

**UNION BANK OF JAMAICA LIMITED**  
**BALANCE SHEET AT DECEMBER 31, 1999**

<b>ASSETS</b>			
	<u>Notes</u>	<u>1999</u> \$'000	<u>1998</u> \$'000
<b>CASH RESOURCES</b>			
Cash		575,637	248,630
Deposits with, and money at call, at			
Bank of Jamaica	4	2,556,815	1,347,774
Owed by other banks and financial institutions	5	784,196	1,227,096
Cheques and other instruments in the course of collection (Net)		524,722	-
		<u>4,441,370</u>	<u>2,823,500</u>
<b>INVESTMENTS</b>	6	21,724,875	5,961,352
<b>LOANS</b> (Net of provisions for losses)	7,8	1,649,208	1,848,812
<b>OTHER ASSETS</b>			
Customers' liability on guarantees and letters of credit net of provision for estimated losses	8,9	285,245	386,668
Income tax recoverable		112,176	8,738
Fixed assets	10	774,211	151,778
Other assets	11	3,073,500	1,439,952
		<u>4,245,132</u>	<u>1,987,136</u>
		<u>32,060,585</u>	<u>12,620,800</u>

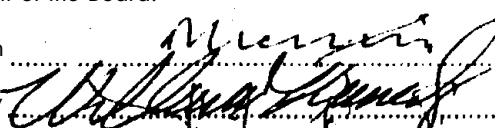
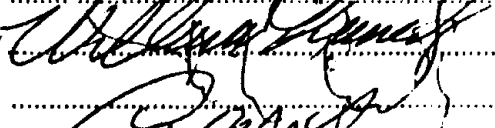
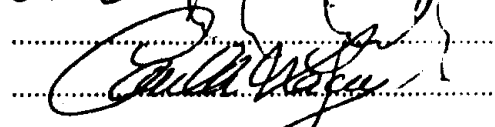
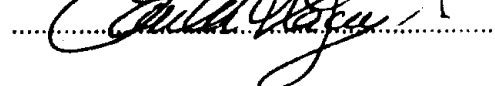
The Notes on Statement VI form an integral part of the Financial Statements.

**UNION BANK OF JAMAICA LIMITED**  
**BALANCE SHEET AT DECEMBER 31, 1999**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	<b>Notes</b>	<b>1999</b> <b>\$'000</b>	<b>1998</b> <b>\$'000</b>
<b>DEPOSITS</b>			
	12		
Customers' deposits and current accounts		15,905,883	8,510,538
Deposits under repurchase agreements		5,436,883	801,494
		<u>21,342,766</u>	<u>9,312,032</u>
<b>OTHER LIABILITIES</b>			
Owed to Bank of Jamaica	6	946,448	-
Owed to other banks and financial institutions		1,085,173	1,013,650
Liability under guarantees and letters of credit	5,9	313,993	386,668
Other liabilities	13	683,479	866,587
Cheques and other instruments in the course of payment		-	18,454
Other loans	14	4,683,693	-
		<u>7,712,786</u>	<u>2,285,359</u>
<b>SPECIAL DEBENTURES</b>			
		<u>-</u>	<u>6,000</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	15	1,837,614	1,095,114
Capital contributions	16	1,778,649	1,400,000
Share premium	15	2,325,777	246,776
Capital reserve	17	58,880	69,094
Reserve fund	18	36,664	98,194
Retained earnings reserve	19	43,494	133,391
Profit and loss account		( 3,076,045)	( 2,025,160)
		<u>3,005,033</u>	<u>1,017,409</u>
		<u>32,060,585</u>	<u>12,620,800</u>

Approved on behalf of the Board.

C. Dennis Morrison		Chairman
Wilbur D. Kennedy		Director
Maurice Clarke		Director
Camille Facey		Secretary

**UNION BANK OF JAMAICA LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Notes</u>	<u>1999</u> <u>\$'000</u>	<u>1998</u> <u>\$'000</u>
<b>NET INTEREST INCOME AND OTHER REVENUE</b>			
Interest on loans		523,397	454,169
Income from investments		4,027,883	1,521,793
Total interest income		<u>4,551,280</u>	<u>1,975,962</u>
Interest expense		<u>(3,040,620)</u>	<u>(1,382,423)</u>
Net interest income		1,510,660	593,539
Provision for loan losses	8	<u>( 686,795)</u>	<u>( 182,163)</u>
		823,865	411,376
Other revenue		<u>307,833</u>	<u>163,414</u>
Net interest income and other revenue after loan loss provision		<u>1,131,698</u>	<u>574,790</u>
<b>NON-INTEREST EXPENSES</b>			
Salaries, pension contributions and other staff benefits	31	798,931	460,847
Property expenses		446,597	119,600
Other operating expenses		918,422	369,853
Non-interest expenses		<u>2,163,950</u>	<u>950,300</u>
<b>LOSS FROM OPERATIONS</b>		<u>( 1,032,252)</u>	<u>( 375,510)</u>
Share of subsidiary companies' results		53,837	<u>( 128,226)</u>
<b>LOSS BEFORE EXCEPTIONAL ITEMS</b>		<u>( 978,415)</u>	<u>( 503,736)</u>
Exceptional items	20	<u>( 72,470)</u>	<u>( 290,821)</u>
<b>LOSS FROM ORDINARY ACTIVITIES</b>		<u>(1,050,885)</u>	<u>( 794,557)</u>
Extraordinary item	21	<u>-</u>	<u>( 190,970)</u>
<b>NET LOSS</b>	22	<u>( 1,050,885)</u>	<u>( 985,527)</u>
<b>LOSS PER STOCK UNIT</b>			
Before extraordinary item	25	(\$2.23)	(\$7.65)
After extraordinary item		(\$2.23)	(\$9.46)

The Notes on Statement VI form an integral part of the Financial Statements.

**UNION BANK OF JAMAICA LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED DECEMBER 31, 1999**

	Notes	Share Capital \$'000	Capital Contri- butions \$'000	Share Premium \$'000	Capital Reserves \$'000	Reserve Fund \$'000	Retained Earnings Reserve \$'000	Profit & Loss Account \$'000	Total \$'000
Balance, December 31, 1997		1,095,114	-	246,776	64,544	103,288	133,391	(1,035,083)	608,030
Loss for the year								( 985,527)	( 985,527)
Capitalisation of profit of subsidiary					4,550			( 4,550)	-
Disposal of subsidiary						( 5,094)			( 5,094)
Advance for shares	16	-	1,400,000	-	-	-	-	-	1,400,000
Balance, December 31, 1998		1,095,114	1,400,000	246,776	69,094	98,194	133,391	(2,025,160)	1,017,409
Loss for the year								(1,050,885)	(1,050,885)
Shares issued	15	742,500		2,079,001					2,821,501
Advance on capital	16		378,649						378,649
Reserve adjustments on merger of subsidiaries		-	-	-	(10,214)	(61,530)	( 89,897)	-	(161,641)
Balance, December 31, 1999		1,837,614	1,778,649	2,325,777	58,880	36,664	43,494	(3,076,045)	3,005,033

The Notes on Statement VI form an integral part of the Financial Statements.

**UNION BANK OF JAMAICA LIMITED**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>1999</u> \$'000	<u>1998</u> \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss from ordinary activities	( 1,050,885)	( 794,557)
Non-cash items		
Depreciation	67,944	75,310
Write-off of fixed assets	-	34,824
(Gain) loss on disposal of fixed assets	( 8,333)	4,009
Loss (gain) on disposal of investments	4,645	( 15,173)
Provision for loan losses	686,795	182,163
Share of subsidiary companies' results	( 53,837)	128,226
Extraordinary item	-	( 190,970)
Finsac bonds issued in lieu of interest	( 2,115,286)	-
	<u>( 2,468,957)</u>	<u>( 576,168)</u>
Decrease (increase) in operating assets		
Owed by other banks and financial institutions	442,900	( 132,959)
Cheques and other instruments in the course of collection	( 543,176)	-
Income tax recoverable	( 103,438)	598
Other assets	( 1,674,805)	( 824,095)
Increase (decrease) in operating liabilities		
Owed to other banks and financial institutions	71,523	273,055
Other liabilities	( 183,108)	452,226
Cheques and other instruments in the course of payment	-	( 27,755)
Cash used in operating activities	<u>( 4,459,061)</u>	<u>( 835,098)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of investments	(16,333,426)	(1,387,053)
Proceeds on disposal of investments	2,572,740	118,845
Loans (net)	( 417,186)	( 784,739)
Acquisition of fixed assets (net)	( 700,507)	( 103,302)
Proceeds on disposal of fixed assets	18,463	-
Cash used in investing activities	<u>(14,859,916)</u>	<u>(2,156,249)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Customers' deposits	12,030,734	1,976,177
Bank of Jamaica advances	946,448	-
Other loans received	4,696,333	-
Other loans repaid	( 12,640)	-
Debentures repaid	( 6,000)	-
Issue of shares	2,821,501	-
Capital contribution	378,649	1,400,000
Cash provided by financing activities	<u>20,855,025</u>	<u>3,376,177</u>
<b>INCREASE IN CASH BALANCES</b>	1,536,048	384,830
<b>CASH BALANCES AT THE BEGINNING OF THE YEAR</b>	1,596,404	1,211,574
<b>CASH BALANCES AT THE END OF THE YEAR</b>	<u>3,132,452</u>	<u>1,596,404</u>
Cash balances comprise		
Cash	575,637	248,630
Deposits with, and money at call at, Bank of Jamaica	2,556,815	1,347,774
	<u>3,132,452</u>	<u>1,596,404</u>

The Notes on Statement VI form an integral part of the Financial Statements.

# UNION BANK OF JAMAICA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED DECEMBER 31, 1999

#### 1 IDENTIFICATION

- (a) Citizens Bank Limited was incorporated in Jamaica and provides commercial banking facilities to its customers. On June 30, 1999 the Bank changed its name to Union Bank of Jamaica Limited (The Bank). The Bank is 99% owned by Finsac Limited (Finsac) which is also incorporated in Jamaica. (See Note 2).
- (b) The Bank is licensed under the Banking Act, 1992 and the Banking (Amendment) Act 1997. These financial statements have been prepared in accordance with their provisions.
- (c) These financial statements are expressed in Jamaican dollars. The 1998 comparatives reflect those for Citizens Bank only, adjusted for the matters described in Note 2(g)).

#### 2 MERGERS AND ACQUISITIONS

- (a) Finsac was incorporated with the specific mandate from the Government of Jamaica to resolve the problems of solvency and liquidity being experienced by the financial sector and in pursuance thereof, Finsac and/or the Minister of Finance acquired control of the following financial entities:

Eagle Commercial Bank Limited (Eagle)  
 Island Victoria Bank Limited (IVB)  
 Workers' Savings & Loan Bank (Workers)  
 Island Life Merchant Bank Limited (ILMB)  
 Corporate Merchant Bank Limited (Corporate).

- (b) In 1998, by various agreements between certain financial entities and Finsac the following transactions took place:
- (i) The shares in Horizon Merchant Bank Limited, Horizon Securities Limited, and Island Life Merchant Bank Limited were acquired by The Bank for a nominal amount of \$1,600.
- (ii) The assets in Horizon Merchant Bank Limited and Horizon Securities Limited were transferred to The Bank and the then existing liabilities of those companies were assumed. Accordingly, these entities are inactive, have no assets or liabilities, and are to be wound up.
- (iii) The shares of Horizon Building Society were transferred to Citizens Building Society (CBS) on August 21, 1998. The Society is to be dissolved as soon as all the legal formalities are completed.
- (iv) As part of the agreement for the acquisition of Horizon and ILMB, Finsac agreed to subscribe for \$1.4 billion in the capital of The Bank which was to be paid by the issue of Finsac Bonds. The payment was made by Finsac but the capital has not yet been issued.
- (c) By various Vesting Orders granted by the Minister of Finance and Planning under Section 35 of the Banking Act or Financial Institutions Act (as the case may be) all the undertakings and the assets of the following entities were transferred to The Bank with effect from the dates indicated:

Eagle	- April 23, 1999
IVB	- April 23, 1999
Corporate (excluding the Trust business)	- April 23, 1999
ILMB	- April 21, 1999

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**2 MERGERS AND ACQUISITIONS (cont'd)**

Certain liabilities were not assumed by The Bank, viz.,

- \* All claims arising which had not been notified to the transferor as of the transfer date.
- \* All liabilities arising under employment contracts.
- \* All litigation arising as a result of or in connection with loan accounts sold to Finsac or Refin Trust Limited, a subsidiary of Finsac.

Similarly, by Vesting Order a part only of the assets of Workers Bank was transferred to The Bank effective April 23, 1999. Some of the liabilities including all deposit liabilities were assumed.

Arising from these transfers there was an excess of liabilities over assets of \$2.906 billion which amount is to be made good by the issue of Finsac Bonds which bonds have not yet been issued.

During the year the decision was also taken to cease operating a merchant bank and the assets of Citizens Merchant Bank Limited (CMB) were also vested in the Bank effective April 21, 1999. The Bank also assumed CMB's liabilities as at that date.

- (d) The Bank was entitled to carry on each of the businesses of Eagle, IVB, CMB, ILMB, Workers and Corporate in the name of each entity at the locations previously operated by the entities commencing from the effective date and ending on or before October 1, 1999. Thereafter and as soon as possible Eagle, IVB, CMB, ILMB, and Corporate shall convene meetings of their respective shareholders and creditors with the intent of winding up the entities.
- (e) By share sale agreements The Bank acquired from Eagle Merchant Bank of Jamaica Limited all the issued share capital of Eagle and Eagle Permanent Building Society (EPBS) with effect from April 22 and April 1, 1999 respectively.
- (f) By agreement for the merger of building societies, CBS, Capital Assurance Building Society, and EPBS agreed to the union of their businesses and assets as of April 1, 1999. Steps are being taken to sell the assets, pay off liabilities and have the combined entities dissolved.
- (g) The subsidiaries which remained in existence as at the year end are listed below. Many of these subsidiaries were acquired as a result of the transfer of assets from various other Finsac controlled banks. The following subsidiaries have all ceased operations, and their related costs have been written off:

CABS Investments Limited  
 Citizens Building Society  
 Citizens Merchant Bank  
 Eagle Commercial Bank  
 Horizon Building Society  
 Horizon Merchant Bank  
 Horizon Securities Limited  
 Island Victoria Investments and Finance Limited  
 Odessa Services Limited.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**2 MERGERS AND ACQUISITIONS (cont'd)**

Additionally, while the subsidiaries listed below are still in operation (whether partially or fully) they are being held for sale or will eventually be wound up.

Eagle Permanent Building Society  
 Citizens Finance and Insurance Agency  
 IFCOL Leasing Limited  
 Jamaica Citizens Investment Limited.

Further, the Directors and Management do not consider that the preparation of consolidated financial statements are necessary or meaningful given that all subsidiaries will be dissolved, or disposed of. Consequently, investments in subsidiaries have been accounted for on the equity method of accounting with retrospective effect to January 1, 1998 with a view to stating investments in subsidiaries as close as practicable to realisable value. The 1998 comparatives have been restated accordingly.

**3 SIGNIFICANT ACCOUNTING POLICIES**

(a) Accounting convention

These financial statements have been prepared on the basis of the continuation of The Bank as a going concern, which contemplates the realisation of assets and the repayment of liabilities in the ordinary course of business, and under the historical cost convention, as modified by the revaluation of certain fixed assets and investments.

(b) Accounting principles and standards

The accounting principles followed by The Bank are those generally accepted in Jamaica, and these financial statements comply in all material respects with the requirements of applicable statements of standard accounting practice issued by the Institute of Chartered Accountants of Jamaica.

(c) Foreign currencies

Transactions in foreign currencies have been converted to Jamaican dollars at the rates of exchange ruling at the dates of those transactions. Assets and liabilities denominated in foreign currencies are translated to Jamaican dollars at exchange rates current at balance sheet date. All exchange gains and losses are credited to, or charged against, income of the year.

(d) Interest

Interest income is recorded on the accrual basis unless the collection of interest is considered doubtful, or payment is outstanding for over ninety days, in which event interest is taken into account on a cash basis.

(e) Provision for loan losses

The Bank maintains an allowance for credit losses, which in management's opinion is adequate to absorb all credit related losses in its portfolio of both on and off balance sheet items. The provision consists of specific provisions and general provisions for doubtful credits.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**3 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

(e) Provision for loan losses (cont'd)

Specific provision for loan losses is based on an assessment of non-performing loans and other sub-standard loans. Loans are classified non-current if they are non-performing in excess of ninety days. In assessing each loan, collateral held and other factors including past loan loss experience, business and economic conditions are considered. Collateral held by The Bank is valued in accordance with guidelines issued by the Supervisor.

General provisions for doubtful credits are established against the loan portfolio where a prudent assessment by The Bank of adverse economic trends suggests that losses may occur, but where such losses cannot yet be determined on an item-by-item basis. The Supervisor requires that such a provision should not be less than 0.5% for certain residential mortgages and not less than 1% for all other loans.

(f) Pension funds

The Bank operates contributory pension schemes which are administered by Trustees. The Bank accrues and funds pension costs annually. Pension contributions by employees are at a fixed rate and contributions by employer are at the amounts determined by the actuaries as are required to provide the benefits and expenses of the schemes.

(g) Investments

- Quoted investments are stated at the lower of cost and market values.
- Unquoted investments are stated at cost less reductions to net realisable values where appropriate.
- Investments in Government of Jamaica securities apart from Treasury Bills are stated at cost. Treasury Bills are carried at cost plus interest earned up to the balance sheet date.
- Finsac bonds are stated at cost.

(h) Investments in subsidiary companies

Investments in subsidiary companies are accounted for using the equity method. In the balance sheet investments in subsidiary companies are shown at cost plus or minus The Bank's share of post-acquisition profits or losses. The Bank's share of losses are restricted to the cost of the investments.

Losses which exceed the cost of The Bank's investments in its subsidiary companies are recorded as a provision against advances made by The Bank to these companies.

The results of the subsidiary companies are included in these statements based on the December 31, 1999 unaudited financial statements.

(i) Assets purchased/sold under resale/repurchase agreements

The purchase and sale of securities under resale and repurchase agreements are accounted for as collateralised lending and borrowing transactions. The related interest income/expense is recorded on the accrual basis.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**3 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

(j) Depreciation

Depreciation is calculated on the straight line basis on cost or revalued amounts over the estimated lives of the assets. Annual depreciation rates are as follows:

Freehold buildings	2.5%
Leasehold improvements	10%
Furniture and fixtures	10%
Equipment, computer hardware and software	10 - 20%
Motor vehicles	20%

No depreciation is provided on land.

(k) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and any adjustments that may be necessary would be reflected in the year in which actual results are known.

**4 DEPOSITS WITH, AND MONEY AT CALL AT, BANK OF JAMAICA**

Cash includes statutory cash reserves of \$2,560,511,000 (1998 - \$1,461,422,000). This amount is held, under Section 14(1) of the Banking Act, 1992 principally on a non-interest bearing basis at Bank of Jamaica as a cash reserve. Accordingly, it is not available for investment or other use by The Bank.

**5 OWED BY OTHER BANKS AND FINANCIAL INSTITUTIONS**

Deposits totalling US\$850,000 are hypothecated by certain institutions against The Bank's liability under letters of credit.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**6 INVESTMENTS**

(a) The analysis of investments by type and maturity is as follows:

	Years to Maturity				1999 \$'000	1998 \$'000
	Within 1 year \$'000	Within 1 to 5 years \$'000	Within 5 to 10 years \$'000	Over 10 years \$'000		
Securities issued or guaranteed by Government of Jamaica						
Treasury bills	34,487				34,487	144,007
Local registered stocks	266,404	831,176	126,118		1,223,698	768,925
US\$ bonds		49,704			49,704	5,980
US\$ debentures	108,520				108,520	128,785
Other debentures	-	51,000	-	-	51,000	-
	409,411	931,880	126,118	-	1,467,409	1,047,697
US\$ bonds and other securities	12,426				12,426	797,931
Other bonds and securities	86,655	-	-	-	86,655	-
	99,081	-	-	-	99,081	797,931
Finsac Limited						
Finsac bonds issued	-	5,566,386	7,357,623	2,821,500	15,745,509	3,741,284
Finsac bonds to be issued					3,935,495	-
					19,681,004	3,741,284
Other						
Quoted					14,974	10,960
Unquoted					14,432	23,839
					29,406	34,799
Investments in subsidiary companies						
- Cost of shares plus or minus share of results					187,504	339,641
- Advances					260,471	-
					447,975	339,641
					21,724,875	5,961,352

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

6 **INVESTMENTS** (cont'd)

- (b) The interest rates on Government of Jamaica (GOJ) securities and Finsac bonds are adjusted at interest payment dates by reference to the existing six months treasury bill rates, which is the primary reference point for interest rates in the economy.
- (c) The Bank of Jamaica holds securities of The Bank, primarily Finsac bonds, totalling \$4,924,000,000, as collateral against The Bank's current account.
- (d) Finsac bonds have been issued pursuant to an undertaking by the GOJ with interest receivable at a rate equal to one percent above the weighted average yield applicable to the latest six-month Treasury Bill tender. The Bank intends to hold these bonds to maturity or sell these bonds at face value plus interest. At year end Finsac bonds totalling \$1.8 billion have been designated as liquid assets by the Minister of Finance pursuant to Section 15 of the Banking Act.
- (e) During the year arising from the mergers described in Note 2 and other transactions Finsac bonds were issued as follows:

	<b>\$'000</b>
1 Finsac subscribed for 1,485,000,000 ordinary shares of 50 cents each at a premium of \$1.40 per share in exchange for bonds	2,821,500
2 Additional capital contribution for the issue of preferred shares	378,650
3 Bonds previously issued to the merged institutions transferred on mergers	3,338,049
4 Other transactions including purchase of non-performing loans	3,350,740
	<u>9,888,939</u>

In addition, Finsac has issued bonds amounting to \$2,115,286,000 in repayment of interest due on bonds.

Interest accrued on bonds issued and to be issued amounted to \$2.5 billion at December 31, 1999 and is included under other assets (Note 11).

- (f) Finsac bonds to be issued represent the following:

	<b>\$'000</b>
1 Shortfall to be financed in respect of the merged entities (net)	2,906,330
2 Non-performing loans purchased	1,032,220
3 Other	( 3,055)
	<u>3,935,495</u>

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**6 INVESTMENTS (cont'd)**

(g) For the year ended December 31, 1999 \$3.6 billion or 78% of The Bank's income from securities and loans consisted of interest on Finsac bonds. The interest was paid primarily by the issue of further Finsac bonds. At year end interest accrued was \$2.5 billion and may be paid in Finsac bonds subsequent to year end.

At December 31, 1999 Finsac bonds, including accrued interest, amounted to \$22.1 billion and accounted for 68% of the total assets of The Bank.

The liquidity of The Bank and its ability to fund its operations and achieve profitability are largely dependent on the collection of Finsac bond interest and/or principal which the GOJ, through the Ministry of Finance and Planning, has undertaken to pay in cash to the extent required by The Bank from time to time.

(h) A significant portion of the investments have arisen from the merger of financial institutions in the current and previous years (see Note 6(e)). However, the title to the various investments acquired have not yet been transferred into the name of The Bank.

**7 LOANS**

The analysis of loans is as follows:

	<b>Years to Maturity</b>				
	<b>Within 1 year \$'000</b>	<b>Over 1 to 5 years \$'000</b>	<b>Over 5 years \$'000</b>	<b>1999 \$'000</b>	<b>1998 \$'000</b>
Personal loans	546,422	288,929	150,642	985,993	1,453,884
Business loans	440,132	534,804	206,456	1,181,392	542,807
Government securities purchased under resale agreements	-	-	-	-	85,903
	<u>986,554</u>	<u>823,733</u>	<u>357,098</u>	<u>2,167,385</u>	<u>2,082,594</u>
Less: Allowance for credit losses				518,177	233,782
				<u>1,649,208</u>	<u>1,848,812</u>

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**8 PROVISION FOR LOAN LOSSES**

	<b>1999</b>	<b>1998</b>		
	<b>\$'000</b>	<b>\$'000</b>		
Non-performing loans	547,834	388,469		
The movement in the loan loss provision account during the year is as follows:				
Balance, January 1	233,782	65,403		
Provision for the year	686,795	182,163		
Amounts written off during the year (net of recoveries)	920,577 (332,395)	247,566 ( 13,784)		
Balance, December 31	588,182	233,782		
Comprising:				
	<b>1999</b>	<b>1998</b>		
	<b>Specific</b>	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Loans	455,018	63,159	518,177	233,782
Guarantees	28,748	-	28,748	-
Interest	41,257	-	41,257	-
	525,023	63,159	588,182	233,782

**9 GUARANTEES AND LETTERS OF CREDIT**

The potential liability of The Bank is recorded as a liability. The Bank's recourse against the customer in the event of a call on any of these commitments is reported as an offsetting asset of the same amount less any provision for losses (See Note (8)).

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**10 FIXED ASSETS**

	<b>Land</b>	<b>Buildings and Leasehold Improvements</b>	<b>Furniture, Equipment and Motor vehicles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
At cost				
Balance, January 1		113,142	408,181	521,323
Transfers	24,115	199,420	618,219	841,754
Additions	-	9,411	165,128	174,539
Disposals	-	( 13,033)	( 59,917)	( 72,950)
Balance, December 31	24,115	308,940	1,131,611	1,464,666
Depreciation				
Balance, January 1		77,767	291,778	369,545
Transfers		66,501	249,285	315,786
Charge for year		26,717	127,841	154,558
Adjustment		( 44,530)	( 42,084)	( 86,614)
Disposals	-	( 13,032)	( 49,788)	( 62,820)
Balance, December 31	-	113,423	577,032	690,455
Net book value				
December 31, 1999	24,115	195,517	554,579	774,211
December 31, 1998	-	35,375	116,403	151,778

(a) The net depreciation charge for the year includes a write back of \$86.6 million due to the harmonisation of depreciation rates.

(b) Certain computer equipment with a net book value of \$86.7 million are pledged as security for certain loans (Note (14)).

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**11 OTHER ASSETS**

These comprise the following:

	<b>1999 \$'000</b>	<b>1998 \$'000</b>
Interest receivable - Finsac Limited	2,457,497	915,056
Interest receivable - Other	246,877	49,699
	<hr/>	<hr/>
Receivables and prepayments	2,704,374	964,755
	699,357	772,894
	<hr/>	<hr/>
Less provision for doubtful receivables	3,403,731	1,737,649
	330,231	297,697
	<hr/>	<hr/>
	<b>3,073,500</b>	<b>1,439,952</b>
	<hr/>	<hr/>

Included in receivables and prepayments is a balance of \$495 million which represents a rebate of part of the interest on the BOJ operating account. BOJ has agreed to purchase Local Registered Stocks on behalf of The Bank to settle this debt. The purchase has not yet been made.

**12 DEPOSITS**

	<b>Years to Maturity</b>			
	<b>Within 1 year \$'000</b>	<b>Within 1 to 5 years \$'000</b>	<b>1999 \$'000</b>	<b>1998 \$'000</b>
Individuals	12,122,862	4	12,122,866	7,174,770
Business and Government	9,218,437	1,463	9,219,900	2,137,262
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>21,341,299</b>	<b>1,467</b>	<b>21,342,766</b>	<b>9,312,032</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**13 OTHER LIABILITIES**

These comprise the following:

	<b>1999 \$'000</b>	<b>1998 \$'000</b>
Interest payable	453,467	128,576
Accruals and sundries	230,012	738,011
	<hr/>	<hr/>
	<b>683,479</b>	<b>866,587</b>
	<hr/>	<hr/>

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**14 OTHER LOANS**

These comprise the following:

	<u>1999</u> <u>\$'000</u>	<u>1998</u> <u>\$'000</u>
Due to Finsac Limited (See Note 14(a) below)	4,600,000	-
Loan (See Note 14(b) below)	83,693	-
	<u>4,683,693</u>	<u>-</u>

- (a) Interest on this loan is payable from November 19, 1999 for six months at a rate of 4.5% per annum. Thereafter, the interest rate is to be negotiated between the parties. Other repayment terms have not yet been finalised. This loan is secured by Finsac bonds having a face value of \$4.6 billion.
- (b) This represents a loan from IBM Canada for the purchase of computer equipment. The loan is repayable over three years commencing in June 1999. Interest is charged at a rate of 11.46% per annum on the reducing balance. This loan is secured on certain computer equipment with a net book value of \$86.7 million at year end (Note (10)). Subsequent to year end, this loan has been refinanced through a special grant provided by the GOJ.

**15 SHARE CAPITAL**

	<u>1999</u> <u>\$'000</u>	<u>1998</u> <u>\$'000</u>
Authorised:		
3,500,000 US\$ convertible cumulative redeemable preference shares of J\$1 each	3,500	3,500
40,000,000 cumulative redeemable preference shares of \$1 each	40,000	40,000
1,000,000,000 non-cumulative redeemable preference shares of \$1 each	1,000,000	1,000,000
1,628,000,000 (1998: 143,000,000 shares) ordinary shares of \$0.50 each	814,000	71,500
	<u>1,857,500</u>	<u>1,115,000</u>
Issued and fully paid:		
(a) 2,551,000 US\$ convertible cumulative redeemable preference shares of J\$1 each	2,551	2,551
(b) 10,000,000 20% cumulative redeemable preference shares of \$1 each	10,000	10,000
(c) 30,000,000 25% cumulative redeemable preference shares of \$1 each	30,000	30,000
(d) 1,000,000,000 12.5% non-cumulative redeemable preference shares of \$1 each	1,000,000	1,000,000
(e) 1,590,125,778 ordinary shares of \$0.50 each (1998: 105,125,778 shares of \$0.50 each)	795,063	52,563
	<u>1,837,614</u>	<u>1,095,114</u>

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**15 SHARE CAPITAL (cont'd)**

- (a) The US\$ convertible redeemable preference shareholders have no voting rights at an annual general meeting unless the payment of dividends on these shares is in arrears for more than twelve months or the business of the meeting is to wind up The Bank, reduce capital or abrogate the rights of these shareholders. These shares may be converted into ordinary shares over the period 1997 to 2001. They are redeemable at a price of US\$1.00 each, up to a maximum of 700,000 shares for each year, between 2002 and 2006. Dividends on these shares are in arrears for over twelve months.
- (b) and (c)  
 The holders of these preference shares have no voting rights at an annual general meeting unless the payment of dividends on these shares is in arrears for more than twelve months or the business of the meeting is to wind up The Bank. These shares are redeemable at the discretion of the directors and at their paid up value. Dividends are in arrears for over twelve months.
- (d) No dividend is payable on these shares until The Bank's retained earnings is \$125,000,000 after the deduction of dividends payable on other preference shares issued prior to October 1997. The holders of these shares are entitled to all documents sent to ordinary shareholders and have one vote per share at The Bank's annual general meeting. These shares may be converted to ordinary shares if dividends on them remain unpaid on or after seven years of the date of their issue. The shares are redeemable at the directors' discretion from the proceeds of a new issue of ordinary shares or preference shares which the Bank of Jamaica designates as Tier 1 capital. The redemption price should not be less than the sum of their paid up value and a stipulated redemption premium.
- (e) The authorised share capital was increased during the year from \$1,115,000,000 to \$1,857,500,000 by the creation of 1,485,000,000 ordinary shares of 50 cents each ranking pari passu with existing ordinary shares of The Bank. When issued and fully paid these shares are to be converted into stock units. The shares were issued to Finsac Limited at a premium of \$1.40 per share.

**16 CAPITAL CONTRIBUTIONS**

This represents the amount Finsac had agreed to subscribe for preference shares arising from the merger of the Horizon Financial Entities and Island Life Merchant Bank Limited. The relevant class of shares have not yet been issued.

**17 CAPITAL RESERVE**

The capital reserve comprises the following:

	<b>1999</b>	<b>1998</b>
	<b>\$'000</b>	<b>\$'000</b>
Realised capital gain on disposal of subsidiary	46,179	46,179
Realised capital gain on disposal of assets - of the bank	6,825	6,825
- subsidiaries	1,326	11,540
Capital reserve arising on issue of bonus shares by a subsidiary	4,550	4,550
	<u>58,880</u>	<u>69,094</u>

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**18 RESERVE FUND**

The reserve fund represents appropriations of profit pursuant to the Banking Act which requires a minimum of 15% of profit after tax to be transferred to this fund until the amount in the fund is equal to 50% of The Bank's paid up capital and thereafter, 10% until the fund is equal to the paid up capital. No transfers were made during the year in view of the losses incurred.

**19 RETAINED EARNINGS RESERVE**

The Banking Act permits the transfer of any portion of net profits to a retained earnings reserve. Such transfers are made at the discretion of the Board and must be notified to the Bank of Jamaica.

**20 EXCEPTIONAL ITEMS**

These consist of the following:

	<u>1999</u> \$'000	<u>1998</u> \$'000
Depreciation written back (Note 10)	( 86,614)	-
Fixed assets written off	-	34,824
Provision for losses		
Sundry assets		111,467
Investments	-	3,599
Provision for contingencies (Note 33)	160,000	-
Gain on disposal of subsidiaries	( 11,841)	( 11,069)
Redundancy costs	10,925	152,000
	<u>72,470</u>	<u>290,821</u>

**21 EXTRAORDINARY ITEM**

This represents excess of liabilities over assets, arising from the acquisition of four companies in the previous year, written off (Note 2(b)).

**22 NET LOSS**

The following items have been included in the determination of net loss for the year:

	<u>1999</u> \$'000	<u>1998</u> \$'000
Expenses		
Directors' remuneration		
Management	-	6,254
Fees	2,115	532
Audit fees	7,000	7,800
Interest on - Bank of Jamaica advances	435,789	59,245
- Other loans	29,079	-
Depreciation	154,558	75,310

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**23 INCOME TAX**

Subject to agreement with the Commissioner of Income Tax, The Bank has tax losses amounting to approximately \$2.7 billion which may be carried forward indefinitely for offset against future taxable profits.

**24 PREFERENCE DIVIDENDS**

Dividends accumulating to \$37,329,000 (1998 - \$27,829,000) have not been paid or accrued because of the accumulated deficit position of The Bank at the year end.

**25 NET LOSS PER STOCK UNIT**

The computation of loss per stock unit is based on the loss for the year, before and after extraordinary items, adjusted for unaccrued preference dividends, and the weighted average number of ordinary stock units in issue throughout both years.

**26 MATERIAL RELATED PARTY BALANCES/TRANSACTIONS**

Material balances/transactions are as follows:

	<u>1999</u> <u>\$'000</u>	<u>1998</u> <u>\$'000</u>
<b>Balances</b>		
(a) Directors		
Loans and guarantees	-	20,630
Deposits	-	16,123
(b) Finsac Limited		
Loans payable	4,600,000	-
<b>Transactions</b>		
(a) Directors		
Interest earned	-	2,168
Interest paid	-	2,165
(b) Finsac Limited		
Interest earned on investments	3,571,509	-
Interest paid on loan	24,386	-

**Intervention Costs**

As part of Finsac's mandate to resolve the problems of solvency and liquidity in the financial sector, the costs of intervention incurred by Finsac in the formation of Union Bank, including the fees for the management of The Bank which had been contracted to a third party, have been borne by that company and are, therefore, not reflected in these financial statements.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**27 COMMITMENTS AND CONTINGENCIES**

**Capital commitments**

(a) Lease commitments

The Bank has obligations under long-term operating leases for buildings. Future minimum lease payments for such commitments for each of the five succeeding years are as follows:

<b>Year Ending December 31</b>	<b>\$'000</b>
2000	86,970
2001	84,025
2002	66,309
2003	11,199
2004	6,638

(b) Contingencies

- (i) A former customer of The Bank made a claim for loss due to the sale of his premises by The Bank under powers of sale. Judgement was made against The Bank in the sum of \$502 million plus interest at 37% from 1987 to date resulting in a total award of \$2.6 billion. An appeal has been filed on behalf of The Bank, and The Bank's Attorneys believe that, at a minimum, the award is likely to be significantly reduced.
- (ii) Various actions and legal proceedings arising from the normal course of business are pending against The Bank. Management of The Bank considers the aggregate liability, if any, is not material.

No provisions have been made in these financial statements in respect of the above matters.

**28 PENSION FUND**

As at December 31, 1999 there were four operative pension schemes. These schemes are valued by independent actuaries triennially.

- (a) The Citizens Bank Scheme in respect of those persons employed to Citizens Bank before the merger of the legacy institutions,
- (b) The Workers Savings and Loan Bank Scheme for former Workers Bank employees,
- (c) The Island Victoria Bank Scheme in respect of persons formerly employed to IVB, and
- (d) The Eagle Merchant Bank Limited Scheme in respect of persons formerly employed to Eagle. This scheme is not controlled by Union Bank.

**Citizens Scheme**

Managed by Life of Jamaica, this is a defined benefit scheme of the modified career average salary model using actual pensionable service and earnings at set base date to determine pensions payable. The scheme is funded by 5% employees' contribution and by employer's contribution at an actuarially recommended rate. The last actuarial valuation was completed as at March 31, 1999 at which time the scheme was adequately funded. Employer's contribution amounted to \$9.5 million for the year.

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**28 PENSION FUND (cont'd)**

Workers Scheme

Managed formerly by Corporate Merchant Bank, this scheme is administered internally for the benefit of current members. A defined benefit scheme, it provides members with annual pensions of 1 2/3% of Final 3-year Average Salary times pensionable service. It also carries surviving spouses pensions on death of members in service or upon retirement. The scheme is funded by 5% employees' contribution and by employer's contribution at actuarially recommended rates. The last actuarial valuation was completed as at January 1, 1999 at which time the scheme was adequately funded. Employer's contribution amounted to \$14.8 million for the year.

IVB Scheme and Eagle Merchant Bank Scheme

These are both money purchase plans with pension benefits being the amount purchasable from each member's own contributions accumulated with credited interest and with employer's contributions, also with credited interest. The schemes are funded by 5% employees' contributions and 5% employer's contributions. Employer's contributions for the year were \$2.8 million and \$2.1 million respectively. The last actuarial valuation was completed as at April 30, 1998 and June 30, 1997 respectively, at which time the schemes were adequately funded.

**29 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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. A market price, where an active market (such as a recognized stock exchange) exists, is the best evidence of the fair value of a financial instrument. However, market prices are not available for a significant number of the financial assets and liabilities held and issued by The Bank. Therefore, for financial instruments where no market price is available, the fair values presented in these financial statements have been estimated using present value or other estimation techniques based on market conditions existing at balance sheet date.

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

- (a) Trading assets and other transactions undertaken for trading purposes, and securities lent and borrowed are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, the fair values are estimated on the basis of discounted cash flows. Fair value is equal to the carrying amount for these items;
- (b) The fair value of liquid assets and other assets maturing within twelve months is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities;
- (c) The fair value of demand deposits and savings accounts with no specific maturity is assumed to be the amount payable on demand at the balance sheet date;
- (d) The fair value of variable rate financial instruments is assumed to approximate their carrying amounts;

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**29 FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)**

- (e) Substantially all of The Bank's commitments to extend credit are at variable rates. Accordingly, The Bank has no significant exposure to fair value fluctuations related to these commitments. Changes in the credit quality of loans within the portfolio are not taken into account in determining gross fair values as the impact of credit risk is recognized separately by deducting the amount of the allowance for credit losses from both book and fair values.
- (f) The fair value of fixed rate loans totalling \$4.6 billion has not been estimated as the loans are at rates that may or may not be available to The Bank due to its special circumstances. Generally, the rates on fixed rate loans are below the current rates in the local market. Adequate information is not available to determine the fair value of such loans.

The assumptions and techniques have been developed to provide a consistent measurement of fair value for The Bank's assets and liabilities. However, because other institutions may use different methods and assumptions, such fair value disclosures cannot necessarily be compared from one financial institution to another.

Fair value of financial instruments which differed from the carrying values are as follows:

	<b>1999</b>	
	<b>Carrying Value</b>	<b>Fair Value</b>
	<b>\$'000</b>	<b>\$'000</b>
Investments	21,724,875	21,724,757

**30 FOREIGN CURRENCY BALANCES**

The Bank incurs foreign currency risks on transactions that are denominated in currencies other than the Jamaican dollar. The Bank's foreign currency exposure as at year end was as follows:

	<b>1999</b>		
	<b>US\$ \$'000</b>	<b>Cdn\$ \$'000</b>	<b>£ £'000</b>
Cash reserve	9,000	241	483
Investments	5,697	1,000	2,700
Loans (net of provision)	13,217	-	-
Other assets	40,937	1,003	963
Customer deposits	(61,401)	(2,096)	(3,468)
Owed to other financial institutions (net)	(20,007)	-	( 157)
Other liabilities	( 2,450)	( 391)	(1,128)
Other loans	( 2,021)	-	-

**UNION BANK OF JAMAICA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**  
**YEAR ENDED DECEMBER 31, 1999**

**31 OTHER DISCLOSURES**

	<b>1999</b>
(a) Number of persons employed by The Bank as at year end:	814
	<b>\$'000</b>
(b) Staff costs incurred during the year in respect of these employees were:	
Salaries, wages and other staff benefits	709,731
Statutory contributions	60,000
Pension costs	29,200

**32 BANKING ACT**

As at December 31, 1999 The Bank was in breach of Section 14(4) and Section 15(5) of The Banking Act in respect of the cash reserve and liquid assets requirements respectively. Steps are being taken to address these breaches.

Additionally, BOJ has issued Directions to The Bank governing, inter alia, credit, capital expenditure, treasury management, senior staff compensation and other liabilities. These Directions remain in effect until released by BOJ.

**33 PROVISION FOR CONTINGENCIES**

During the year several financial institutions were merged into Union Bank as more specifically detailed in Note 2. These institutions and corresponding accounting systems were in various stages of deterioration generally associated with troubled institutions. The corresponding conversion of these problem financial institutions into a single accounting platform resulted in an inability to represent that all asset and liability accounts, in particular amounts owed by/to other banks and financial institutions, cheques and other instruments in the course of collection/payment and other related liabilities, are accurately stated. The resolution of the matter was further exacerbated by the fact that supporting documentation filed at different locations could not be readily retrieved. While management has made every effort to adjust unrecorded transactions and errors made as documentary evidence became available, it is not possible at present to determine the likely impact on the reported asset and liability balances or their impact, if any, on income. Management is continuing the reconciliation process. As a result of the inherent uncertainties involved, and the likely delays attendant in resolving these matters, a contingency provision has been made by management to safeguard against any possible operational losses (Note 20).

**34 ASSETS AND LIABILITIES**

The Bank manages funds on behalf of third party investors. These funds are invested principally in GOJ securities. The funds under management as at December 31, 1999 totalled approximately \$446 million. Neither the asset nor the liability is reflected in these financial statements other than by way of this note.

**35 POST BALANCE SHEET EVENT**

The principal shareholder of The Bank is actively engaged in negotiations with a third party for the sale of The Bank.

# SHAREHOLDINGS

## THE TEN LARGEST SHAREHOLDERS AS AT 31 DECEMBER 1999

### 20% CUM PREFERENCE SHARES:

<u>SHAREHOLDERS</u>	<u>NO. OF UNITS</u>
1. Life of Jamaica Ltd.	8,759,735
2. Life of Jamaica Ltd. - General Fund	601,565
3. Scotiabank Ja. Trust & Merchant Bank Ltd. A/C 268	27,278
4. John R. Wong	25,000
5. Fouad Said Marzouca	25,000
6. R. N. A. Henriques	21,150
7. Scotiabank Ja. Trust & Merchant Bank Ltd. A/C 319	20,768
8.	
9. Ryland L. Palmer/Vivienne Palmer	20,625
10. Security Brokers Limited	16,906

### 25% CUM PREFERENCE SHARES:

<u>SHAREHOLDERS</u>	<u>NO. OF UNITS</u>
1. Life of Jamaica	27,778,727
2. Irvin/Veronica Hoo-Fatt	301,755
3. Scotiabank Ja. trust & Merchant Bank Ltd. A/C 319	253,884
4. Jamaica Central Securities Depository	175,452
5. James M. Marzouca Dec'd	142,500
6. M/VL Stockbrokers Ltd.	111,774
7. Scotiabank of Ja. Trust & Merchant Bank Ltd. A/C 268	63,893
8. Arland Investments Ltd.	59,028
9. Everard Smith	59,028
10. Kimberly/Diane Burrowes	44,162

\*\*\*Connectd Companies

### ORDINARY SHARES:

<u>SHAREHOLDERS</u>	<u>NO. OF UNITS</u>
1. Finsac Ltd.	1,573,543,101
2. Scotiatrust A/C 319	1,415,682
3. Edgar /Winsome Powell	114,470
4. James Marzouca	380,000
5. Manchester Penion Trust Fund	300,472
6. Beverly C. Schroder	200,000
7. George Weisbard	200,000
8. John R. Wong	200,000
9. Philemon Azar	200,000
10. Yap-Sam	200,000

### EXECUTIVE MANAGEMNT AS AT 31 DECEMBER 1999

#### ORDINARY SHARES:

<u>SHAREHOLDERS</u>	<u>NO. OF UNITS</u>
1. Camille Facey	300
2. Loren Edwards	Nil

#### US\$ CONVERTIBLE CUM REDEEMABLE PREFERENCE SHARES:

<u>SHAREHOLDERS</u>	<u>NO. OF UNITS</u>
1. Finasc Ltd.	2,525,027
2. Dudley Thompson	3,332
3. R. N. A. Henriques	3,000
4. Winston St. L. Leiba	1,521
5. Buck Security Brokers Ltd. T/A	1,500
6. Winston Barrett	1,087
7. Gilbert Fullerton	1,062
8.	
9. Yvonne J. Frederick	591
10. G. A. Moore	500

# CORPORATE DATA & BANK LOCATIONS

## REGISTERED OFFICE

17 Dominica Drive, Kingston 5  
or P.O. Box 483, Kingston 5  
Tel 960-2340  
Fax 960-3342

E-mail unionbank@cwjamaica.com

## URBAN AREA

### CROSS ROADS

15a Old Hope Road  
Kingston 5  
Tel 926-5492  
926-5847  
Fax 926-5405

Up Park Camp  
Kingston 5

Tel 926-9260  
926-8121  
926-8124  
Fax 968-0670

### DOWNTOWN

108-110 Harbour Street  
Kingston Tel 967-5529-39  
Fax 922-2937

134 Tower Street

Kingston  
Tel 922-8195-7  
Fax 922-8777

### HALF WAY TREE

6 Constant Spring Road  
Kingston 10  
Tel 968-4193-6  
Fax 968-5875

Shop 25, 12 1/2 & 14 Constant  
Spring Road  
Kingston 10  
Tel 968-6155-9  
Fax 968-6162

### LIGUANEA

106 Hope Road  
Kingston 6  
Tel 927-7524  
927-8521  
Fax 927-7721

### NEW KINGSTON

17 Dominica Drive  
Kingston 5  
Tel 960-2340  
Fax 929-7324

6 St. Lucia Avenue  
Kingston 5  
Tel 968-5800-5  
Fax 968-5772

### SPANISH TOWN

Shop 11a, Spanish Town Shopping  
Centre  
17 Burke Road  
Spanish Town P.O.  
St. Catherine  
Tel 984-2904  
Fax 984-4405

### STONY HILL

23 Main Street  
Stony Hill  
Tel 942-2985-6  
Fax 942-9633

### WESTERN DISTRICT OFFICE

109 Molyneux Road  
Kingston 10  
Tel 924-2050-1  
Fax 924-2051

## RURAL AREA

### BLACK RIVER

Cnr High & School Streets  
Black River  
St. Elizabeth  
Tel 965-2691  
965-2274  
Fax 965-2385

### BROWNS TOWN

18 Main Street  
Browns Town  
St. Ann  
Tel 975-2762  
917-8247  
Fax 975-2763

### LINSTEAD

44 King Street  
Linstead P.O.  
St. Catherine  
Tel 985-2913  
985-9660  
Fax 985-9660

### LIONEL TOWN

Bustamante Drive  
Lionel Town  
Clarendon  
Tel 986-3263  
Fax 986-3263

### MANDEVILLE

5-7 Ward Street  
Mandeville  
Manchester  
Tel 962-7350  
Fax 962-7361

### MAY PEN

6b manchester Avenue  
May Pen  
Clarendon  
Tel 986-4246-7  
Fax 968-9409

### MONTEGO BAY

LOJ Shopping Centre  
Howard Cooke Boulevard  
Montego Bay P.O.  
St. James  
Tel 952-4876-8  
Fax 979-5274

### OCHO RIOS

2 Newlin Street  
Ocho Rios P.O.  
St. Ann  
Tel 974-5955-6  
Fax 974-5957

### PORT ANTONIO

28 Harbour Street  
Port Antonio P.O.  
Portland  
Tel 993-9755-7  
Fax 993-9770

### SANTA CRUZ

1 Coke Drive  
Sant Cruz  
St. Elizabeth  
Tel 966-2047-9  
Fax 966-2046

### SAVANNA-LA-MAR

23 Great George Street  
Savanna-la-mar  
Tel 955-2895-6  
Fax 95-2972

### SOUTHFIELD

Southfield P.O.  
St. Elizabeth  
Tel 965-6191-2  
Fax 965-6190

### SECRETARY

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Union Bank of Jamaica Limited  
17 Dominica Drive, Kingston 5  
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Tel 960-2340  
Fax 960-5120

### REGISTRAR AND TRANSFER AGENT

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Scotia Bank Centre  
Cnr Duke and Port Royal Streets  
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Tel 922-6230  
Fax 922-7581

### AUDITORS

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