Scotiabank Jamaica Foundation

Financial Statements
31 December 2009

Independent Auditors' Report

To the Members of
Scotiabank Jamaica Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Scotiabank Jamaica Foundation, set out on pages 1 to 17, which comprise the balance sheet as of 31 December 2009, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as of 31 December 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

Report on Additional Requirements of the Jamaican Companies Act

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

PricewaterhouseCoopers

Chartered Accountants
9 April 2010

Kingston, Jamaica

Scotiabank Jamaica Foundation
Statement of Comprehensive Income
Year ended 31 December 2009
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2009 $'000	2008 $'000
Income			
Contributions		27,335	44,366
Investment income		56,960	41,866
Other Income		1,398	-
		85,693	86,232
Expenditure			
Grants	7	62,257	74,547
Auditors' remuneration		174	146
Miscellaneous expenses		43	11
		62,474	74,704
Surplus		23,219	11,528
Other comprehensive income		-	-
Total Comprehensive Income		23,219	11,528

Scotiabank Jamaica Foundation

Balance Sheet

31 December 2009

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2009 $'000	2008 $'000
NET ASSETS			
Assets			
Taxation recoverable	3(ii)	20,618	27,065
Investment securities – held-to-maturity	8	288,450	246,448
Government securities purchased under resale agreements	9	11,140	3,582
Other receivable		-	454
Cash and bank		10,620	17,046
		330,828	294,595
Liability			
Accrued expense		155	141
		330,673	294,454
REPRESENTED BY			
Accumulated surplus/(deficit)		22,362	(857)
Endowment fund	10	308,311	295,311
		330,673	294,454

Approved for issue by the Board of Directors on 9 April 2010 and signed on its behalf by:

Joylene Griffiths-Irving	Director	Heather Goldson	Director

Scotiabank Jamaica Foundation

Statement of Changes in Equity

Year ended 31 December 2009

(expressed in Jamaican dollars unless otherwise indicated)

	Note	Endowment Fund $'000	Accumulated (Deficit)/ Surplus $'000	Total $'000
Balance at 31 December 2007		295,311	(12,385)	282,926
Total comprehensive income		-	11,528	11,528
Balance at 31 December 2008		295,311	(857)	294,454
Contribution to Endowment Fund	11(b)	13,000	-	13,000
Total comprehensive income		-	23,219	23,219
Balance at 31 December 2009		308,311	22,362	330,673

Scotiabank Jamaica Foundation

Statement of Cash Flows

Year ended 31 December 2009

(expressed in Jamaican dollars unless otherwise indicated)

	2009 $'000	2008 $'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Surplus	23,219	11,528
Items not affecting cash:		
Interest income	(56,161)	(41,165)
	(32,942)	(29,637)
Change in non-cash working capital components:		
Taxation recoverable	6,447	(6,233)
Other receivable	454	449
Accrued expense	14	13
	(26,027)	(35,408)
Interest received	54,109	41,738
Cash provided by operating activities	28,082	6,330
Investing Activities		
Investment securities	(40,508)	8,156
Government securities purchased under resale agreements	(7,000)	(437)
Cash (used in)/provided by investing activities	(47,508)	7,719
Financing Activity		
Contribution to Endowment Fund	13,000	-
Cash provided by financing activity	13,000	-
(Decrease)/increase in cash balance	(6,426)	14,049
Cash at beginning of year	17,046	2,997
CASH AT END OF THE YEAR	10,620	17,046

1. Incorporation and Main Objects

The company was incorporated in Jamaica on 13 February 1996 as a company limited by guarantee not having a share capital. The company is operated and funded by The Bank of Nova Scotia Jamaica Limited (BNSJ), which is incorporated and domiciled in Jamaica. BNSJ's ultimate holding company is The Bank of Nova Scotia, which is incorporated and domiciled in Canada.

The main objects for which the Foundation is established are:

(a) The relief of poverty, deprivation and distress among economically and socially disadvantaged persons resident in Jamaica by whatever means deemed necessary by the company.

(b) The provision of financial assistance for dependents of economically or socially disadvantaged persons resident in Jamaica.

(c) To undertake research into the special problems arising from poverty and social deprivation and into methods of alleviating them and publish the results of such.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

Interpretations and amendments to published standards effective in the current year

Certain new interpretations and amendments to existing standards have been published that became effective during the current year. The company has assessed the relevance of all such new interpretations and amendments, and has put into effect the following IFRS, which are immediately relevant to its operations.

IFRS 7 (Amendment), 'Financial instruments: Disclosure' (effective from 1 January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosures of fair value measurement by level of fair value measurement hierarchy. This amendment has not resulted in any significant changes to the financial statements as the company has no significant liquidity risk exposure and its assets and liability are not carried at fair value on the balance sheet.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Interpretations and amendments to published standards effective in the current year (continued)

IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity and requires 'non-owner changes in shareholders' equity' to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and a statement of comprehensive income). Components of other comprehensive income are not permitted to be presented in the statement of changes in shareholders' equity.

The revised standard has led to the company presenting in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. Comparative information has been re-presented so that it is also in conformity with the revised standard. The revision to IAS 1 only impacts presentation aspects of the company's financial statements.

Standards, interpretations and amendments to published standards that are not yet effective
At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are mandatory for the company's accounting periods beginning on or after 1 January 2010 or later periods, but were not effective at balance sheet date, and which the company has not early adopted. The company has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

IFRS 9, 'Financial instruments' (mandatory for annual periods beginning on or after 1 January 2013), represents the first step in the IASB's project to replace IAS 39 'Financial instruments: Recognition and Measurement'. The standard introduces new requirements for classifying and measuring financial assets and expansion of the standard is expected during 2010 to address requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment and hedge accounting. Early adoption of IFRS 9 is also permitted.

Management is currently assessing the impact of these changes.

(b) Revenue Recognition
Interest income
Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income includes coupons earned on fixed income investments and accrued discount and premium on local registered stocks and other discounted instruments.

Contributions and other income
Contributions received, with the exception of contributions directly to the Endowment Fund, are recorded as income on the cash basis. Other income is recorded on the accrual basis.

(c) Deferred taxation
Deferred tax assets and liabilities are not recognised, as the company's income is exempt from income tax. See Note 3(i) for further details.

2. Summary of Significant Accounting Policies (Continued)

(d) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

The company classifies its financial assets as held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company's management has the positive intention and ability to hold to maturity. Were the company required to sell other than an insignificant amount of held-to-maturity assets, the entire category would be compromised and reclassified as available-for-sale.

Held-to-maturity investments are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method.

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if its carrying amount exceeds its estimated recoverable amount. The amount of the impairment loss for assets carried at amortised cost is calculated as the difference between the assets' carrying amounts and the present value of expected future cash flows discounted at the original effective interest rate.

Financial liability

The company's financial liability comprises accrued expense.

(e) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and bank balances and deposits.

3. Taxation

(i) By order of the Minister of Finance, the company was declared an approved charitable organisation. Its income is also exempt from income tax under Section 12(h) of the Income Tax Act.

(ii) Taxation recoverable represents withholding tax receivable on investment income.

4. Financial Risk Management

The company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The company's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the company's financial performance.

The company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The company regularly reviews its risk management policies and systems to reflect changes in markets and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the company's risk management framework. The company's sponsor, The Bank of Nova Scotia Jamaica Limited, monitors all the various risks and has monthly department meetings.

The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

(a) Credit risk

The company takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the company by failing to discharge their contractual obligations. Credit exposure arises principally in investment activities. The company manages its credit risk by maintaining its investments mainly in various forms of Government of Jamaica securities.

Credit review process

The company has established a credit quality review process involving regular analysis of the ability of borrowers and other counterparties to meet interest.

Investments and other receivable

The company limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality and Government of Jamaica securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

Scotiabank Jamaica Foundation

Notes to the Financial Statements
31 December 2009
(expressed in Jamaican dollars unless otherwise indicated)

4. Financial Risk Management (Continued)

(a) Credit risk (continued)

The following table summarises the company's credit exposure for debt securities at their carrying amounts:

	2009	2008
	$'000	$'000
Government of Jamaica	281,665	241,157
Other	10,500	3,500
	292,165	244,657
Interest receivable	7,425	5,373
	299,590	250,030

(b) Liquidity risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The company's liquidity management process includes:

(i) An established line of credit with The Bank of Nova Scotia Jamaica Limited;

(ii) Monitoring future cash flows and liquidity on a daily basis;

(iii) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; and

(iv) Optimising cash returns on investments.

Undiscounted cash flows of financial liabilities cash flows

The company has no significant outflows in respect of financial liabilities. Accrued expense at year end is due within three months and the company has adequate cash resources to cover these, along with payments in respect of grants authorised and contracted for.

Assets available to meet the liability include cash and bank. The company is also able to meet unexpected net cash outflows by having an established line of credit with its sponsor.

4. Financial Risk Management (Continued)

(c) Market risk

The company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the company's sponsor.

There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risk.

(i) *Currency risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign exchange risk occurs from investment transactions. The company's sponsor monitors its exposure to foreign exchange risk.

Concentrations of currency risk

The table below summarises the company exposure to foreign currency exchange rate risk at 31 December.

	Jamaican$	**US$**	**Total**
	J$'000	**J$'000**	**J$'000**
		2009	
Financial Assets			
Investment securities – held to maturity	281,448	7,002	288,450
Government securities purchased under resale agreements	11,140	-	11,140
Cash and bank	10,620	-	10,620
Total financial assets	303,208	7,002	310,210
Financial Liability	155	-	155
Net financial position	303,053	7,002	310,055
Credit commitments	59,380	-	59,380

4. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentrations of currency risk (continued)

	Jamaican$ J$'000	US$ J$'000	Total J$'000
		2008	
Financial Assets			
Investment securities – held to maturity	239,974	6,474	246,448
Government securities purchased under resale agreements	3,582	-	3,582
Other receivable	454	-	454
Cash and bank	17,046	-	17,046
Total financial assets	261,056	6,474	267,530
Financial Liability	141	-	141
Net financial position	260,915	6,474	267,389
Credit commitments	51,737	-	51,737

The Government of Jamaica US$ indexed bond is included in the US$ category for currency risk disclosure.

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The company's exposure to interest rate risk is monitored by its immediate parent company and is managed by maintaining an appropriate mix of fixed and variable instruments. The policy also requires it to manage the maturities of interest bearing financial assets.

The following table summarises the company's exposure to interest rate risk. It includes the company's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

Scotiabank Jamaica Foundation

Notes to the Financial Statements
31 December 2009
(expressed in Jamaican dollars unless otherwise indicated)

4. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	Within 3 Months	4 to 12 Months	2 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
	$'000	$'000	$'000	$'000	$'000	$'000
			2009			
Financial Assets						
Investment securities held-to-maturity	166,813	65,843	41,509	7,500	6,785	288,450
Government securities purchased under resale agreements	4,000	6,500	-	-	640	11,140
Cash and bank	10,620	-	-	-	-	10,620
Total financial assets	181,433	72,343	41,509	7,500	7,425	310,210
Financial Liability	-	-	-	-	155	155
Total interest repricing gap	181,433	72,343	41,509	7,500	7,270	310,055
			2008			
Financial Assets						
Investment securities held-to-maturity	186,841	27,600	26,716	-	5,291	246,448
Government securities purchased under resale agreements	3,500	-	-	-	82	3,582
Other receivable	-	454	-	-	-	454
Cash and bank	17,046	-	-	-	-	17,046
Total financial assets	207,387	28,054	26,716	-	5,373	267,530
Financial Liability	-	-	-	-	141	141
Total interest repricing gap	207,387	28,054	26,716	-	5,232	267,389

Interest rate sensitivity

Interest rate sensitivity aims to analyse the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, on the company's income and expenditure account and accumulated surplus.

The sensitivity of the surplus or deficit is the effect of the assumed changes in interest rates on net income based on the floating rate non-trading financial assets and financial liabilities. The correlation of variables will not have a significant effect in determining the ultimate impact on market risk.

5. Fair Value Estimation

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. For financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques based on market conditions existing at balance sheet dates.

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

(i) the fair value of liquid assets and other assets maturing within one year is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets;

(ii) the fair value of variable rate financial instruments is assumed to approximate their carrying amounts;

6. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the company's accounting policies, management has made no critical accounting estimates or judgements which it believes has a significant risk of causing a material misstatement in these financial statements.

Scotiabank Jamaica Foundation

Notes to the Financial Statements
31 December 2009
(expressed in Jamaican dollars unless otherwise indicated)

7. Grants

Details of grants made during the year are as follows:

	2009 $'000	2008 $'000
Education		
NCU Scholarships	957	744
Grade Six Achievement Test (GSAT)	7,980	8,542
University of the West Indies - Scholarships	-	1,306
Mayer Matalon/SJF Scholarship (UWI)	320	440
Holy Family Primary and Infant School Breakfast Program	396	319
Primary School Expanded Breakfast Program	-	312
University of Technology - Scholarships	636	1,831
University College of the Caribbean	212	-
Mona School of Business – Scholarships	-	1,105
High School Bursaries	495	1,000
Caribbean School for the Deaf	1,059	487
Tertiary Award for Women	470	1,011
Inner City Scholarships	1,400	1,200
Coleen Weise	-	115
Scotiabank Chair in Entrepreneurship & Development	6,500	6,500
Award to Paediatric	-	180
Other	887	-
	21,312	25,092
Health Care		
Cornwall Regional Hospital – Haemodialysis Unit	7,955	8,620
Jamaica Cancer Society – Mammography Unit	1,366	1,343
Savanna-la-Mar Hospital Equipment	-	4,100
Scoliosis Care - Surgeries	2,791	2,507
SJF Accident and Emergency Unit – Port Antonio Hospital	1,444	-
Bustamante Hospital for Children	928	-
University Hospital of the West Indies – Accident & Emergency Unit - Maintenance	1,466	2,126
	15,950	18,696
Balance carried forward (Page 15)	37,262	43,788

Scotiabank Jamaica Foundation

Notes to the Financial Statements

31 December 2009

(expressed in Jamaican dollars unless otherwise indicated)

7. Grants (continued)

	2009 $'000	2008 $'000
Balance brought forward (Page 14)	37,262	43,788
Community Outreach		
Golden Age Home	2,942	2,876
Church of the Good Sheperd – Community Centre	2,500	2,500
International Police Officers	5,000	5,000
	10,442	10,376
Other	14,553	20,383
	62,257	74,547

8. Investment Securities – held-to-maturity

	Remaining Term to Maturity					
	Within 3 Months $'000	4 to 12 Months $'000	2 to 5 Years $'000	Over 5 Years $'000	Carrying Value 2009 $'000	Carrying Value 2008 $'000
Government of Jamaica -						
Bonds	32,002	-	86,036	39,731	157,769	118,519
Debentures	-	45,946	1,000	-	46,946	-
Local Registered Stocks	-	-	69,154	7,796	76,950	122,638
	32,002	45,946	156,190	47,527	281,665	241,157
Interest receivable	6,785	-	-	-	6,785	5,291
	38,787	45,946	156,190	47,527	288,450	246,448

9. Government Securities Purchased under Resale Agreements

	2009 $'000	2008 $'000
Principal	10,500	3,500
Interest receivable	640	82
	11,140	3,582

10. Endowment Fund

This consists of contributions received by the company. The income generated by investing these contributions is used primarily to build the Endowment Fund and make charitable donations to various organisations.

11. Related Party Transactions

A related party is one which controls or exercises significant influence over, or is controlled or significantly influenced by, the company in making financial and operating decisions or, along with the company, is subject to common control or significant influence.

(a) The company's bank account is held with The Bank of Nova Scotia Jamaica Limited.

(b) During the year, contributions to the endowment fund of $13,000,000 (2008 - $Nil) was received from The Bank of Nova Scotia Jamaica Limited.

12. Grant Commitments

	2009 $'000	2008 $'000
Grants authorised and contracted for	59,380	51,737

13. Subsequent Event

In February 2010, the company participated in the Jamaica Debt Exchange (JDX) transaction under which it exchanged its holdings of domestic debt instruments issued by the Government of Jamaica for new, longer-dated debt instruments available to the company under the election options contained in the transaction.

The key features of the JDX are as follows:

- Jamaican-resident holders of certain domestic debt instruments (collectively referred to as the "Old Notes") were invited to exchange those Old Notes for new, longer-dated debt instruments (collectively referred to as the "New Notes"). Participation in the JDX was voluntary.
- The New Notes comprising 24 new instruments have a variety of payment terms, including fixed and variable rates in Jamaican dollars, CPI-indexed in Jamaican dollars, and fixed rates in U.S. dollars. While all the Old Notes were callable by the Government of Jamaica, all the fixed rate New Notes and certain variable rate New Notes will be non-callable.
- Eligible investors had the option to choose New Notes based on the type and maturity profile of the Old Notes which were offered for exchange based on certain election options. The election options only allowed investors to choose New Notes of longer tenor relative to Old Notes. Most New Notes have lower coupon interest rates than Old Notes.
- Eligible investors who made offers to the Government of Jamaica to exchange Old Notes received an equivalent principal value (par-for-par value) of New Notes and the payment in cash of accrued interest, net of applicable withholding taxes, on the Old Notes up to but excluding 24 February 2010 (the Final Settlement Date).

The JDX has had a significant impact on the expected future cash flows from the company's investment portfolio. The table below summarises the impact on coupon rates and maturities of the instruments that were exchanged.

Scotiabank Jamaica Foundation
Notes to the Financial Statements
31 December 2009
(expressed in Jamaican dollars unless otherwise indicated)

13. Subsequent Event (Continued)

	Pre JDX	Post JDX
Jamaican dollar denominated instruments:		
Total face value exchanged J$'000	276,252	276,252
Weighted average coupon rate	18.98%	11.34%
Weighted average tenor to maturity (years)	3.64	8.86
US dollar denominated instruments:		
Total face value exchanged US$'000 (including J$ denominated instruments indexed to US$)	79	79
Weighted average coupon rate	9.75%	7.25%
Weighted average tenor to maturity (years)	2.92	6.00