MINUTES OF THE ANNUAL GENERAL MEETING OF NCB FINANCIAL GROUP LIMITED HELD AT THE SPANISH COURT HOTEL, THE VALENCIA, 16 WORTHINGTON AVENUE, KINGSTON 5 IN THE PARISH OF SAINT ANDREW ON FRIDAY, JANUARY 26, 2018 AT 10:05 A.M.

PRESENT

Hon. Michael Lee-Chin, O.J.	-	Chairman, in the Chair
Mr Patrick Hylton, C.D.	-	President & Group Chief Executive officer
Mr Dennis Cohen	-	Group Chief Financial Officer & Deputy Chief Executive Officer
Mr Robert Almeida	-	Director
Mrs Sandra Glasgow	-	Director
Mrs Thalia Lyn, O.D.	-	Director
Prof. Alvin Wint, C.D.	-	Director
Mrs Sanya Goffe	-	Director
Mr Oliver Mitchell, Jr	-	Director
Mr Dave Garcia	-	Secretary

together with 124 other persons.

The persons present altogether held or represented among them 4,224,762,910 ordinary stock units.

Mr Garfield Reece, representing the Auditors, Messrs PricewaterhouseCoopers, was also in attendance.

The meeting was called to order at 10:05 a.m. by the Chairman.

APOLOGIES

Apologies were received on behalf of Mr Noel Hylton who was ill and from Mr Robert Almeida, who indicated that he would have to leave before the end of the meeting (and subsequently did so).

1. CHAIRMAN'S WELCOME

The Chairman welcomed the members, staff and guests to the meeting and made opening remarks in which he informed the meeting that Mr Wayne Chen had retired from the Board and was not seeking re-election. The Chairman expressed appreciation for Mr Chen's stewardship for over 15 years.The Chairman further commented on the bright future he expected the Company to experience.

The Secretary then confirmed that a quorum of members was present.

2. THE NATIONAL ANTHEM

The National Anthem was played.

3. PRAYERS

The Chairman introduced Mr Stuart Reid, Assistant General Manager - Retail Banking Division, who prayed.

4. NOTICE OF THE MEETING

(a) On a motion duly proposed by Ms Dionne Francis and seconded by Mr Peter Xavier Williams, the following resolution was put to the Meeting:

"**THAT** the Notice of this meeting as circulated be taken as read."

Following a vote by a show of hands, the Chairman declared the motion carried.

(b) The Secretary advised that a number of proxies had been received and that a Proxy Register was available for inspection.

5. REPORT ON THE FINANCIAL AND BUSINESS PERFORMANCE

Mr Patrick Hylton, President and Group Chief Executive Officer, then addressed the meeting.

Mr Hylton said he had decided not to use his previously prepared presentation because it was important for the stakeholders to understand what has driven the institution. He began his presentation with a quotation from Daniel Burnham –

"Make no little plans. They have no magic to stir men's blood and probably themselves will not be realised. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever-growing insistency."

He reported that the focus had been on the 2020 plan: NCB 2.0 Faster | Simpler | Stronger. Execution of the plan was being done under the theme "Raising the BAR", involving three main areas:

- Build a world-class digital experience (this was being done using agile methodology);
- Accelerate regional expansion (it was noted that the creation of NCB Financial Group Limited (NCBFG) and the approval of the scheme of arrangement the previous year was facilitating rapidly scaled up acquisition activities - e.g. enabling acquisition of Clarien Group and making a bid for control of Guardian Holdings Limited);
- Reinvent our core business.

Mr Hylton noted that at the end of the third quarter of the 2016-2017 financial year, the Group surpassed the previous annual record profit of $14.4 billion, by recording net profit of $14.7 billion. By the end of the financial year, a new record of $19.1 billion had been set.

Mr Hylton continued that to be more specific about what was driving, sustaining and will ensure continuance of this type of performance, management had adopted the Five As Framework developed by Consultants Colin Price & Scott Kellier with focus on both organisational performance and health.

He outlined that the Five As Framework comprises:

- Aspiration – where do we want to go? (Aspiration must be unreasonable but not unachievable);
- Assess – how ready are we to embark on the aspiration? (Focus on financial and operational levers, people, skill competence and the correct mindset);
- Architect – provide answers to the question, "What do we need to do to get there?";
- Act – execute, answering the question, "How do we manage the journey?";
- Advance – keep moving forward (develop leaders and motivate people to drive ongoing change).

He said that Management had been focusing on the organization's culture and renewal and had adopted the approach of a digital native, involving:

a) true customer obsession;
b) creating a culture which manages against the risk of managing to process (focusing instead on outcomes/impact)
c) high velocity, high quality decision making (hence the relentless focus on agile);
d) embracing external trends, as it is recognized that change is inevitable and focus has been on working on a culture that is adaptable to ensure that people respond to circumstances.

Mr Hylton summed up his address with a quotation from T.D. Lawrence:

"All men dream: but not equally. Those who dream by night in the dusty recesses of their minds wake in the day to find that it was vanity: but the dreamers of the day are dangerous men, for they may act their dreams with open eyes, to make them possible."

He concluded that the team at NCBFG comprises "dreamers of the day."

Mr Dennis Cohen, Group Chief Financial Officer & Deputy Chief Executive Officer, was then introduced and he made a presentation with the aid of PowerPoint on the Company's financial performance for the 2016/2017 financial year as well as the performance for the first quarter of the 2017/2018 financial year. A copy of the presentation is attached as **Appendix 1.**

The Chairman thanked Mr Hylton and Mr Cohen for their presentations and then invited the Secretary, to continue with the business of the Meeting.

6. AUDITED ACCOUNTS

At the request of the Secretary, Mr Garfield Reece of Messrs PricewaterhouseCoopers came forward for the reading of the Auditors' Report.

During the reading of the report, Mr Lee-Chin left the room briefly, during which time Prof. Alvin Wint assumed the Chairmanship of the meeting.

The following resolution was then proposed by Mr Orette Staple and was duly seconded by Mr Arthur Ellison:

"THAT the Audited Accounts for the year ended September 30, 2017 and the Reports of the Directors and Auditors, circulated with the Notice convening the Meeting, be and are hereby adopted."

Members were then invited to pose questions on the audited accounts. Questions, answers and comments on the accounts have been attached to these minutes as **Appendix 2**.

After the discussion, the motion was put to the vote on a show of hands, after which the Chairman declared that the motion had been carried.

7. DECLARATION OF DIVIDENDS

The following resolution was proposed by Mr Solomon Clarke and seconded by Mr Mark Barton:

"THAT the interim dividends per stock unit of $0.60 paid in May 2017, $0.60 paid in August 2017 and $0.60 paid in December 2017 be treated on the recommendation of the Directors as the final dividend for the financial year ended September 30, 2017".

The motion was then put to the vote and the Chairman declared, on a show of hands, that the motion had been carried.

8. ELECTION OF DIRECTORS

The Secretary said that Mr Wayne Chen had retired as slated but was no longer seeking re-election.

(a) The Secretary then said that Article 95 of the Company's Articles of Incorporation provides that one-third of the Board other than the Managing Director (that is, the President and Group Chief Executive Officer) and Deputy Managing Director (that is, the Group Chief Financial Officer and Deputy Chief Executive Officer) or, if the number of members of the Board is not three or a multiple of three, then the number nearest to one-third shall retire from office at each Annual General Meeting. He further said that the Directors retiring under this Article were **Mrs Sandra Glasgow and Mrs Sanya Goffe** and that, being eligible, they were offering themselves for re-election.

The proposed Resolutions were thereafter put to the Meeting individually as follows:

(i) "**THAT** Director, **MRS SANYA MELINA GOFFE**, retiring pursuant to Article 95 of the Articles of Incorporation be and is hereby re-elected."

This motion was proposed by Mr Mark Barton and seconded by Mr Leon Franscique. Following a vote by a show of hands, the Chairman declared that the motion had been carried.

(ii) "**THAT** Director, **MRS SANDRA ALICIA CAROL GLASGOW**, retiring pursuant to Article 95 of the Articles of Incorporation be and is hereby re-elected."

This motion was proposed by Mr Theodore Golding and seconded by Mr Orrette Staple. Following a vote by a show of hands, the Chairman declared that the motion had been carried.

The Secretary apologized on behalf of Mrs Goffe who had not been feeling well and had to leave the meeting.

Mrs Goffe left the meeting.

9. <u>DIRECTORS' REMUNERATION</u>

The next item for consideration was the remuneration of directors.

(a) The following resolution was proposed by Mr Solomon Clarke and seconded by Mr Mark Barton:

"**THAT** the Directors be and are hereby empowered to fix the remuneration of the Executive Directors."

The motion was then put to the vote and the Chairman declared that it had been carried on a show of hands.

(b) The following resolution was then proposed by Ms Monica Morgan and seconded by Mr Mark Barton:

"**THAT** the total remuneration of all of the Directors combined, other than the Executive Directors, for the financial year of the Company ending September 30, 2018, be and is hereby fixed at $25,000,000, which remuneration may include such share incentive scheme for directors as may be determined by the Board."

The motion was then put to the vote and the Chairman declared, on a show of hands, that the motion had been carried.

10. <u>APPOINTMENT OF AUDITORS AND THEIR REMUNERATION</u>

The Secretary advised that Messrs PricewaterhouseCoopers had indicated their willingness to continue in office as Auditors of the Company, until the conclusion of the next Annual General Meeting.

The following resolution was then proposed by Mr Theodore Golding, and seconded by Mr Michael Hendricks:

"**THAT** Messrs PricewaterhouseCoopers, having signified their willingness to serve, continue in office as Auditors of the Company until the conclusion of the next Annual General Meeting, at a remuneration to be agreed with the Directors."

Mr Arthur Ellison said he was depending on PricewaterhouseCoopers to keep a close watch on the operations and procedures of the Company bearing in mind the constant appreciation of value while also providing support in maintaining the integrity of the Company.

Mr Reece said that the comments had been noted. Further, that he took his responsibilities to shareholders very seriously and while the auditors supported and worked with the Company, the opportunities to support have to be limited by the need to maintain independence.

The motion was then put to the vote and the Chairman declared, on a show of hands, that the motion had been carried.

The Secretary thanked all members for their participation in this section of the meeting.

11. QUESTIONS AND ANSWERS

Questions were invited from the floor. The questions/comments then covered a range of topics, as captured in **Appendix 3**.

Shortly before the end of this item, the Chairman left the meeting, following which Prof. Wint chaired.

12. TERMINATION

Prof. Wint thanked the members for their attendance and declared the meeting terminated at 1:02 p.m.

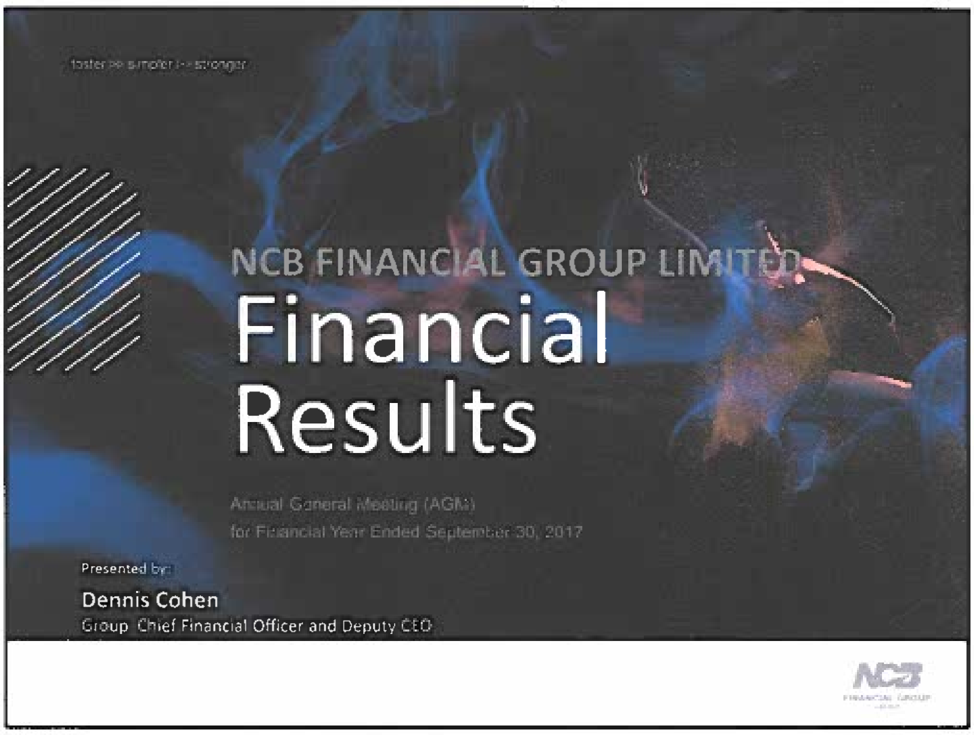
....
CHAIRMAN

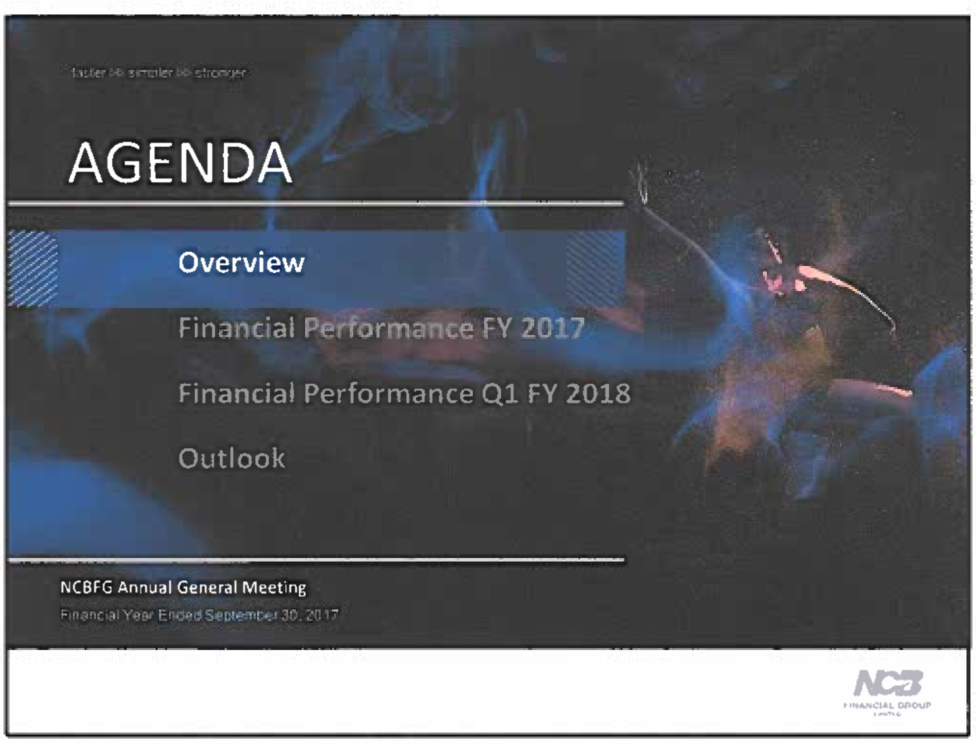
....
COMPANY SECRETARY

....
RECORDING SECRETARY

APPENDIX 1

PRESENTATION BY MR DENNIS COHEN, GROUP CHIEF FINANCIAL OFFICER & DEPUTY CHIEF EXECUTIVE OFFICER



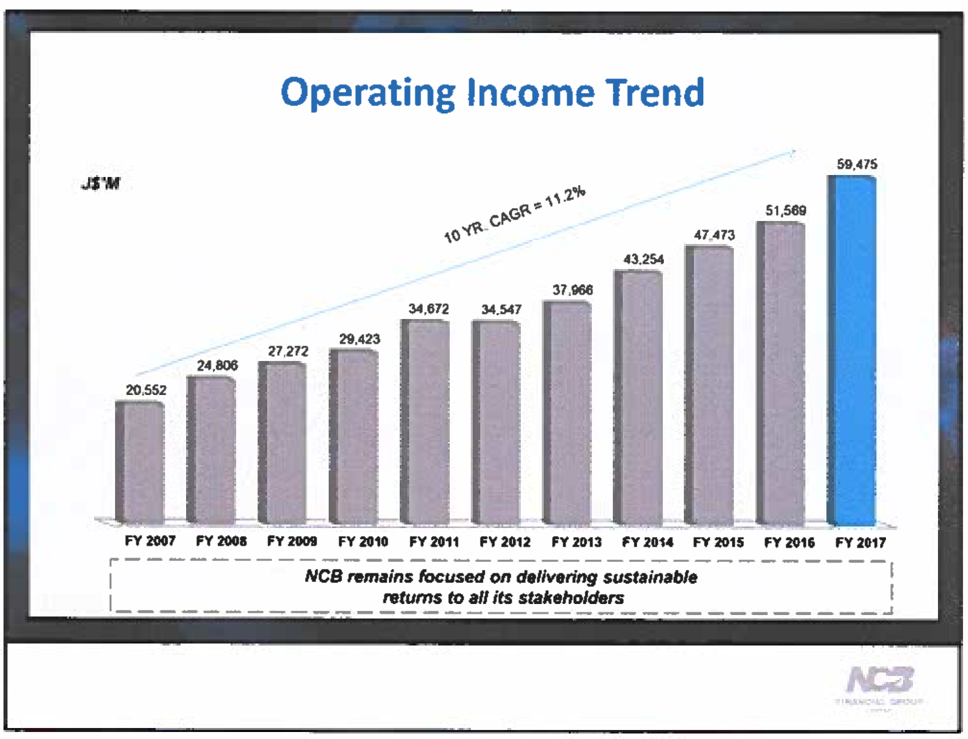


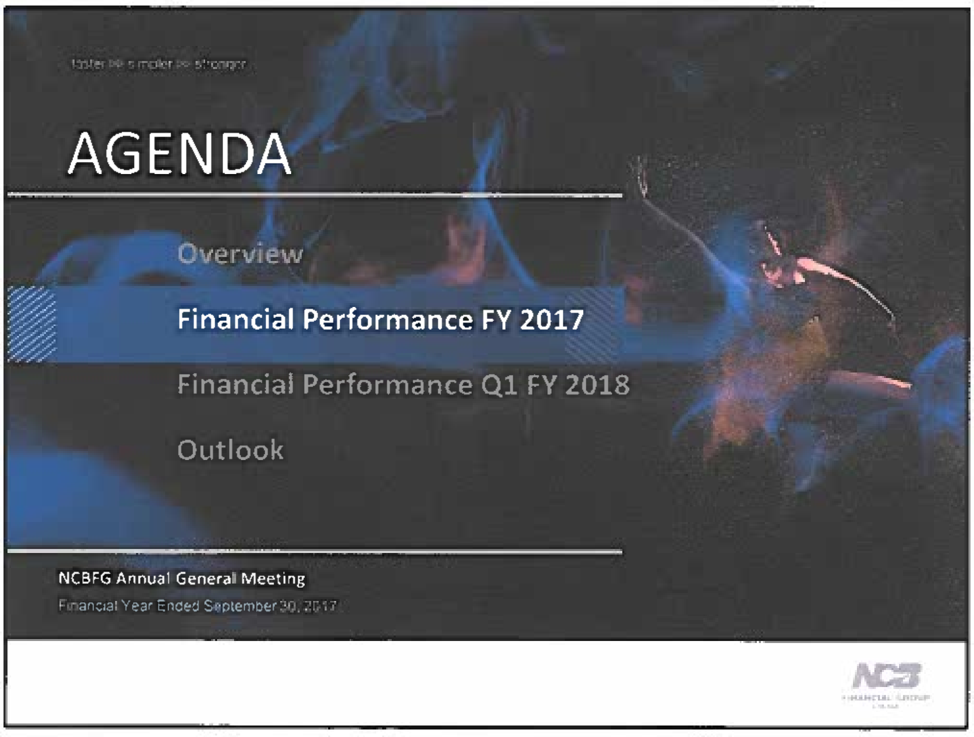
FY2017 Performance Overview

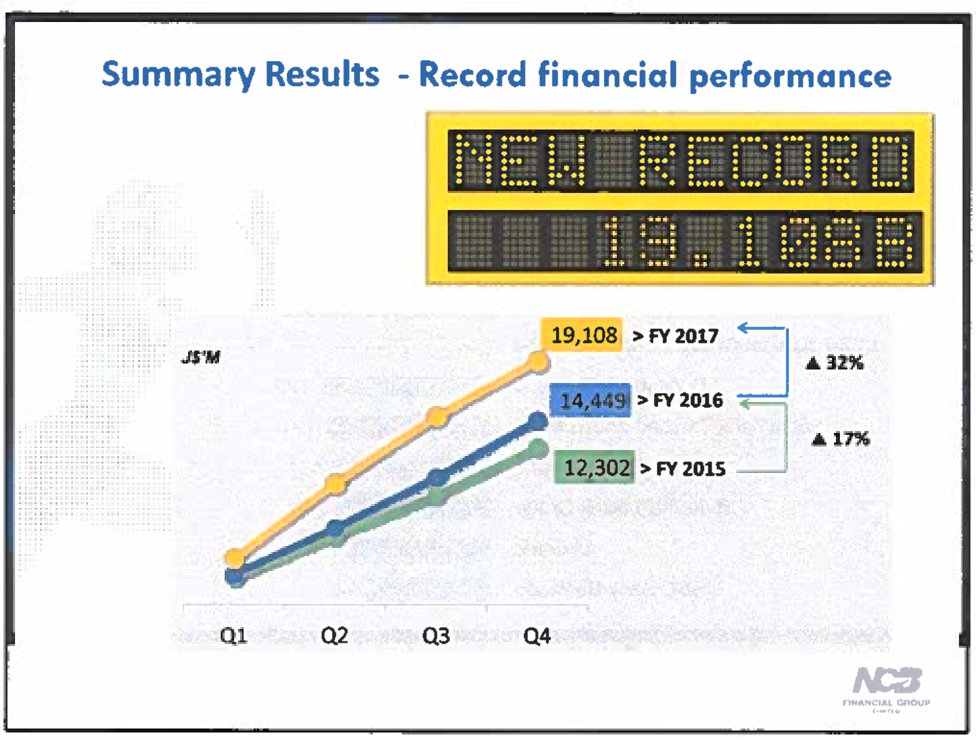
Asset & capital base growth	Strong gross revenue & share of profit of associates growth	Continued business growth momentum, strengthening core business	Improved total shareholder return & consistent dividend payments	
14% growth in asset base and 13% growth in equity	translated into 27% growth in profit before tax	growth in net loans (16%) & investments (9%); 5% growth in customer deposits	TSR (1 Yr.) 119%	Dividends paid per stock unit: $2.70

Segment Performance (FY2017 operating profit growth)

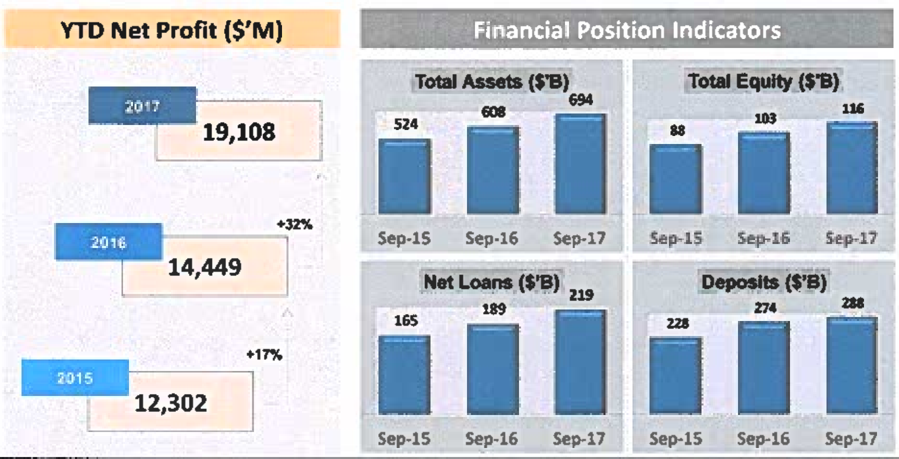
- **Retail & SME**: Increased 20%, driven by growth in loan portfolio, translated into increased net interest income and fee & commission income and increased transaction volumes through electronic channels.
- **Payment Services**: Increased 41% due to the enhancement of the card product portfolio, increased transaction volumes, lower credit loss provisions coupled with increased recoveries and continued investments in infrastructure improvements.
- **Corporate Banking**: Increased 37% due to increased net interest income and fee & commission income.
- **Treasury & Correspondent**: Improved 36%, driven by increased gains on foreign exchange and investment activities.
- **Wealth, Asset Management & Investment Banking**: Grew 15% primarily due to increased net fee and commission income from investment banking activities, management of unit trust portfolios and gains on investment activities across the region.
- **Life Insurance and Pension Fund Management**: Increased 4% mainly due to higher fee income from pension fund management.
- **General Insurance**: Increased by just under 1% due to higher net fee and commission income.



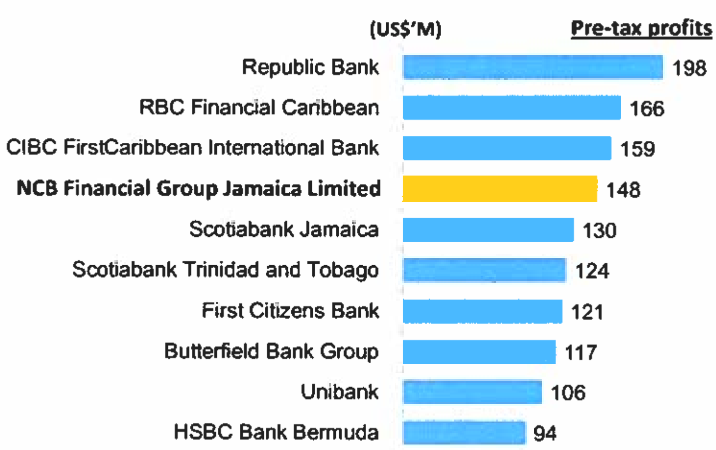

AGENDA
Overview
Financial Performance FY 2017
Financial Performance Q1 FY 2018
Outlook
NCBFG Annual General Meeting
Financial Year Ended September 30, 2017

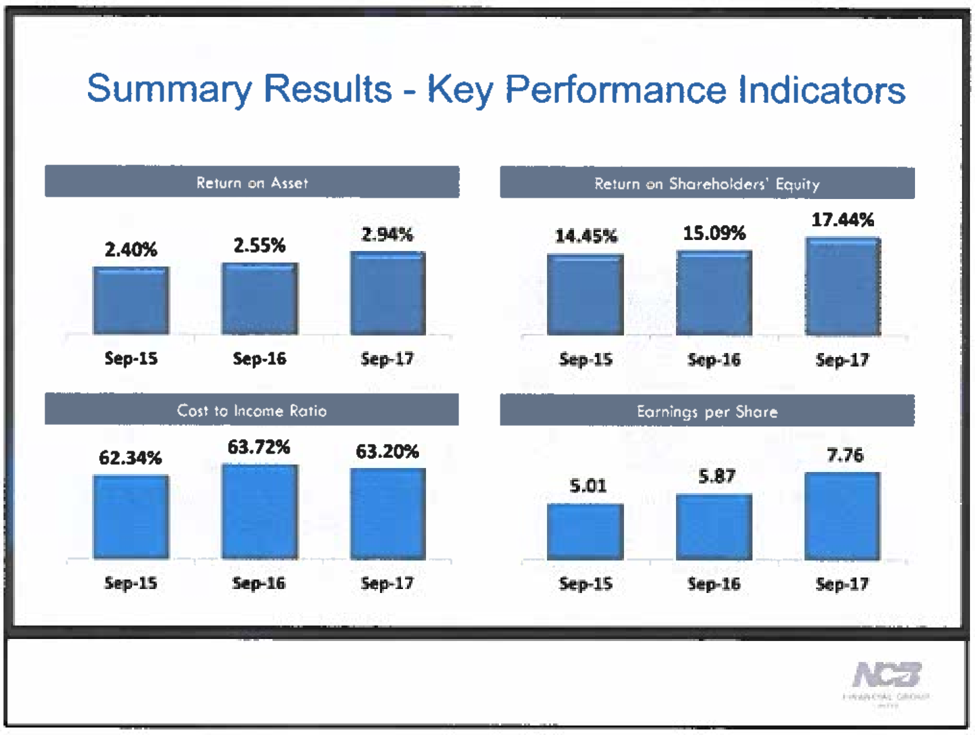

Summary Results - Record financial performance
NEW RECORD
19.108B
J$'M
19,108 > FY 2017
14,449 > FY 2016
12,302 > FY 2015
▲ 32%
▲ 17%
Q1
Q2
Q3
Q4

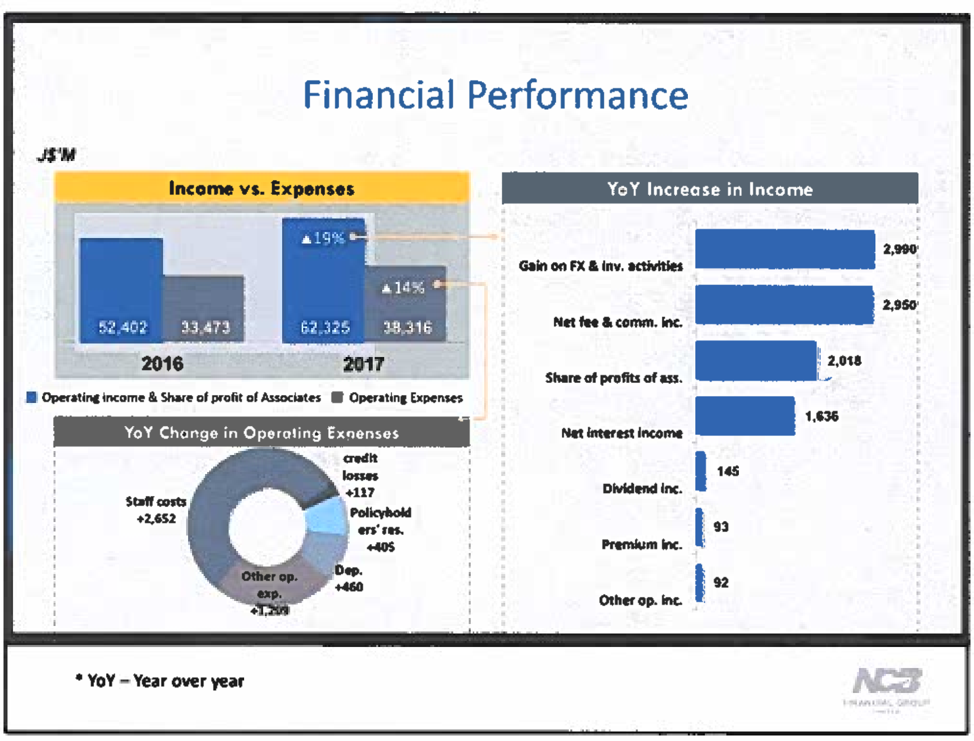
Summary Results – Performance Indicators

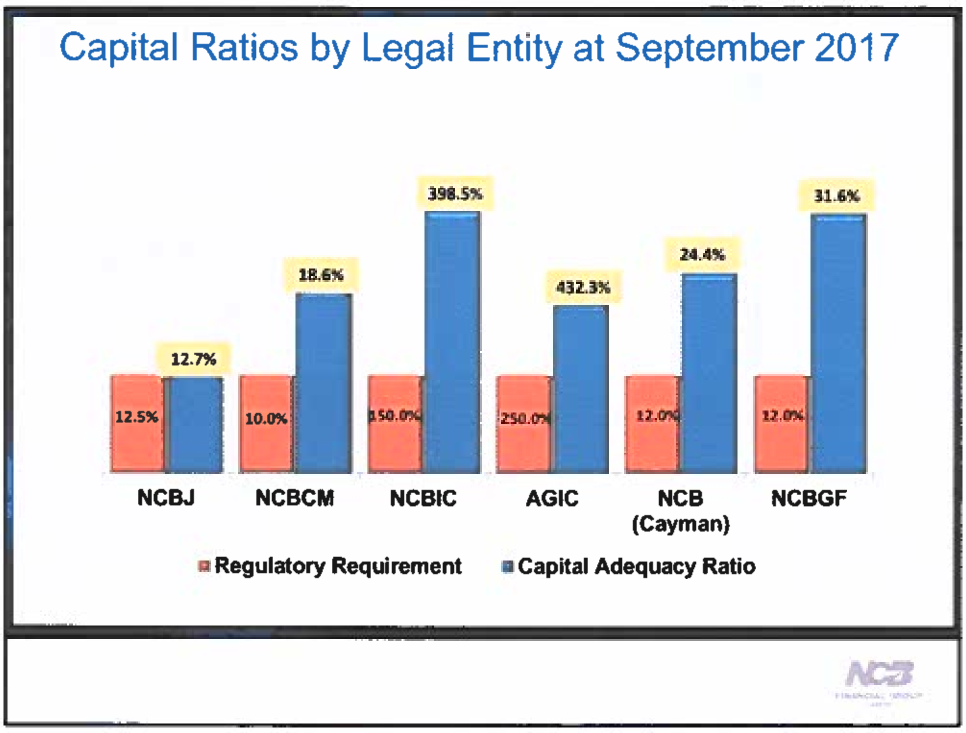


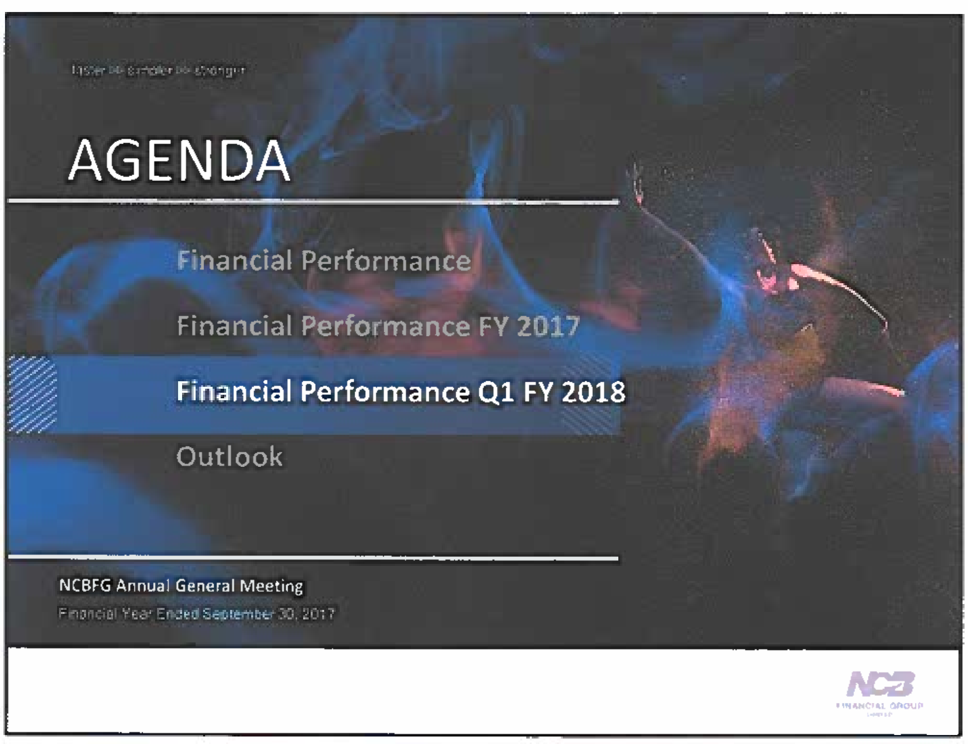
Competitive Landscape: Summary Results - Regional Ranking




Summary Results - Key Performance Indicators
Return on Asset
2.40%
2.55%
2.94%
Sep-15
Sep-16
Sep-17
Return on Shareholders' Equity
14.45%
15.09%
17.44%
Sep-15
Sep-16
Sep-17
Cost to Income Ratio
62.34%
63.72%
63.20%
Sep-15
Sep-16
Sep-17
Earnings per Share
5.01
5.87
7.76
Sep-15
Sep-16
Sep-17

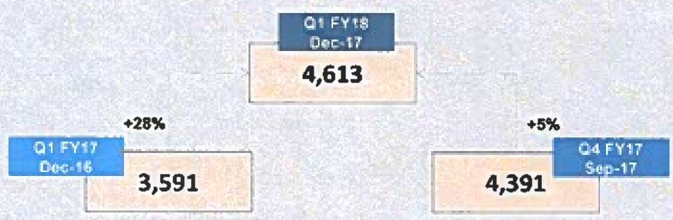

Financial Performance
J$'M
Income vs. Expenses
▲19%
▲14%
52,402
33,473
62,325
38,316
2016
2017
Operating income & Share of profit of Associates
Operating Expenses
YoY Change in Operating Expenses
Staff costs +2,652
credit losses +117
Policyholders' res. +405
Dep. +460
Other op. exp.
YoY Increase in Income
Gain on FX & inv. activities
2,990
Net fee & comm. inc.
2,950
Share of profits of ass.
2,018
Net interest income
1,636
Dividend inc.
145
Premium inc.
93
Other op. inc.
92
* YoY – Year over year


Capital Ratios by Legal Entity at September 2017
398.5%
31.6%
24.4%
18.6%
432.3%
12.7%
12.5%
10.0%
150.0%
250.0%
12.0%
12.0%
NCBJ
NCBCM
NCBIC
AGIC
NCB (Cayman)
NCBGF
Regulatory Requirement
Capital Adequacy Ratio


AGENDA
Financial Performance
Financial Performance FY 2017
Financial Performance Q1 FY 2018
Outlook
NCBFG Annual General Meeting
Financial Year Ended September 30, 2017

Summary Results – Q1 FY 2018

Net Profit ($'M)



Financial measures (Q1 Dec-17 vs. Q1 Dec-16)

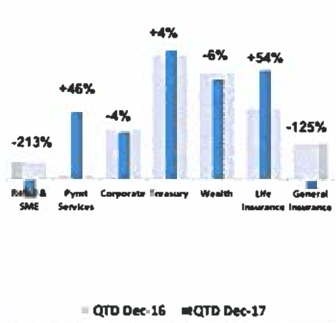
- **Operating revenues** of $16.7 billion, up $2.5 billion or 17%
- **Return on assets:** 2.4%, up from 2.3%
- **Return on equity:** 15.7%, up from 14.0%
- **Cost to income ratio:** 78.0%, up from 69.5%

Financial measures (Q1 Dec-17 vs. Q4 Sep-17)

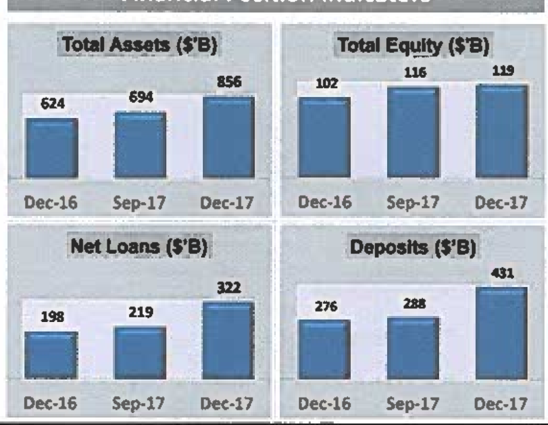
- **Operating revenues** of $16.7 billion, up $1.4 billion or 9%
- **Return on assets:** 2.4%, down from 2.6%
- **Return on equity:** 15.7%, up from 15.4%
- **Cost to income ratio:** 78.0%, up from 66.1%

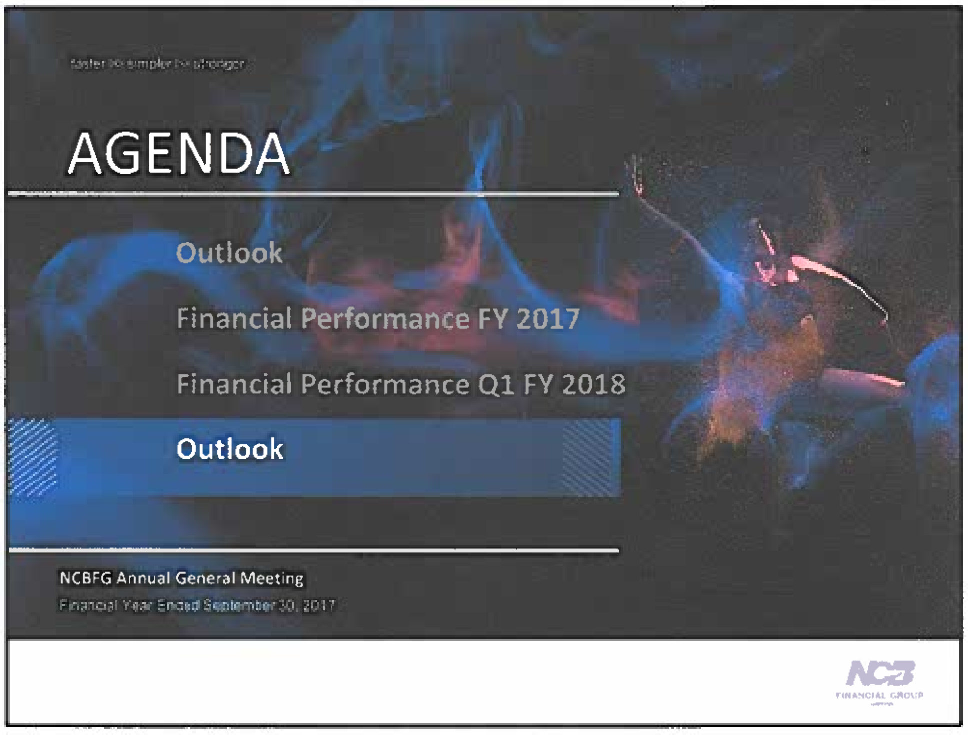
Summary Results – Q1 FY 2018 continued

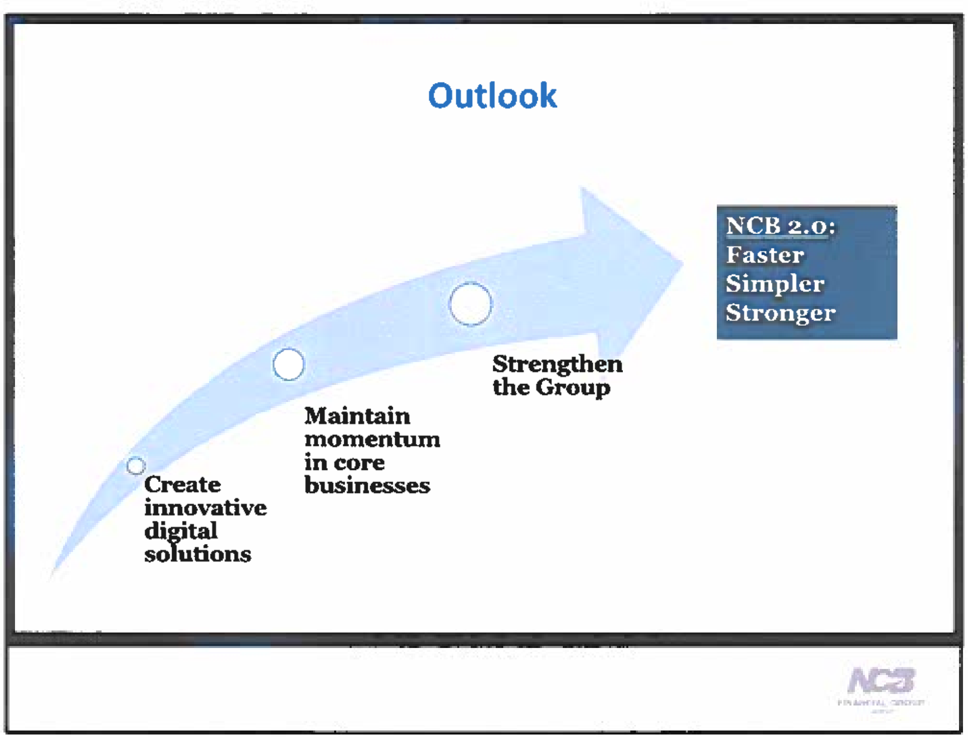
Segment Results



Financial Position Indicators




AGENDA
Outlook
Financial Performance FY 2017
Financial Performance Q1 FY 2018
Outlook
NCBFG Annual General Meeting
Financial Year Ended September 30, 2017


Outlook
NCB 2.0:
Faster
Simpler
Stronger
Strengthen the Group
Maintain momentum in core businesses
Create innovative digital solutions


Thank You
NCB

APPENDIX 2
QUESTIONS AND ANSWERS ON THE AUDITED ACCOUNTS

Comment	Mr Staple gave thanks to God and expressed appreciation and congratulations to the Board, management and employees for the financial performance and attainment of $19.1 Billion. He commended management's presentation of the Management Discussion and Analysis in the Annual Report as one of the best he had ever seen and stated that from the presentation he was better able to understand what was happening. He also recognized the excellent attendance record of the Board members and added his thanks to former Director, Mr Wayne Chen.
Question	Mr Staple referred to page 250 of the Annual Report (Past Due Loans), and noted the increase over the prior year from $41,333,836 to $61,444,153 and enquired about management of the risk associated with the unsecured portion.
Response	Mr Cohen responded that security was not required where it was not considered necessary and also that they had been assessed as having not been impaired. He added that the Auditors had agreed. Responding to a further query from Mr Staple on what could be done to reduce the outstanding amount, Mr Cohen said that there was a work-out unit charged with responsibility in that regard. He said the results were achieved despite some loan impairment, which was a normal part of banking.
Question	Mr Staple referred to page 143 of the Annual Report (Investments Securities – in the Auditor's Report) and enquired about the reason focus was placed on that area.
Response	Mr Reece explained that because of the magnitude of the balance, the complexity of the models used, the use of yield curves and the potential for misstatements from the use of inappropriate yields it had to be an area of focus because the auditors needed to decide if they were satisfied with the judgment exercised by Management.
Question	Reference was made to pages 217 and 194 (Securitization), Mr Staple sought clarification in relation to the risks involved.
Response	Mr Cohen responded that it was not a significant risk or exposure for the organisation but was a borrowing. He explained that borrowing was done based on projected cash flows; therefore, the risk was primarily to the lender. He also concluded that the risk was being managed appropriately and that the securitisation programme represented an important source of funding for the Group.
Comment	Mr Staple referred to Page 196 and remarked that despite profit share ($2.1B), wages and increased salaries and management fees, which reduced the profit to $19.1B the shareholders, who had been expecting more dividend (because dividend is not an expense), had not been considered. Notwithstanding, he expressed appreciation for the increase in the value of the shares and the dividends over the years.
Response	Mr Cohen explained that when profit has been made, Management must make a decision whether to give back to shareholders or to reinvest. Based on the Company's strategic plans which had been outlined earlier in the meeting, the decision had been taken to reinvest in order to propel the Group forward. If the decision had been taken to pay out more to shareholders, some of the initiatives outlined would have had to be sacrificed.
Response	Mr Lee-Chin supported Mr Cohen stating that as a shareholder, he welcomed the discussion. He said he believed that dividend should not be interrupted and should not be a dilution or distraction to core business. However, for expansion to have been done without dilution, opportunities had to be grasped when they were available.
Question	Mr Staple referred to page 282 of the Annual Report and enquired about the length of time for which the outstanding suit filed by the Bank's Staff Association regarding the profit sharing for financial year ended September 30, 2002 remained unresolved.
Response	The Secretary responded that the case was still before the Courts and that Management could not control the pace of litigation.
Comment	Mr Theodore Golding added his commendations for the awesome performance of the Company, noting that it was the largest profit since the inception of the organization and that he too expected better dividend payments. He referred to page 82 of the Annual Report – (Dividend Yield). He said that Management should look to make dividend payment positive when compared to inflation. He expressed the desire to see more

	dividends in 2018.
Response	Mr Lee-Chin explained that the leadership had no control over the stock price, which affects the dividend yield. However, the leadership of the Company was motivated to enhance dividend yield. He also noted that the calculation used the year end stock price which was not the best comparison.
Question	Mr Micheal Hendricks asked what the cost of the Scheme of Arrangement was.
Response	Mr Garcia responded that it was not material to the performance of the Group.

	APPENDIX 3 GENERAL COMMENTS/QUESTIONS & ANSWERS
Comment:	Mr Leon Franscique commented that he was expecting more detailed plans and outlook. He also said that is appeared the Group was seeking to grow profit by acquisition but that on a normalised basis, the first quarter profit actually fell.
Response:	Mr Cohen explained that that there were both one-off charges and exceptional income (including significant staff payments and incentive payments relating to the previous year). He said there had also been a large back-log of insurance claims which had been cleared by an insurance subsidiary. Based on the items mentioned, normalized profit would therefore still be up.
Comment:	Mr Franscique remarked that based on an experience he had recently, it seemed that redundancies were affecting the loan processing time.
Response:	Mr Cohen referred to comments earlier in the meeting regarding staff changes and suggested that the losses mentioned occurred during changes in the operating model, in particular with the digital transformation, as Management was constantly seeking ways to improve. He said he was not in a position to comment on any specific experience that Mr Franscique may have had.
Question:	Mr Franscique asked if there were any plans to cut mortgage rates as they appeared very high considering the low risk.
Response:	Mr Cohen said he could not commit but that rates were always being reviewed as the organisation sought to remain competitive.
Question:	Mr Franscique asked about the Company's position on the Minister of Finance's proposed trade off (lower asset tax for lower rates).
Response:	Mr Cohen said when something was formally communicated with details of the proposal, proper evaluation could occur
Question:	Mr Steven Jackson requested an update on Guardian Holdings Limited (GHL) shares and asked why NCBFG was trying to acquire 62% and not more.
Response:	Mr Cohen responded that the percentage was in relation to the capital that NCBFG wanted to commit to that particular investment and could also comfortably afford. He added that management believed that it can achieve its objective with that percentage.
Question:	Mr Jackson asked about the legitimacy of the purchase price.
Response:	Mr Garcia responded that both parties to the transaction were represented by experienced counsel from Trinidad and Tobago who provided legal guidance, and based on that advice and the Company's own understanding, it was legitimate. He also referred to Clause 8 of the Trinidad & Tobago Securities Industry (Take-Over) By-Laws, which required that a second offer for shares within 90 days of the first offer was to be at the same price as the first offer. He said that requirement was not applicable where the second offer came after 90 days, as was the case with the present transaction, involving an offer to the public well over a year after the Company's previous acquisition of shares.
Comment:	Mr Denis Martin endorsed the positive sentiments that had been expressed earlier in the meeting stating that the Group's leadership was committed and inspirational.
Question:	Mr Theodore Golding referred to an item from page 241 of the last Minutes and asked for an update on the charges to dormant accounts. He also asked that there be a balance between cutting of staff and the ability to deliver quality customer service, noting that customers sometimes have to wait an inordinately long time to do their transactions.
Response:	Mr Garcia advised that fees were no longer charged for accounts that were dormant. In addition, the current position of the Bank was that customers who closed their accounts could request a refund of fees charged in relation to dormancy, within a seven year period. Mr Cohen responded to Mr Golding's second query, stating that customer service delivery is always taken into account when staff cuts were being contemplated.
Question:	Mr Lepert Ewart asked about an $8 billion claim in the Financial Gleaner that day.
Answer:	Mr Garcia said the claim had not been provided for, so the organisation's success in the claim would have no real impact. Efforts would be made to recover costs

	expended in relation to the claim, which could have a positive but immaterial impact.
Comment:	Mr Ewart asked that a stock split be considered because it was his opinion that the market for the stock was illiquid.
Response:	Mr Cohen cautioned regarding the use of the terminology "illiquid" stating that the issue was that shareholders did not want to sell the stocks. He said that a stock split would be considered.