % per annum; and

(2) after the financial year ending September 30, 2002, the weighted average yield rate applicable to the latest 6-month Treasury Bill tender ("WAYR") expressed as a percentage per annum. This rate shall be determined and applied at half yearly intervals on March 30 and September 30 of each year ("Calculation Date"). If as at any Calculation Date there are in issue no 6-month Treasury Bills issued by the Government of Jamaica during the 6-month period preceding such Calculation Date, then the Agreed Coupon Rate shall be determined using the WAYR on the latest Treasury Bill tender with a tenor of 136 to 210 days. References herein to "6-month Treasury Bills" shall mean Treasury Bills with a tenor of 181 to 183 days and, if pursuant to the foregoing, Treasury Bills with a tenor of 136 to 210 days are used to determine the Agreed Coupon Rate, then for the purposes hereof, such Treasury Bills shall be deemed to be 6-month Treasury Bills.

"BOJ Target" means any minimum requirement or target:

(1) generally prescribed for banks under the Banking Act or under any law, regulation, order, direction or other subordinate legislation made or issued by the Bank of Jamaica or any competent authority; or

(2) specifically imposed or mandated in writing by the Bank of Jamaica or other competent authority upon the Bank in either case relating to capital base, reserve fund, retained earnings reserve or other matter in respect of which the fulfillment of the requirement or target would require the Bank to retain or deal with its profits otherwise than by distributing same.

With respect to the claw-back dividend, the following provisions shall be applicable:

(1) The "claw-back" dividend shall be determined and paid if at the end of any financial year it shall be determined that the Bank has (based on its audited financial statements) made Super Profits and the Board of Directors of the Bank passes a resolution for claw-back dividend to be paid. In such a case, the Bank shall pay out of such Super Profits a fixed non-cumulative dividend in accordance with such resolution to the extent that same is payable in accordance with the provisions hereof.

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

(2) The Directors may resolve to pay claw-back dividend only if, with respect to any of the previous three (3) financial years of the Bank (herein called "the Claw-back Period"), the Bank failed to pay the whole or any part of the fixed non-cumulative dividend referred to in sub-paragraph 2.(a)(i) above on account of unavailability of distributable profits.

(3) The maximum claw-back dividend payable as at the end of any financial year of the Bank shall be a sum equivalent to the unpaid fixed non-cumulative dividend which would have been payable during the Claw-back Period but which was not so paid on account of unavailability of Distributable Finsac Profits.

(4) Claw-back dividend shall be paid in the direct order in which such dividend arose. By way of illustration, if at the close of the financial year in 2006 claw-back dividend exists in respect of the years 2003, 2004 and 2005 then, in order of priority, claw-back dividend declared based on the financial statements for the financial year 2006 shall be applied first in paying claw-back dividend for the year 2003, secondly for the year 2004 and finally for the year 2005.

E. As to Redemption

The Bank's Preference Shares shall, subject to the provisions of section 57 of the Companies Act (and/or any other enactment replacing or amending same) and to prior redemption of the 1997 Preference Shares, be redeemed upon and subject to the following terms and conditions:

(a) The Bank shall have the right, at any time, after the date of allotment of any Bank's Preference Share (provided it is fully paid) to redeem such share at par (that is to say, a redemption price of J$1.00 per share) and in the case of a partial redemption proportionately in respect of each holding of Bank's Preference Shares.

(b) So long as the Bank's Preference Shares are outstanding the Bank shall at the close of each financial year of the Bank (prior to making any appropriation to the Redemption Funds in respect of the 1997 Preference Shares or the Zero Coupon Preference Shares) place to the credit of an account in its books to be called "the Bank's Preference Share Redemption Fund" a sum (to be appropriated out of its Adjusted Net Profits) representing the Annual Redemption Fund Contribution. For this purpose:

(i) "the Annual Redemption Fund Contribution" means, with respect to any financial year of the Bank, the sum calculated in accordance with the following formula, namely:

$$\frac{RFS}{YTR} = \text{Redemption Fund Contribution}$$

Where:

(1) "RFS" is the Redemption Fund Shortfall, being the amount which, as at the close of the financial year, with respect to which the calculation is being made, would be required along with funds, if any, then standing to the credit of the Bank's Preference Share Redemption Fund to redeem all the Bank's Preference Shares outstanding as at such date; and

(2) "YTR" is the number of financial years (including the financial year in respect of which the calculation is being made) left to run to December 31, 2013 (the Final Redemption Date).

(ii) "Adjusted Net Profits" shall mean the net profits (as defined in section 8(4) of the Banking Act) of the Bank as shown in the audited profit and loss accounts of the Bank for the relative financial period to the nearest dollar after recognition of:

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Terms of the Finsac Preference Shares in NCB (Extract)

(1) any exceptional or extraordinary items (if and to the extent that such items were not taken into account in determining net profits);

(2) provisions for the following, namely:

a) the sum transferred or required to be transferred to the Reserve Fund as required by the Banking Act or any other law or regulation for the time being in force;

b) any sum transferred or required to be transferred to the retained earnings reserve in accordance with any written directive or instruction from the Bank of Jamaica or other competent authority.

(3) all losses (if any) made by the Bank in any previous financial year or years of the Bank to the extent that such losses have not been made good out of the profits earned subsequently by the Bank, being profits which remain unappropriated in the books of the Bank.

(c) Subject to the provisions of the Companies Act or any enactment modifying or replacing same the Bank may, at its discretion, redeem at par (that is to say a redemption price of J$1.00 per share) all or any of the Bank's Preference Shares.

(d) If at the end of any financial year it shall be determined that the Bank has made Super Profits then, same shall be applied in redeeming Bank's Preference Shares. For the purposes hereof, "Super Profits" shall be profits (if any) remaining after deducting from Distributable. Finsac Profits (as defined above) or otherwise making allowance for, the following items, namely:

(i) the dividends payable on the Bank's Preference Shares and any other preference shares issued by the Bank; and

(ii) a final dividend on the ordinary shares in the capital of the Bank of 20% of after tax profits.

For the avoidance of doubt, it is hereby declared that, whether or not payment is made in full in respect of the above items, allowance shall, nonetheless, be made for those items in calculating Super Profits and Super Profits shall be applied in redeeming Bank's Preference Shares and/or in paying claw-back dividends in priority to the redemption of any 1997 Preference Shares or Zero Coupon Preference Shares.

(e) The Bank shall on December 31, 2013 ("Final Redemption Date") redeem at par (that is to say, a redemption price of J$ 1.00 per share) all the Bank's Preference Shares which are outstanding at that date; and if, in accordance with section 57 of the Companies Act (or any other applicable enactment, replacing or modifying same), the Bank's Preference Shares shall not on any such date be capable of being redeemed by the Bank, such redemption shall be effected as soon as possible after the Bank's Preference Shares shall have become capable of being redeemed.

(f) Not less than one (1) month's notice of the intention of the Bank to redeem shall be given to the holders of the Bank's Preference Shares to be redeemed. The notice shall be in writing and shall fix the time and place for such redemption. At the time and place so fixed the registered holders of the Bank's Preference Shares to be redeemed shall be bound to deliver up to the Bank the relative certificates for cancellation, and the Bank shall pay to them the redemption money in respect of such Bank's Preference Shares.

(g) If any holder of Bank's Preference Shares shall fail or refuse to surrender the certificate or certificates for such Bank's Preference Shares or shall fail or refuse to accept the redemption money payable in respect of them such money shall be retained and held by the Bank in trust for such holder but without interest or further obligation whatever;

APPENDIX H

Terms of the Finsac Preference Shares in NCB (Extract)

(h) No Bank's Preference Shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of shares made for the purpose of the redemption or out of capital to the extent permitted by the law, but the premium payable on redemption shall be paid either out of distributable profits, or to the extent permitted by law, out of the share premium account of the Bank;

(i) No Bank's Preference Share redeemed by the Bank shall be capable of re-issue and on redemption of any Bank's Preference Shares the directors may convert the authorised share capital created as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Bank is or may at that time be divided of a like nominal amount or (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the Bank's Preference Shares.

F. Variation of Rights

Subject to the provisions of Section 72 of the Companies Act or any statutory provision modifying or replacing same, all or any of the special rights and privileges for the time being attached to the Bank's Preference Shares may from time to time (whether or not the Bank is being wound up), be varied or abrogated in any manner only with the consent in writing of the holders of not less than three-fourths (3/4) of the issued Bank's Preference Shares or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of Bank's Preference Shares. All the provisions of the Bank shall, **mutatis mutandis**, apply to any such separate general meeting but so that the necessary quorum shall be the holder(s) of not less than one-third (?) of the issued Bank's Preference Shares.

I. 1997 Preference Shares

"1997 Preference Shares" means 450,000,000 zero coupon redeemable preference shares of J$1.00 each in the capital of the Bank or the balance thereof outstanding from time to time.

J. Zero Coupon Preference Shares

"Zero Coupon Preference Shares" means 1,162,667,000 zero coupon redeemable preference shares of J$1.00 each in the capital of the Bank or the balance thereof outstanding from time to time.

APPENDIX H

RIGHTS OF THE FIS REDEEMABLE CONVERTIBLE PREFERENCE SHARES
(extract)

Dividend

1. The Redeemable Convertible Preference Shares shall not confer the right to a dividend.

Redemption

3. Subject to the provisions of Clause 5 below, the Company may at any time but shall in any event not later than the tenth anniversary of the date upon which the Redeemable Convertible Preference Share are issued (or if that day is not a business day, the first business day thereafter), redeem the Redeemable Convertible Preference Shares at par.

4. Subject to the provisions of Clause 5 below, the Company shall be obliged at any time after the Redeemable Convertible Preference Shares have been issued to redeem the said shares at par in the event that the Company breaches the Tangible Net Worth provisions set out in Clauses 6 and 7 below, and upon the holder giving the Company a notice in writing signed by the holder of the Redeemable Convertible Preference Shares exercising the right to require early redemption under this clause 4.

5. The obligation of the Company to redeem the Redeemable Convertible Preference Shares set out in Clause 3 and 4 shall be subject to: a) the Company being able to redeem the said shares in accordance with section 57 of the Companies Act; and b) the prior approval of the Bank of Jamaica.

Conversion

8. In the event that the holder of the Redeemable Convertible Preference Shares would otherwise be entitled to have the Company redeem said shares pursuant to Clauses 3 or 4, but as a result of the conditions set out in Clause 5, the holder is not entitled to redemption, then the holder shall be entitled, upon giving notice in writing signed by the holder of the Redeemable Convertible Preference Shares, to require NCB Group to either purchase the Redeemable Convertible Preference Shares at par value, or to convert the Redeemable Convertible Preference Shares into ordinary shares in NCB Group ranking pari passu in all respects with the existing ordinary shares in NCB Group for the time being in issue, and listed on the Jamaica Stock Exchange. Conversion of the Redeemable Convertible Preference Shares shall take place within thirty (30) days of the date of the notice and shall be effected on the basis of the following conversion formula:

   N = Y divided by M

   where
   N is the number of shares to be issued in NCB Group;
   Y is the total par value of the Redeemable Convertible Preference Shares being converted; and
   M is the price at which ordinary shares in NCB Group last traded on the Jamaica Stock Exchange prior to the date on which the conversion right is exercised.

   Forthwith after the date of conversion, the holder of the Redeemable Convertible Preference Shares shall send to the Company the certificate(s) in respect thereof, and the Company shall procure the issue to the holder of a certificate for the ordinary shares in NCB Group Limited issued to the holder pursuant to conversion.

9. The obligation of the Company and NCB Group Limited to convert the Redeemable Convertible Preference Shares under Clause 8 above shall be subject to the prior approval of the Bank of Jamaica.

A SCHEME OF ARRANGEMENT

PART 2

THE SCHEME OF ARRANGEMENT

THE SCHEME OF ARRANGEMENT

A. PRELIMINARY

0.1 Recitals

1.1 In the 1990s a number of Jamaican financial institutions faced severe financial crisis. In order to protect the interest of the many customers in the institutions and the public at large, the Government of Jamaica through FINSAC intervened in these institutions. One such institution was NCB.

1.2 By the end of the 1990s, the Government had significant interest in the financial sector. The Government now wishes to divest itself of this interest. With respect to NCB, the Government through FINSAC wishes to be in a position to dispose of a direct controlling majority interest in NCB to an investor. In order to accomplish this, it is necessary that the Scheme of Arrangement be implemented.

1.3 Under the Scheme of Arrangement, NCB Group Shareholders will receive shares in NCB, the Preference Shares will be redeemed or converted into ordinary shares in NCB and the New Core Subsidiaires will be transferred from NCB Group to NCB.

0.2 Definitions

In this Scheme, unless the context otherwise requires or when otherwise expressly provided, capitalised terms and expressions shall have the meanings attributed to them in Section A, paragraph 1 of the Explanatory Statement contained in Part 1 of this Scheme Document.

0.3 Interpretation

In this Scheme:

3.1 Clauses, headings and the table of contents are for ease of reference only and shall not affect the interpretation of the provisions hereof.

3.2 Definitions, terms and conditions shall be interpreted as the definitions, terms and conditions of the Scheme to the extent that it is approved by the Shareholders and subsequently sanctioned by the Court.

3.3 Unless inconsistent with the context or expressly otherwise provided:

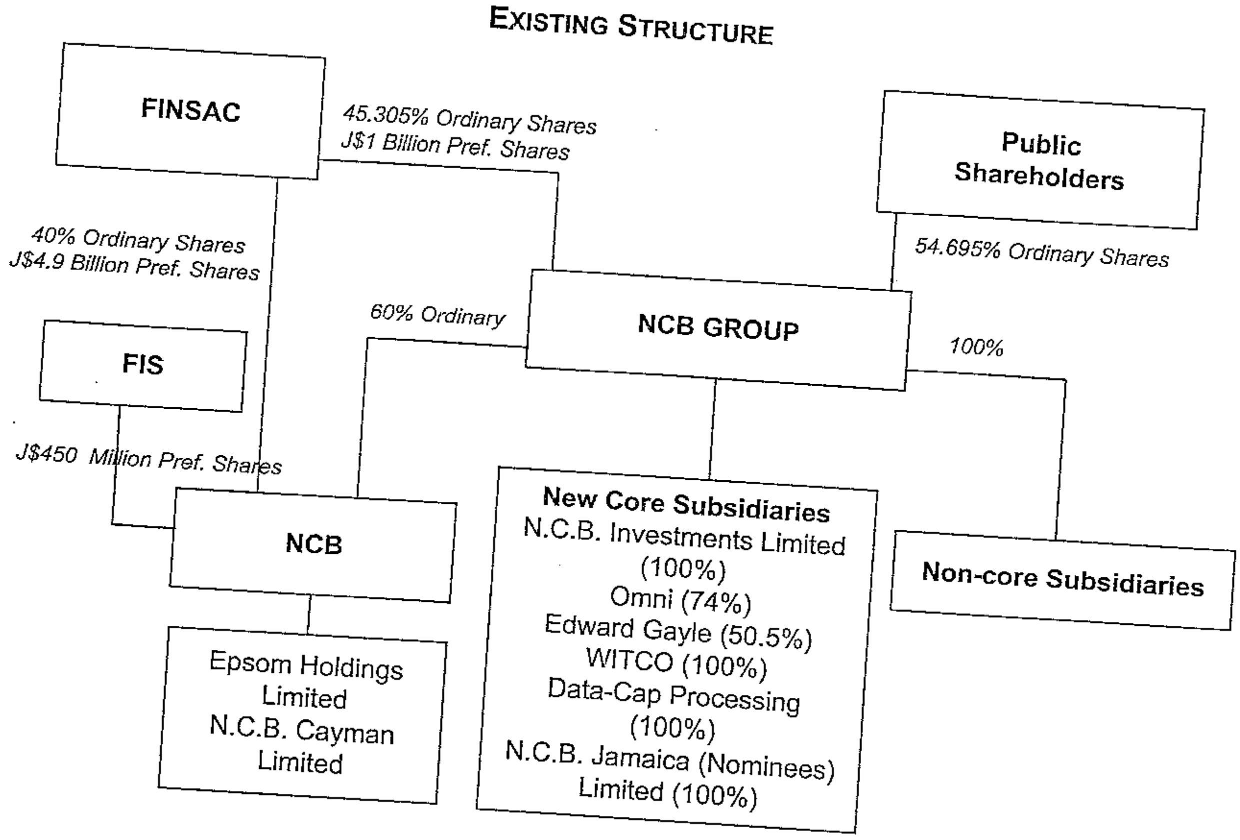
3.3.1 References to any provision of legislation (including subordinate legislation and regulation) shall include a reference to any modification, substitution, replacement, re-enactment or extension thereof or therefor whether made or effected before or after the Effective Date, and shall include any subordinate legislation made under such provisions;

3.3.2 The singular includes the plural and vice versa, references to persons shall be construed as including individuals, partnerships, bodies corporate, unincorporated associations or any state or agency thereof, and words importing any gender include the other genders.

0.4 Present Shareholding Structure

The present shareholding structure of the Companies and the New Core Subsidiaries is as follows:

EXISTING STRUCTURE



THE SCHEME OF ARRANGEMENT

A. PRELIMINARY

0.5 The Purpose of the Scheme

5.1 The purpose of the Scheme is to:

5.1.1 Result in the ordinary shares in NCB being held as follows:

Non FINSAC Shareholders	24%	473,618,463
Atrium Holdings	67%	1,322,184,876
Atrium XS Holdings	9%	177,606,923
Total	100%	1,973,410,262

5.1.2 Effect a transfer of the shares in the New Core Subsidiaries from NCB Group to NCB.

5.1.3 Cause a conversion or redemption of the Preference Shares.

5.1.4 Cause a transfer of Knutsford Branch from Noxid Limited to NCB.

5.1.5 Cause a transfer of the NCBI Properties from N.C.B. (Investments) Limited to NCB Group.

5.1.6 Cause a transfer of the Eureka Properties from Computer Service and Programming Limited to NCB.

5.1.7 Effect a transfer of the shares in Epsom from NCB to NCB Group.

5.1.8 Cause and approve all necessary and ancillary matters.

THE SCHEME OF ARRANGEMENT

B. OPERATION OF THE SCHEME

0.6 Parties to the Scheme

The parties to the Scheme are the Companies and their Shareholders.

0.7 Commencement of the Scheme

Subject to the approval of the Bank of Jamaica and the Minister of Finance, the Scheme shall become operative on the Effective Date.

0.8 Entitlement of NCB Group Shareholders to shares in NCB

NCB Group Shareholders shall be entitled to one ordinary share in NCB for each ordinary share held in NCB Group as at November 3, 2000. At the Effective Date the total issued shares in NCB will be 1,973,410,262 shares, of which the Public Shareholders will hold 473,618,463 or 24%.

0.9 Entitlement of FINSAC to shares in NCB Group

As at the Effective Date, all the issued ordinary shares in NCB Group shall be transferred to and vest in FINSAC or its nominees. Within thirty (30) days after the Effective Date the name of NCB Group will be changed to effect the deletion of "NCB".

0.10 Conversion of Preference shares

As at the Effective Date:

10.1 The Preference Shares held by FINSAC shall be converted into 940,151,975 ordinary shares in NCB held by Atrium Holdings.

10.2 The Preference Shares held by FIS shall be redeemed using the FIS Promissory Note. Following this redemption an amount of $450 million will be transferred from NCB's retained earnings reserve to the capital redemption reserve.

0.11 Shareholding in NCB

As at the Effective Date, there shall be 1,973,410,262 issued ordinary shares in NCB, which will be held as follows:

Non FINSAC Shareholders	24%	473,618,463
Atrium Holdings	67%	1,322,184,876
Atrium XS Holdings	9%	177,606,923
TOTAL	100%	1,973,410,262

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THE SCHEME OF ARRANGEMENT

B. OPERATION OF THE SCHEME

0.12 Knutsford Branch

FINSAC and NCB Group undertake to procure that Knutsford Branch is transferred to NCB for $1.00 within sixty (60) days of the Effective Date.

0.13 Epsom Holdings Limited

As at the Effective Date, the shares in Epsom shall be transferred to and vest in NCB Group.

0.14 NCBI Properties

NCB undertakes to procure that the NCBI Properties are transferred to NCB Group at book values within sixty (60) days of the Effective Date.

0.15 Eureka Properties

FINSAC and NCB Group undertake to procure that the Eureka Properties are transferred to NCB for sixty (60) days of the Effective Date.

0.16 New Core Subsidiaries

As at the Effective Date the shares in the New Core Subsidiaries shall be transferred to and vest in NCB.

0.17 Notice to Shareholders

Shareholders shall be entitled to notice of the Scheme Meetings and to notice of any Court hearings to sanction the Scheme after the Scheme Meetings. Notice shall be deemed to have been given to all Shareholders by placing an advertisement in the Daily Gleaner newspaper, the Gleaner U.K. Edition and the North American Weekly Gleaner.

0.18 Termination of the Scheme

18.1 Subject to the following provisions of this Clause 0.18, the Scheme shall cease to have effect after the expiry of six (6) years from the Effective Date or when all disputes under the Scheme have been settled, whichever date is the later.

18.2 NCB shall have a discretion to extend the Scheme beyond the time limit set out at Clause 18.1 if it is of the opinion that the purposes of the Scheme have not been fulfilled.

0.19 Duties of NCB

19.1 NCB will:

19.1.1 administer the Scheme in accordance with its terms and conditions;

19.1.2 cooperate with, and respond within thirty (30) days to any request in writing by a Shareholder;

0.20 Powers of NCB

20.1 NCB will have vested in it those powers set out in the Scheme, and shall in addition have the power to do all such things as are necessary or desirable for implementing the Scheme.

20.2 NCB will be entitled without prejudice to the generality of the foregoing to:

20.2.1 take possession of the Registers of Shareholders of the Companies for the purposes of the administration of the Scheme;

20.2.2 employ and remunerate any professional advisers or agents in relation to the administration of the Scheme and/or to advise or assist it in the exercise of its powers and duties hereunder;

20.2.3 modify, amend, or otherwise alter the terms and conditions of the Scheme in accordance with Clause 25.2; and

20.2.4 extend the Scheme in accordance with Clause 18.2.

0.21 Duties of FINSAC

21.1 FINSAC will:

21.1.1 ensure, as far as possible, that the Companies and Atrium XS Holdings honour and abide by the terms and conditions of the Scheme insofar as they refer to matters to be carried out by those respective parties; and

21.1.2 exercise its best endeavours to achieve the implementation of a programme to monetise FINSAC notes as part of the reorganisation of NCB. All proceeds from the divestment of shares in NCB will be deployed to monetise FINSAC notes in NCB.

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THE SCHEME OF ARRANGEMENT

D. MISCELLANEOUS

0.22 Share Offer to Staff

Within sixty days of the Effective Date, FINSAC shall cause Atrium XS Holdings to offer 1% of the shares in NCB less one share to the permanent full time staff of NCB and the New Core Subsidiaries as at the Effective Date, on the following terms:

22.1 Each member of staff will receive 500 shares free of cost;

22.2 Members of staff will be entitled to purchase the remaining shares at $2.08 per share which is the price at which the last trade in NCB Group shares occurred on the Stock Exchange prior to close of business on September 4, 2000, (the date of FINSAC's proposal for reorganisation of NCB Group) that is to say, $2.60 less 20%;

22.3 Subject to FINSAC's approval, the Board of NCB will decide how and upon what terms the shares are to be allocated among its staff and paid for, and will generally administer this aspect of the transaction. In consideration of these services FINSAC will pay to NCB a fee equivalent to one half of any interest paid by members of staff on the balance outstanding at a rate of 8% per annum;

0.23 Share Offer to Non FINSAC Shareholders

If within 3 years of the Effective Date, FINSAC has not entered into an agreement for the sale of at least 67% of the shares in NCB, or alternatively, if within that time FINSAC has entered into an agreement for the sale of less than 73% plus one of the shares in NCB, FINSAC will if requested by the Board of NCB cause Atrium XS Holdings to offer 2% of the shares in NCB to Non FINSAC Shareholders at the price at which the shares are trading on the Stock Exchange or at a price to be determined by an independent arbiter appointed by the Court in the event that shares are not then trading as aforesaid. At that time FINSAC will also cause Atrium XS Holdings to offer to other Non FINSAC Shareholders at the said price, any of the shares offered to staff pursuant to clause 0.22 and not taken up by them.

0.24 Validity of Acts and Indemnity

24.1 No Shareholder or person claiming through a Shareholder shall be entitled to challenge by legal proceedings or by any other means the validity of any act done in pursuance of the Scheme or in the exercise, performance or purported exercise or performance of any power, duty or function for the purposes of the Scheme.

24.2 No Shareholder or person claiming through a Shareholder shall be entitled to seek by legal proceedings or otherwise to attribute any responsibility to the Companies, NCB or FINSAC or to any of their directors, agents or employees for any act done or omitted to be done in good faith in pursuance of the Scheme or the exercise or performance or purported exercise or performance by any such person in good faith and with reasonable care of any power, duty or function conferred upon or entrusted to such person for the purposes of the Scheme and no such person shall be liable for any loss unless such loss is attributable to his own negligence, wilful default, breach of duty, breach of trust, or dishonesty.

0.25 Modification of the Scheme

25.1 The Companies may consent to any modification or addition to these provisions in order to comply with any change or changes which are necessary or which the Court requires to be made before it will agree to sanction the Scheme pursuant to section 192 of the Act.

25.2 NCB shall have the power to correct any manifest error in the Scheme or to make any amendment to the Scheme of a minor or technical nature which does not materially affect the interests of the Shareholders.

0.26 Cost and Expenses

26.1 The reasonable costs, charges and expenses of NCB and its agents in the course of exercising or performing its functions, powers and duties under the Scheme shall be borne by FINSAC.

26.2 NCB shall be entitled to charge any Shareholder or other person for the reasonable costs and expenses incurred by NCB in obtaining, preparing and sending any information to that person at his request or in complying with any request of that person.

0.27 Governing Law and Jurisdiction

The Scheme shall in all respects be governed and construed in accordance with Jamaican law and all parties hereto hereby irrevocably submit to the nonexclusive jurisdiction of the Jamaican Courts.

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PART 3

NOTICE OF SCHEME MEETINGS

NOTICE OF SCHEME MEETINGS

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

IN EQUITY

IN THE MATTER OF A SCHEME OF ARRANGEMENT BETWEEN **NATIONAL COMMERCIAL BANK JAMAICA LIMITED** AND **N.C.B. GROUP LIMITED** AND THEIR RESPECTIVE SHAREHOLDERS

AND

IN THE MATTER OF SECTION 192 OF THE COMPANIES ACT

NOTICE IS HEREBY GIVEN that by an Order dated October 3, 2000 made in the above matter, the Court has directed that meetings ("the Scheme Meetings") of the Shareholders of the above named Companies (as defined in the Scheme of Arrangement proposed in relation to the Companies) be held on November 8, 2000 at the National Arena, Kingston, Jamaica commencing at the times indicated below at which place and times all aforesaid Shareholders are requested to attend. Registration for the meetings will commence at 8:00 am and will close at 9:30 am.

By the said Order, the Court has also directed that the advertisement of this Notice will constitute sufficient Notice of the Scheme Meetings to any persons who acquire shares in N.C.B. Group Limited after October 13, 2000.

The purpose of the Scheme Meetings is to consider and, if thought fit, to approve (with or without modification) a Scheme of Arrangement proposed to be made between the Companies and their Shareholders.

Copies of the proposed Scheme of Arrangement under Section 192 of the Companies Act and of the Explanatory Statement required to be furnished pursuant to Section 193 of the Companies Act may be obtained free of charge at the offices of FINSAC Limited, 76 Knutsford Boulevard, Kingston 5, all branches of NCB in Jamaica, and the following addresses:

United States:	Embassy of Jamaica 1520 New Hampshire Avenue, N.W. Washington, D.C. 20036
United Kingdom:	High Commission of Jamaica 1 - 2 Prince Consort Road London SW7 2BZ
	NCB London 42 Manchester Street London W1N 5PE
Canada:	High Commission of Jamaica Standard Life Building 275 Slater Street, Suite 800 Ottawa, Ontario KIP 5H9

And from the NCB Website at: http://www.jncb.com

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NOTICE OF SCHEME MEETINGS
IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

Each Shareholder may vote in person at the Scheme Meetings or he may appoint another person, whether a Shareholder or not, as his proxy to attend and vote in his place. A Proxy Form is enclosed herewith. In order to vote at the Scheme Meetings, Shareholders and proxy holders must produce at the meeting, proof of identity bearing a photograph (i.e. a drivers licence, passport or a photograph certified by a Justice of the Peace or Notary Public).

Proxy Forms, witnessed by a Justice of the Peace, a Notary Public, a minister of religion or an attorney at law, must be lodged with NCB "the Atrium", 32 Trafalgar Road, Kingston 10, Jamaica or to any branch of NCB not later than 48 hours before the commencement of the Scheme Meetings. Proxy forms submitted after that date will not be accepted. A faxed copy of a Proxy Form (to 968-1342) will be accepted, subject to receipt of the signed original within 24 hours after the time scheduled for commencement of the Scheme Meetings.

By the same Order, the Court has appointed Mr Earl Jarrett, General Manager of the Jamaica National Building Society, to act as Chairman of the Scheme Meetings. The Court has also directed the Chairman to report to it the results of the Scheme Meetings.

If there is any doubt as to how to exercise the right to vote or any queries regarding the terms of the Scheme the following number may be contacted for help and clarification:

(876) 935-2579

The Scheme of Arrangement will be subject to the subsequent approval of the Court.

Dated this **3rd** day of **October** 2000

	TO:	Meeting Time
1.	The holders of preference shares in NCB	9:30 am
2.	The holders of preference shares in NCB Group	9:40 am
3	The holders of ordinary shares in NCB	9:50 am
4.	The holders of ordinary shares in NCB Group	10:00 am

PROXY FORM

To be used at the Scheme Meeting of the Shareholders in **N.C.B. Group Limited** to be held at the National Arena, Kingston on November 8, 2000 at 10:00 am

I/We ....

of..

being a Shareholder of **N.C.B. Group Limited**, HEREBY APPOINT the Chairman of the Scheme Meeting * **or**

....

of..

to represent me/us at the Scheme Meeting to consider, and if acceptable, approve, with or without modification, the Scheme and at the Scheme Meeting or any adjournments thereof, to vote for me/us and in my/our name for or against the Scheme, with or without modification, as indicated below.

PLEASE DO NOT TICK EITHER OF THE FOLLOWING BOXES IF YOU WISH TO GIVE YOUR PROXY A DISCRETION AS TO HOW TO VOTE.

For the Scheme ☐

Against the Scheme ☐

Note: A $10.00 stamp must be affixed to this form before it is signed.

Signed: _________________ Dated: _________________

Witnessed by: _________________

Capacity _________________

Note: This Proxy Form must be witnessed by a Justice of the Peace, Notary Public, Minister of Religion or Attorney-at-Law. The witness must state which of the above he is.

This form must be returned to NCB at the "Atrium", 32 Trafalgar Road, Kingston 10 or to any branch of NCB, not later than 48 hours before the Scheme Meeting is scheduled to commence. Forms submitted after that date will not be accepted.

A faxed copy of this Proxy Form (to 968-1342) will be accepted if received within the time frame set out above, and if the signed original form is received within 24 hours after the time scheduled for commencement of the Scheme Meeting.

* Please delete the words "Chairman of the Scheme Meeting" if you wish to name another person to act as your proxy.

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