

**The Third Public Annual General Meeting
of the Shareholders of Victoria Mutual Investments Limited
Held on Monday, July 27, 2020 at 2:00 p.m.
At The Jamaica Pegasus Hotel,
81 Knutsford Boulevard, Kingston 5**

PRESENT WERE:

Directors (In Person)

Michael McMorris (Chairman), Courtney Campbell (Group President & CEO), Rezworth Burchenson (CEO/Managing Director), Phillip Silvera, Janice McKenley, Keri-Gaye Brown (Corporate Secretary)

Directors (Online)

Milton Samuda, Noel Hann, Sandra Shirley-Auxilly, Vikram Dhiman, Matthew Wright, Devon Barrett

Auditors (In Person)

Nigel Chambers - KPMG

Shareholders (In Person)

Anatol A. L. Clark Allwood, Howard Fung, Alexander Morrissey, Livingston Young, Clover Moore, Annette Headman, Alyssa Dean, Natalie Bennett, Beverley Gustaff, Heather Thomas Finlay, Sophia Lewis, Michael Hendricks, Orrette Staple, Voniel Wynter, Leonard Thomas, Natasha Reid, Candi-Ann Whyte, Arthur Ellison, Peter March, Carla McIntosh Gordon, Suzannie Chambers, Philbert Robb

Shareholders (Online)

Robert Ainsworth, Muriel Bailey, Evette M. Bryan, Rory Ebanks, Jason T. Edwards, Lorna D. Gouldbourne, Paula Ann E. L. Gunter, Kevin K. L. Harrison, Anna Harry, Ambraee M. Houslin, Vonneil James, Nasburn Kidd, Robert Lalah, Fabian B. Lewis, Sophia Taniesha Lewis, Cesna McCain, Rachel Morrison, James E. D. Rawle, Peter Johnathan Reid, Sophia K-A. Reid-Mathews, Alison Richards, Dorothy Russell-Clarke, Nicole A. Terrelonge, Racquel Thompson, Andre Albert Walker

Visitors (In Person)

Tamara Waul Douglas, Colando Hutchinson, Sharon Sterling, Nicole Adamson, Leonard Thomas, Naphtali Junior, Simone Spaulding, Shuelain Wright-Burton, Atchin Taffe, Dennis Townsend, Tyrone S. Reid

Proxies

1,200,020,000 held by The Victoria Mutual Building Society represented by Courtney Campbell.

I. CALL TO ORDER AND PRAYER

The meeting was called to order at 2:00 p.m. by the Chairman, Mr. McMorris, who welcomed the Members and invited Mr. Phillip Silvera to open the meeting with prayer.

II. NOTICE OF MEETING

The Chairman invited a motion for the Notice convening the meeting to be taken as read. The Notice was adopted on a motion by Mrs. Anatol Clark Allwood and seconded by Mr. Livingston Young.

The Chairman introduced the Directors at the head table: Mrs. Janice McKenley, Mr. Courtney Campbell (Group President & CEO), and Mr. Rezworth Burchenson (CEO/Managing Director)

He also acknowledged the presence in-person of Miss Keri-Gaye Brown (Group Chief Legal Compliance & Risk Officer/ Corporate Secretary), Director Phillip Silvera, and a number of Senior Executives of VMIL, and noted that Directors Sandra Shirley-Auxilly, Matthew Wright, Milton Samuda, Noel Hann, Devon Barrett, and Vikram Dhiman were participating in the meeting via online. Finally, he acknowledged the presence of KPMG and members of the media.

The Chairman noted that COVID19 had impacted the ability of the Company to convene the AGM in the usual way, and he acknowledged the presence of shareholders participating online, who would be able to fully participate in the meeting and vote. He also noted that there was a livestream on Facebook. He explained the voting process for persons online and advised that a Helpline had been established in the event of any difficulties and provided the contact number for the Helpline.

III. ANNUAL REPORT OF DIRECTORS AND STATEMENT OF ACCOUNTS

The Annual Report of Directors and Audited Financial Statements for the year ended December 31, 2019 together with the Report of the Auditors were presented at the meeting.

The Independent Auditor's Report in respect of the 2019 Audited Financial Statements was presented by Mr. Nigel Chambers, Senior Partner of the auditing firm KPMG.

IV. CHAIRMAN'S REPORT

The Chairman advised that his message to Shareholders was included in the Annual Report, and thereafter highlighted key performance areas of the Company:

- 44% increase in Net Profit After Tax,
- 30% return on the Classic Equity Unit Trust,
- VMWM had the top performing real estate Unit Trust 2 years running

He commended the increase of 36% in dividends paid and 176% increase in share price from December 2017 to December 2019 as significant returns on shareholders' investment in VMIL. He attributed these successes to deliberate thinking and actions and relentless drive to perform and deliver results. He referenced the economic environment, exemplified by continuing decline of the debt-to-GDP ratio, reduction of unemployment rate, and low inflation, as having allowed for effective execution of the Group's strategy of pursuing meaningful acquisitions; harnessing digitalization for efficiency and client convenience; creating and retaining an effective and motivated team, and continuing focus on governance.

The Chairman highlighted the acquisition of a 30% stake in Carilend and the partnership with Interactive Brokers as key partnerships intended to provide the Group with expanded platforms. He also noted that clients have already begun to reap the benefits of the business's efforts to harness digitization for efficiency and convenience and will continue to do so in 2021 and beyond. He advised the shareholders that the Group's talent management initiatives continued to be robust, with steady progress being made in becoming

Employer of Choice, and that the Board continued to regularly self-evaluate and assess against international best practice standards.

The Chairman ended his presentation by cautioning shareholders that in the face of the challenges of 2020, it is unlikely that the successes of 2019 will be repeated in 2020; however, he reminded shareholders that the Group was sufficiently well-run to withstand the current storm, and urged the shareholders to continue to give their support.

V. **CEO's REPORT**

Mr. Burchenson was invited to present his Report. He first recognised members of the Management Team present – Ms. Sharon Sterling, Ms. Voneil Wynter, Ms. Natalie Bennett, Ms. Tamara Waul Douglas, Ms. Nicole Adamson, Ms. Clover Moore, and Mr. Colando Hutchinson, Deputy CEO.

He reminded the shareholders that at the core, the purpose of the VMIL Group was to ensure that clients create, grow and sustain wealth. The Company's vision was to be the leading Caribbean-based provider of financial services, and the mission being to promote financial wellness. He also noted that the Group aimed to be number 1 in customer experience, and the number 1 Fund Manager, the place to work for high performers, and to continue being a provider of financial education and cutting-edge solutions.

Mr. Burchenson highlighted the achievements in 2019 including the raising of J\$16B to facilitate growth of Jamaican businesses; extensive work in financial education; and ongoing digitization and transformation of client experience to ensure that levels of service continued to improve. He reviewed the Group's performance across revenue lines, highlighting that the business was punching above its weight class in the capital markets space. He noted that while the business' performance against benchmarks was creditable, Management was keen to do more, and he highlighted the role of investments like Carilend to enhance Management's ability to deliver on the Group's vision.

The CEO reviewed the Group's activities in 2019, highlighting that VMWM had celebrated its 25th anniversary, which was commemorated by a day of community service at the Sunbeam Boys' Home, and adoption of a UWI student who resided at that home. He also specially commended top performing Team Members, noting that their contribution had allowed VMWM to outperform global benchmarks in the respective business lines.

Mr. Burchenson acknowledged that there was an unfortunate data breach incident early in 2020, however he noted that the issue has been addressed head-on, with a Consultant having been retained to identify and address gaps. He expressed the view that the enterprise was stronger than it was prior to the incident, and he apologised unreservedly to those impacted.

In speaking to the outlook for the Group, the CEO invited shareholders to be optimistic about impending developments such as the launch of additional products and services; an expanded distribution, with 10 branches scheduled to be in operation by the end of 2020; the prospect of digital asset trading with the JSE; the impending launch by VMWM of its IPO platform; the impending revamping of the loan system; and the continued thrust to provide digital solutions for customers. He noted that the business had launched its first Agile Lab in 2020, and the first product launch was scheduled for later on in 2020. He also highlighted that the projects now being undertaken included upgrade of the core banking system (OPICS), and continued refinement of policies and procedures.

Mr. Burchenson noted that COVID-19 resulted in disruption in all markets, and that the Group had assisted clients to manage that disruption by providing information to enable sound financial decision-making, in the form of special releases and articles, to help clients navigate the ensuing challenges. He reported that the Group's Business Continuity Plan was put to the test, and the business weathered the storm admirably, with the majority of the team working remotely, and no transactions having been missed. This, he noted, was testament that investments which have been made to date continued to bear fruit. He expressed gratitude to shareholders for their continued confidence in the business and the Team.

VI. QUESTION AND ANSWER SEGMENT – Auditor's Report, Financial Statements, Chairman's & CEO's Reports

Following the CEO's presentation, the Chair invited questions related to the Auditor's Report, Financial Statements, the Chairman's Message, and the CEO's Report. He reminded members to observe physical distancing requirements.

The discussion during the Question and Answer Segment is attached at Appendix 1 to these Minutes.

APPROVAL OF RESOLUTIONS

Resolution No. 1 – Approval of Accounts and Directors’ and Auditor’s Reports and Financial Statements

The Directors’ Report for the year 2019 was read by the Chairman, who then invited a motion for the approval of RESOLUTION No.1:

“That the Audited Accounts of the Company for the year ended 31 December 2019 and the Reports of the Directors and Auditors, circulated with the Notice convening the Meeting, be and are hereby adopted.”

The Resolution was moved by Mr. Michael Hendricks, and seconded by Mr. Orrette Staple. The Chairman advised that persons participating online would be allowed 5 minutes to vote. Those members present in person voted unanimously in favour of the Resolution, and when the online votes were tallied, all 32 votes which were cast were in favour of the Resolution.

Resolution No. 2 - Declaration of Dividend

The Chairman invited a motion for the approval of RESOLUTION No. 2:

“**THAT** the interim dividend of \$0.03 per Stock unit, paid on June 12, 2019; and that the interim dividend of \$0.16 per stock unit paid on December 11, 2019; and that the interim dividend of \$0.03 per stock unit paid on March 27, 2020; be and are hereby ratified and declared as the final dividends for the financial year ended December 31, 2019.”

The Resolution was moved by Mrs. Anatol A.L. Clark Allwood and seconded by Ms. Beverly Gustav. The majority of those present in person voted in favour of the Resolution, with 1 person voting against. Persons participating online were allowed 4 minutes to vote, and when those votes were tallied there were 33 in favour of the Resolution and 1 against.

Resolution No. 3 – Re-Election of Directors

3A) Retirement by Rotation pursuant to Article 108:

The Chairman invited a motion for the approval of RESOLUTION No. 3A:

“THAT Director Mr. Devon Barrett retiring by rotation pursuant to Article 108, of the Articles of Incorporation, being eligible for re-election, be and is hereby re-elected.”

“That Director Mrs. Sandra Shirley-Auxilly retiring by rotation pursuant to Article 108, of the Articles of Incorporation, being eligible for re-election, be and is hereby re-elected.”

“That Director Mr. Noel Hann retiring by rotation pursuant to Article 108, of the Articles of Incorporation, being eligible for re-election, be and is hereby re-elected.”

Mr. Arthur Ellison moved for the Directors to be re-elected en bloc, and that motion was seconded by Mr. Courtney Campbell. All shareholders present in person and voting online voted in favour of the Resolution.

The Directors were re-elected en bloc with all votes in favour.

3B) Retirement Pursuant to Article 106:

The Chairman invited a motion for the approval of RESOLUTION No. 3B:

“That Director Mr. Vikram Dhiman, having been appointed effective October 4, 2019 as an addition to the Board since the date of the last Annual General Meeting, and retiring pursuant to Article 106 of the Articles of Incorporation, being eligible for re-election, be and is hereby re-elected.”

The Company Secretary clarified that the language of the Resolution is in keeping with the Articles of Incorporation. The Resolution was proposed by Mr. Arthur Ellison and seconded by Mr. Michael Hendricks. The Resolution was passed by majority, with 1 person present in person voting against and all others approving, and with 30 online votes cast in favour of the Resolution and 1 against.

Resolution No. 4 – Directors’ Remuneration

The Chairman invited a motion for the approval of RESOLUTION No. 4:

“THAT the amount of \$7,681,235 included in the Audited Accounts of the Company for the year ended December 31, 2019 as remuneration for their services as Directors, be and is hereby approved.

The Resolution was proposed by Livingston Young and seconded by Ms. Beverly Gustav, and was passed by majority, with 1 person present in person voting against and all others approving, and with 31 online votes cast in favour of the Resolution and 1 against.

Resolution No. 5 – Appointment of Auditors

The Chairman invited a motion for the approval of RESOLUTION No. 5:

“THAT KPMG, Chartered Accountants, having signified their willingness to continue in office as Auditors, be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting, at a remuneration to be agreed with the Directors.”

The Resolution was proposed by Livingston Young and seconded by Mrs. Anatol Clark Allwood, and was passed unanimously by those present in person and those voting online.

Special Resolution - Amendment to the Articles of the Company

The Chairman invited a motion for the approval of the following Resolution as a SPECIAL RESOLUTION, noting that a proposal is being made to amend the Articles of Incorporation to make provision for electronic participation in AGMs in the event that unforeseen circumstances prevent holding of AGMs in the usual way, such as has occurred with COVID-19, and noting that while special permission was obtained from the Supreme Court for the holding of this AGM, that permission does not extend to subsequent years:

“THAT the Articles of Incorporation of the Company be and are hereby amended by inserting new Articles numbered **6A, 56A, 56B** and **59A**, replacing Article **75** in its entirety and amending **Article 147 and 149**, to provide as follows:

“6A. In these Articles of Incorporation “electronic means” means *via* electronic and/or telephonic facilities or platforms; and “live stream or broadcast” means transmission and reception of live video and audio coverage.

Where in these Articles it is provided that members may attend a meeting of the company by electronic means or by way of live stream or broadcast, the relevant computer programme or software (including webcasting,

videoconferencing, teleconferencing, a combination of those and/or other electronic platforms) must allow members access to see and hear the proceedings; ask questions; vote electronically (including before and during the meeting and by proxy); and in all respects fully participate and exercise such rights, subject to the Chairman's directions for the orderly conduct of the meeting.

“56A. The Company may hold its annual general meeting or any extraordinary general meeting in any of the following manners:

- (a)** members present at the same physical venue; or
- (b)** members present at a physical venue together with members in attendance by electronic means, or with a live stream or broadcast of the meeting; or
- (c)** members in attendance entirely by electronic means or, with a live stream or broadcast of the meeting.”

“56B. Any failure of technology or any failure or inability of a member to remain in any meeting convened in accordance with Article 56A shall not invalidate any resolutions passed or proceedings taken at such meeting provided that a quorum is present at all times.”

“59A. Notice of the meeting as well as copies of the documents referred to in Article 143 may be sent by electronic mail, prepaid mail, posting links to access the documents via the Company's website and/or such other websites available to Public Companies from time to time for the dissemination of information.”

“75. All votes may be given either personally or by proxy or by the established electronic means (as communicated through the relevant notices to include e-mail instructions and any other electronic means of instructions for any such meeting) but no member shall be entitled to appoint more than one proxy to attend on the same occasion.”

“145. A notice may be served by the Company upon any member either personally or by electronic mail at the email address supplied by him for the purpose of sending notices or by sending it through the post addressed to such member at his registered address supplied by him to the Company for the giving of notice to him or by advertisement in a daily newspaper circulating in Jamaica or by publishing such notice on the Company's website and/or such other websites available to Public Companies from time to time for the dissemination of information.”

“149. Any notice, if sent by email, shall be deemed to be received twenty-four hours after it has been sent by the Company. Any notice, if sent by post, shall be deemed to have been served at the expiration of forty-eight hours after same shall have been posted; and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and stamped and put into the Post Office or into any post box subject to the control of the Postmaster General. Notice published in a daily newspaper shall be deemed to be served on the date of publication. In the case of publication on the Company’s website or such other websites available to Public Companies from time to time for the dissemination of information notice shall be deemed to be served on the date on which the notice is published on such website.”

The Resolution was moved by Mr. Livingston Young, and Mrs. Clark Allwood expressed concern regarding the deemed date of service of notice of shareholders’ meetings by post. The Company Secretary assured her that multiple methods will be used in an effort to reach shareholders, but Mrs. Clark Allwood expressed the view that 48 hours is not a credible timeline for deemed service of notice of shareholders’ meetings by post.

The Resolution was seconded by Mr. Arthur Ellison. Two (2) persons who were present in person voted against the Resolution, and all other persons present in person voted in favour, while four (4) persons voting online voted against the Resolution, and 29 persons voting online voted in favour.

For clarification the Chair reminded shareholders that the deemed date of service of the notice of shareholders’ meetings raised by Mrs. Clark Allwood will not affect the required notice period of 21 days for AGM.

VII. ANY OTHER BUSINESS

The following additional matters were discussed:

Use of cryptocurrency

In response to a question from Mrs. Clark Allwood concerning whether active consideration was being given to use of cryptocurrency, the Chair advised that all asset classes are considered, though there was no guarantee that all will be adopted. Mrs. Clark Allwood urged the exercise of caution in relation to cryptocurrency. The Group President and CEO advised that the Central Bank had indicated willingness to consider Central Bank Digital Currencies, and providers have been invited to provide proposals, and will operate within a regulated fintech sandbox to guide development of that area.

Mrs. Clark Allwood also thanked the Board and Management Team for the thoughtful gifts to shareholders and the availability of the Minutes of the last AGM.

Board composition

Mrs. Clark Allwood enquired when the gender balance on the Board will be improved or addressed. The Chair advised that Board composition was constantly reviewed, and while gender balance was one of the factors considered in reviewing membership, the overwhelming consideration is the balance of skill and expertise required. He noted that the VMIL Board was 18% female, while the international benchmark is 20%.

Abbreviations in Annual Report

Mrs. Clark Allwood suggested that a table be included in future Reports for abbreviations such as GDP.

Dividends

Mr. Livingston Young requested that consideration be given to an increase in dividends and payment of quarterly dividends. The Chair advised that dividends are given due consideration each quarter based on a number of factors, including current and immediate future circumstance.

Financial Statements

Mr. Young sought explanations regarding cash and cash equivalents for the Company and Group and related party transactions, and interest reflected for associated company. The Chair explained meaning of these terms.

Data Breaches

Justin Scott and David Rose (online participants) enquired regarding steps taken to prevent further data breaches. Mr. Burchenson advised that the measures taken centered around people, process, and technology, and took the form of training, revision of processes, and deployment of technology such as data loss prevention tools. He also advised that at the VMBS Group level, the Board intends to form an IT Sub-Committee to give greater oversight in relation to such matters.

Raising Capital

In response to questions from David Rose and Steven Jackson, the Chair confirmed that it was possible that the Group will seek to raise funds in order

to acquire undervalued assets locally or regionally. The Chair also advised that the Board was mindful of the level of capital in the business, and will indicate at the appropriate time when more capital is needed, and will assess when a raise of capital will be most likely to succeed.

Leadership Team Photographs

Mr. Staple requested that Mr. Burchenson's photograph be included among those for the Leadership Team in future Reports.

Income Tax

Mr. Staple sought an explanation for the reflection of 2 rates on income tax in the Financial Statements. He was advised that for regulated entities such as VMWM, the income tax rate was 33.33%, which for unregulated entities such as VMIL, the income tax rate was 25%. VMWM and VMIL each paid tax on their respective income, at their respective tax rates.

Carilend

In response to questions from Messrs. Arthur Ellison and Livingston Young, the Chair advised that while there was currently no plan to integrate Carilend's operations into VMIL or for Carilend to list on the JSE, the Carilend partnership provided an opportunity to use Carilend's platform as a more efficient delivery mechanism for VMBS's consumer loans.

TERMINATION

The meeting was terminated at 4:48 p.m. Attendees were invited to partake of refreshments while adhering to the physical distancing guidelines.


Chairman

23/9/20
Date

APPENDIX
QUESTION & ANSWER SESSION

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of the Shareholders of Victoria Mutual Investments Limited
Held on Monday, July 27, 2020 at 2:00 p.m.
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Livingston Young – commended on growth in share price and sought clarification on the Credit Risk Note and meaning of ECL (expected credit loss). Mr. Nigel Chambers of KPMG explained.

Michael Hendricks - sought explanation for the significant increase in legal and other professional fees. Mr. Burchenson advised that the increase was due to capital market transactions. Attorneys are engaged in these transactions and the fees paid last year increased due to increased levels of that activity last year.

Orrette Staple – congratulated Board and Team for good financial results and exceptional customer service; commended MD&A on being very informative.

Question: How do you plan to reduce uncertainty of currency risk?

Answer: VMIL is in the business of planning for uncertainty and risk management; the aim is not to eliminate risks, but to ensure that the business understands them and can help clients build resiliency in response.

Question to the Auditor: In relation to valuation of investments, what are the observable inputs, and why are so many judgments and assumptions required?

Answer: If assets include holdings of instruments that do not have a listed price, an assumption has to be made based on information available for similar instruments to approximate the fair value of that instrument; involves judgement re risk rating and comparable instruments that can be used as a proxy

Comments - Staff costs were up from \$349.1M to \$518M; compensation to all directors was \$6.7M with an additional retainer of \$1.7M for Chairman. These are unacceptable and demonstrate unfairness by Management and Directors in use and abuse of funds.

Response by Chair re Directors' fees: Directors have not had an increase in fees since 2015. The fees reflect that an increased number of meetings were held in 2019.

The fee structure for directors is in keeping with international best practice; directors are paid a retainer and per-meeting fees, because much work is done other than at meetings. **Response by CEO re staff costs:** Staff is the core asset needed to grow the business, and the importance of finding ways to attract, developing and retaining people to maintain the business in a very competitive environment cannot be overstated. The comment is surprising in light of the delivery of performance in 2019, particularly as revenues grew more significantly than staff costs.

Mr. Staple commended the profit ratio performance in 2019 when compared to 2018, and expressed hope for continued good performance in 2020.

Justin Scott (online participant)

Question: How long before Carilend can be integrated?

Answer: Carilend is intended to stand on its own as a distinct offering with VMIL directors providing oversight; while technology and market intelligence and board skills will be shared, there is no plan to absorb Carilend into VMIL at this time.

David Rose (online participant – Social Media Platform)

Question: How does Group plan to become more attractive in fundraising on the equity market?

Answer: VMWM has stepped forward and executed on a number of transactions without having to offer zero listing fees. The business is getting its fair share of transactions, and is competitive, even as each line of business is built out to bring additional revenue and strength for the future.

Mr. Michael Hendricks

Question: Were the bonds issued for \$500m in 2019 (referred to on p 129 of the Annual Report) well received and what accounted for difference in the interest rates?

Answer: The collateral structure for each bond was different, and the bonds were well received. The business continues to operate in that space based on the goodwill of the brand.

Mr. Hendricks sought clarification regarding the loan receivables reflected in the account. Management clarified that these are simply monies that are owed and are being collected; it is not a reflection of bad debt, and there is no impairment of these loans.

Mrs. Anatol A.L. Clark Allwood – expressed appreciation for the Leadership of the business.

Question: Is there a trend that allows for more definitiveness rather than making so many assumptions?

Answer: Unless there is a quoted price for an asset, assumptions have to be made and judgment will have to be used. This principle is inherent in the Financial Services business where assets are held in respect of which the value is not quoted. In this context, there is enough information available regarding risk and value to allow reasonable estimates, but they are just estimates.

Hannarine Bowen (online participant)

Question: What is the expected timeline for release of the online platform?

Answer: 2020

Mrs. Anatol A.L. Clark Allwood

Question: What is the legal implication of statement on page 77 of the Annual Report regarding expected losses?

Answer: The business has to make an assumption about expected credit loss from the beginning of a relationship and provide for that expected loss from day 1.