

CAYMAN ISLANDS CHAMBER OF COMMERCE PENSION PLAN

FINANCIAL STATEMENTS

JUNE 30, 2016

CAYMAN ISLANDS CHAMBER OF COMMERCE PENSION PLAN

JUNE 30, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Trustees, solely in their capacity as the trustees of the
Cayman Islands Chamber of Commerce Pension Plan

We have audited the accompanying financial statements of the Chamber of Commerce Pension Plan (the "Plan"), on pages 2 through 28 which comprise the Statement of Financial Position as at June 30, 2016 and the Statements of Comprehensive Income, Changes in Net Assets Available to Participants for Their Benefits and Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Trustee's responsibility for the financial statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 control 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 control. 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 financial statements present fairly, in all material respects, the financial position of the Plan as at June 30, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive, stylized font.

November 7, 2016

Cayman Islands Chamber of Commerce Pension Plan

STATEMENT OF FINANCIAL POSITION

As at June 30, 2016

(Expressed in Cayman Islands dollars)

	2016	2015
ASSETS		
Cash and cash equivalents	\$ 9,805,252	\$ 9,595,178
Receivable for securities sold	807,261	130,676
Accrued interest receivable	1,106,732	868,758
Accrued dividends receivable	181,742	70,400
Financial assets, at fair value through profit or loss (Note 3)	299,449,988	298,320,000
Total assets	311,350,975	308,985,012
LIABILITIES		
Payable for securities purchased	1,342,552	1,214,787
Benefits payable	3,071,570	3,680,285
Account payables (Note 4)	1,006,059	870,790
Accrued interest payable	-	7,700
Total liabilities (excluding net assets available to participants for their benefits)	5,420,181	5,773,562
NET ASSETS AVAILABLE TO PARTICIPANTS FOR THEIR BENEFITS (NOTE 9 and 14)	\$ 305,930,794	\$ 303,211,450

Approved for issuance on behalf of the Cayman Islands Chamber of Commerce Pension Plan's Board of Trustees by:

Paul Schreiner

Trustee

Nicole Makin

Trustee

November 7, 2016

Date

The accompanying notes are an integral part of these financial statements

Cayman Islands Chamber of Commerce Pension Plan

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2016

(Expressed in Cayman Islands dollars)

	2016	2015
Revenue		
Interest income	\$ 3,800,580	\$ 3,433,175
Dividend income	2,319,633	2,374,680
Net realised (loss)/gain on financial assets at fair value through profit or loss	(3,128,339)	10,381,198
Net realised gain/(loss) on foreign currency transactions	28,893	(60,500)
Net change in unrealised loss on financial assets at fair value through profit or loss	(7,946,488)	(4,622,755)
Net change in unrealised loss on other assets and liabilities denominated in foreign currencies	(9,636)	(376)
Total revenue	(4,935,357)	11,505,422
Expenses		
Administration and custody fees (Note 6)	1,678,751	1,789,619
Investment management fees (Note 7)	1,175,563	1,200,169
Consultancy fees (Note 8)	189,186	79,804
Salary and benefits	127,355	103,716
Plan Registration Fees (Note 15)	325,640	316,940
Trustees liability insurance expense	7,512	7,137
Other expenses	311,919	129,369
Printing and communication costs	12,428	13,484
Total operating expenses	3,828,354	3,640,238
Operating (loss)/profit	(8,763,711)	7,865,184
Withholding tax on dividends	(481,571)	(528,702)
Net (decrease)/increase in net assets from operations available to participants for their benefits	\$ (9,245,282)	\$ 7,336,482

The accompanying notes are an integral part of these financial statements

Cayman Islands Chamber of Commerce Pension Plan

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE TO PARTICIPANTS FOR THEIR BENEFITS

For the year ended June 30, 2016

(Expressed in Cayman Islands dollars)

	2016	2015
Net (decrease)/increase in net assets from operations available to participants for their benefits	\$ (9,245,282)	\$ 7,336,482
Contributions and transfers in		
Employers and self-employed participants - contributions	13,285,349	12,095,593
Employers and self-employed participants - transfers in	749,308	484,543
Employees and voluntary participants – contributions	14,104,355	12,837,767
Employees and voluntary participants - transfers in	848,216	531,182
Total contributions and transfers in	28,987,228	25,949,085
Benefit payments and transfers out		
Benefits paid to participants (Note 5)	(14,329,667)	(12,522,141)
Amounts transferred out	(2,692,935)	(4,014,384)
Total benefit payments and transfers out	(17,022,602)	(16,536,525)
Net increase in net assets available to participants for their benefits	2,719,344	16,749,042
Net assets available to participants for their benefits at beginning of year	303,211,450	286,462,408
Net assets available to participants for their benefits at end of year	\$ 305,930,794	\$ 303,211,450

The accompanying notes are an integral part of these financial statements

Cayman Islands Chamber of Commerce Pension Plan

STATEMENT OF CASH FLOWS

For the year ended June 30, 2016

(Expressed in Cayman Islands dollars)

	2016	2015
Cash flows from operating activities		
Interest received	\$ 3,562,606	\$ 3,259,174
Dividends received	2,208,291	2,467,589
Administration and custody fees paid	(1,922,669)	(1,797,023)
Investment management fees paid	(1,166,189)	(1,270,814)
Printing and advertising costs paid	(12,428)	(74,936)
Trustee liability insurance	(7,512)	(7,137)
Other expenses paid	(226,342)	(371,426)
Consultancy fees paid	(189,186)	(79,804)
Plan Registration fees paid	(325,640)	(316,940)
Salary and benefits paid	(127,355)	(103,716)
Withholding taxes paid	(481,571)	(528,702)
Net cash provided by operating activities	1,312,005	1,176,265
Cash flows from investing activities		
Purchase of investments	(192,863,735)	(198,373,300)
Proceeds from sale and maturity of investments	180,394,805	188,898,932
Net realised loss on foreign currency transactions	28,892	(60,500)
Net cash used in investing activities	(12,440,038)	(9,534,868)
Cash flows from financing activities		
Contributions and amounts transferred in from employers and self-employed participants	14,066,294	12,580,136
Contributions and amounts transferred in from employees and voluntary participants	14,984,208	13,368,949
Benefit payments and transfers paid out	(17,694,592)	(16,200,649)
Net cash provided by financing activities	11,355,910	9,748,436
Net increase in cash and cash equivalents	227,877	1,389,833
Unrealised foreign currency (loss)/gain on other assets and liabilities	(17,803)	28,859
Cash and cash equivalents at beginning of year	9,595,178	8,176,486
Cash and cash equivalents at end of year	\$ 9,805,252	\$ 9,595,178

The accompanying notes are an integral part of these financial statements

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

1. Introduction and background information

The Cayman Islands Chamber of Commerce Pension Plan (the "Plan") was established under the laws of the Cayman Islands by a Declaration of Trust (the "Trust Deed") on May 12, 1992 as amended by a Deed of Amendment dated October 21, 1999 and further amended by a Deed of Amendment dated February 6, 2015 as a membership controlled, private sector operated Trust Fund to enable all Caymanians and other residents to participate in a properly structured and efficiently managed retirement plan.

The Plan's registration number is OSP4/03/0031. The Plan's reporting currency is the Cayman Islands dollar ("KYD"). As at June 30, 2016, the Plan has one employee. The registered office of the Plan is P.O. Box 1000, Grand Cayman, KY1-1102.

The following description of the Plan provides only general information. Participants should refer to the Trust Deed for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution pension plan and is available to all Caymanians and residents who either work for an employer that elects to participate in the Plan or are self-employed. At June 30, 2016, there were approximately 17,379 participants in the Plan (2015: 16,308). The Plan is subject to the provisions of the National Pensions Law of the Cayman Islands, which became effective on June 1, 1998 (the "Pensions Law"). The Plan is divided into units applicable to each Lifecycle Fund.

Effective November 1, 2006, the Plan launched its Lifecycle Funds. The Lifecycle Funds available under the Plan contain a mix of investments linked to a specific target retirement year and each target retirement year corresponds to a specific investment time horizon. The risk profile of each Lifecycle Fund reflects the Lifecycle Fund's expected time horizon and the participants expected retirement dates, according to the Pensions Law. Lifecycle Funds reflect the participants' changing needs throughout the participants' working life by automatically adjusting the combination of assets invested based on age to reflect evolving investment needs and goals. The assets attributable to any one Lifecycle Fund are subject to the general creditors of the Plan, or another Lifecycle Fund. The Lifecycle Funds available to members at June 30, 2016 are as follows:

- Chamber 2055 *
- Chamber 2045
- Chamber 2035
- Chamber 2025
- Chamber 2015 **
- Chamber Income

* Effective January 1, 2016, the 2055 Fund was added to the Lifecycle Funds

** Effective January 1, 2016, the 2015 Fund was rolled into Chamber Income fund

The Lifecycle Funds available to members at June 30, 2015 are as follows:

- Chamber 2045
- Chamber 2035
- Chamber 2025
- Chamber 2015
- Chamber Income

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

1. Introduction and background information (continued)

The target investment mix of each of the Lifecycle Funds at June 30, 2016 is as follows:

Chamber 2055 - 90.0% equity investments, 10% fixed income investments
Chamber 2045 - 75.0% equity investments, 25.0% fixed income investments
Chamber 2035 - 62.9% equity investments, 37.1% fixed income investments
Chamber 2025 - 48.7% equity investments, 51.3% fixed income investments
Chamber Income - 25.0% equity investments, 75% fixed income investments

The target investment mix of each of the Lifecycle Funds at June 30, 2015 was as follows:

Chamber 2045 - 76.7% equity investments, 23.3% fixed income investments
Chamber 2035 - 64.8% equity investments, 35.2% fixed income investments
Chamber 2025 - 51.1% equity investments, 48.9% fixed income investments
Chamber 2015 - 28.3% equity investments, 71.7% fixed income investments
Chamber Income - 25.0% equity investments, 75% fixed income investments

Contributions and transfers in

If an employer is a contributor, then the normal contribution rate is 10% of the employee's earnings (up to the maximum pensionable earnings), typically, being borne equally by the employee and employer, but not to be greater than 5% by the employee. Contributions in excess of 10% or in excess of \$6,000 per year based on maximum pension earnings of \$60,000 are considered voluntary. The normal contribution rate for self-employed participants is 10% of the participant's earnings.

Participant Accounts

Each participant's account is credited with the contributions received in respect of that participant which are applied to the purchase of units in the Plan. These units are calculated by dividing each participant's contributions by the unit value of the participant's Lifecycle Fund. The unit value is formally calculated by the administrator of the Plan (see Note 6) as of the last business day of each month (the "valuation date"). The value of any benefits paid to a participant or his/her beneficiaries is deducted from the participant's account.

Payment of benefits and transfers out

On retirement, the units allocated to each participant can be released by the Trustees and the participant's account applied in the purchase of a fully paid up life annuity and/or other prescribed retirement savings arrangement(s). In certain circumstances the participant may receive the value of his/her units as a lump sum payment. The above outcomes must be approved by the Superintendent of Pensions.

Participants whose membership is transferred to another pension plan may elect to transfer the balance of their account to that pension plan.

Those members that cease Cayman Islands residency may elect, after the expiry of a two-year waiting period from termination of their employment, to have the units allocated to their account realised by the Trustees and to withdraw the cash.

The Cayman Islands National Pensions Law was amended November 8, 2011 to allow qualified pension members to withdraw up to KYD\$35,000 from their pension plan to purchase a home, construct a home, pay off an existing mortgage or purchase a parcel of residential land. During the year, approximately \$1,745,209 (2015: \$1,306,177) was withdrawn in relation to this amendment (Note 5).

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

1. Introduction and background information (continued)

Investment policy

The Trustees have entered into an agreement with the investment managers (see Note 7), which give the managers full discretion in selecting investments for the Plan in accordance with the Regulations of the Pensions Law, except for the Vanguard Global Stock Index Fund, which is a non-discretionary index fund.

The Plan may invest in such shares, securities, or other investments wherever situated as permitted by the Pensions Law. The investment objective of the Plan is to achieve maximum return for minimum risk and to that end investments are diversified as far as is reasonably practical to ensure that risk is not unduly concentrated in any one type of investment, area or currency, other than investment in United States dollar denominated securities. The Plan is invested primarily for long term growth and the United States dollar is the primary currency of investment, although up to 30% of the Plan's assets may be invested in securities denominated in other currencies.

2. Significant accounting policies

The financial statements of the Plan have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related results. It also requires the Trustees to exercise judgment in the process of applying the Plan's accounting policies.

All references to net assets throughout this document refer to net assets attributable to participants for their benefits unless otherwise stated. Net assets per unit information as disclosed in Note 14 has been determined as total assets less liabilities divided by the number of outstanding units for each Lifecycle Fund.

New standards, amendments and interpretations effective during the year

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning July 1, 2015 that had a material impact on the Plan.

New standards, amendments and interpretations issued but not effective for the financial year beginning July 1, 2016 and not early adopted

A number of new standards, amendments to the standards and interpretations are effective for annual periods beginning after July 1, 2016, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Plan.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

2. Significant accounting policies (continued)

The significant accounting policies of the Plan are as follows:

Financial assets, at fair value through profit or loss: The Plan's investments are considered trading securities and consequently its investment securities have been classified as financial assets or liabilities at fair value through profit or loss. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value, which is considered the cost basis of the security. Securities that are traded on recognised securities exchanges are valued by reference to quotations provided by the market on which the securities are traded on the last day of trading in the period.

Securities that are not traded on recognised securities exchanges are valued by reference to price quotations furnished by investment services firms (such as brokers, dealers, or other entities). Investments in open-ended funds are valued based on the share price as determined by the administrators of those entities in accordance with industry practice.

Investments are accounted for on the trade date basis (the date the order is executed). Realised and unrealised gains and losses are calculated on an average cost basis and are recognised in the statement of comprehensive income in the period in which they arise. Transaction costs are expensed as incurred and included as a component of realised and unrealised gains and losses in the statement of comprehensive income.

Financial assets and financial liabilities at fair value through profit or loss are those that are managed and their performance evaluated on a fair value basis in accordance with the Plan's documented investment strategy. The Plan's policy is for the Trustees to evaluate the information about these financial assets and liabilities on a fair value basis, together with other related financial information, for the purposes of making investment management decisions.

IFRS 13 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

Level 1: Quoted priced (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

2. Significant accounting policies (continued)

Interest income: Interest income is accounted for using the effective interest method.

Dividend income: Dividend income is recognised at the time the income becomes receivable (the "ex-dividend" date).

Contributions and transfers in: Contributions and transfers in are accounted for as the cash is received by the administrator.

Benefit payments and transfers out: Benefit payments and transfers out are accounted for on the accrual basis.

Expenses: Expenses are accounted for on the accrual basis.

Foreign currencies: Transactions in foreign currencies are translated at the rate of exchange prevailing at the date of the transaction. Assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at the valuation date. The Plan does not isolate the effect of changes in foreign exchange rates from fluctuations arising from changes in the market prices of investments held at year end.

Similarly, the Plan does not isolate the effect of changes in foreign exchange rates from fluctuations arising from changes in the market prices of investments sold during the year. Accordingly, realised and unrealised foreign currency gains (losses) on investments are included in the reported net realised and unrealised gains (losses) on investments in the statement of comprehensive income.

Functional and presentation currency: Items included in the Plan's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Cayman Islands dollar ("KYD"), which is pegged to the United States dollar ("USD") at the rate of KYD. \$0.8333 = U.S. \$1.00. In addition, the Plan has adopted the Cayman Islands dollar as its presentation currency.

Cash and cash equivalents: For the purposes of the statement of cash flows, cash and cash equivalents consist of bank balances on demand and at short notice with original maturities of three months or less.

3. Financial assets at fair value through profit or loss

At June 30, 2016 and 2015, the Plan's portfolio of investments comprised the following:

	2016		2015	
	Fair value	Cost	Fair value	Cost
Equities, warrants and rights	\$ 107,220,560	\$ 99,035,549	\$ 119,257,137	\$ 103,214,212
Fixed income	141,930,078	140,159,732	127,401,280	128,058,490
Vanguard investment Series plc - Global Stock Index Fund *	50,299,350	39,323,737	51,661,583	38,170,310
Total	\$ 299,449,988	\$ 278,519,018	\$ 298,320,000	\$ 269,443,012

* At June 30, 2016 and 2015, the Plan invested in a daily traded open ended fund, Vanguard Investment Series plc – Global Stock Index Fund - ("Vanguard"), that seeks to provide long term growth of capital by tracking the performance of the MSCI World Index which measures the investment return of stocks of companies located in developed markets around the world. The fund is incorporated in Ireland. The Plan's holding in Vanguard, as a percentage of Vanguard's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Vanguard fund level. It is possible that the Plan may, at any point in time, hold a majority of Vanguard's total units in issue.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

3. Financial assets at fair value through profit or loss (continued)

At June 30, 2016 and 2015, the Plan held the following equity investments (investments where either cost or value exceeds 1% of the Plan's net assets are presented individually):

	Fair value 2016	Fair value 2015	% of net assets 2016	% of net assets 2015
Australian Dollar				
Consumer goods	\$ 168,550	\$ -	0.06%	-
Financial	-	768,603	-	0.25%
Brazilian Real				
Materials	469,747	-	0.15%	-
British Pound				
Consumer goods	3,298,705	1,844,890	1.08%	0.61%
Financial	-	603,930	-	0.20%
Communication	3,326,457	3,216,162	1.09%	1.06%
Materials	-	1,089,044	-	0.36%
Canadian Dollar				
Materials	876,664	-	0.29%	-
Consumer	722,654	1,535,300	0.24%	0.51%
Technology	-	1,071,300	-	0.35%
Danish Krone				
Consumer	-	1,497,409	-	0.49%
Euro				
Consumer goods	5,314,217	9,598,861	1.74%	3.17%
Industrial	3,506,326	4,587,633	1.15%	1.51%
Communications	560,177	-	0.18%	-
Financial	1,067,010	1,896,596	0.35%	0.63%
Materials	1,103,744	-	0.36%	-
Technology	-	604,579	-	0.20%
Energy	650,225	-	0.21%	-
Utilities	1,499,308	-	0.49%	-
Hong Kong Dollar				
Communications	-	549,497	-	0.18%
Consumer goods	865,957	316,696	0.28%	0.10%
Financial	1,929,707	1,952,948	0.63%	0.64%
Diversified	207,054	-	0.07%	-

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

3. Financial assets at fair value through profit or loss (continued)

	Fair value 2016	Fair value 2015	% of net assets 2016	% of net assets 2015
Indonesia Rupiah				
Communication	568,514	-	0.19%	-
Israeli New Shekel				
Communications	337,266	976,893	0.11%	0.32%
Japanese Yen				
Financial	838,501	1,982,417	0.27%	0.65%
Consumer goods	1,318,783	1,285,392	0.43%	0.42%
Industrial	852,616	914,762	0.28%	0.30%
Communications	798,450	-	0.26%	-
Mexican pesos				
Industrial	646,002	-	0.21%	-
Norwegian Kroner				
Materials	-	471,801	-	0.16%
Consumer goods	588,653	-	0.19%	-
Philippine Peso				
Finance	-	553,764	-	0.18%
Republic of Korea Won				
Technology	-	537,543	-	0.18%
Utilities	532,669	-	0.17%	-
Industrial	293,392	-	0.10%	-
Singapore dollar				
Consumer goods	690,945	-	0.23%	-
South African Rand				
Financial	547,713	949,167	0.18%	0.31%
Swedish Kroner				
Finance	-	564,512	-	0.19%
Consumer	492,499	-	0.16%	-
Swiss Franc				
Consumer goods	1,373,910	2,745,079	0.45%	0.91%
Taiwan Dollar				
Industrial	-	676,776	-	0.22%

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

3. Financial assets at fair value through profit or loss (continued)

	Fair value 2016	Fair value 2015	% of net assets 2016	% of net assets 2015
United States Dollar				
Consumer goods	-	28,624,568	-	9.44%
Unitedhealth Group Inc.	3,523,764	-	1.15%	0.00%
Others	25,418,130	-	8.31%	0.00%
Financial	3,140,209	14,061,860	1.03%	4.64%
Technology	12,704,249	14,855,071	4.15%	4.90%
Materials	1,347,565	-	0.44%	-
Communication				
Alphabet INC- CL C	3,583,924	-	1.17%	0.00%
Others	9,617,370	7,890,761	3.14%	2.60%
Energy	2,166,746	4,636,234	0.71%	1.53%
Industrial	6,945,184	6,397,089	2.27%	2.11%
Utilities	3,327,004	-	1.09%	0.00%
	\$ 107,220,560	\$ 119,257,137	35.07%	39.32%

At June 30, 2016, the Plan held the following fixed income investments (investments where either cost or value exceeds 1% of the Plan's net assets are presented individually):

Nominal Amount	US Dollar Denominated bonds	Fair Value	% of net assets
	Other	141,930,078	46.39%
	Total Bonds (cost \$140,159,732)	\$ 141,930,078	46.39%

At June 30, 2015, the Plan held the following fixed income investments (investments where either cost or value exceeds 1% of the Plan's net assets are presented individually):

Nominal Amount	US Dollar Denominated bonds	Fair Value	% of net assets
6,071,000	US TREASURY N/B 0.875% 04/15/17	\$ 5,085,648	1.68%
4,373,000	US TREASURY N/B 1.375% 03/31/20	3,605,732	1.19%
	Other	118,709,900	39.16%
	Total Bonds (cost \$128,058,490)	\$ 127,401,280	42.03%

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

3. Financial assets at fair value through profit or loss (continued)

At June 30, 2016, the Plan's investments have been classified as follows:

	Level 1	Level 2	Level 3	Total
Equities, warrants and rights	\$ 107,220,560	\$ -	\$ -	\$ 107,220,560
Fixed income*	-	141,930,078	-	141,930,078
Vanguard investment Series plc - Global Stock Index Fund	-	50,299,350	-	50,299,350
Financial assets at fair value through profit or loss	\$ 107,220,560	\$ 192,229,428	\$ -	\$ 299,449,988

At June 30, 2015, the Plan's investments have been classified as follows:

	Level 1	Level 2	Level 3	Total
Equities and warrants	\$ 119,257,137	\$ -	\$ -	\$ 119,257,137
Fixed income*	-	127,401,280	-	127,401,280
Vanguard investment Series plc - Global Stock Index Fund	-	51,661,583	-	51,661,583
Financial assets at fair value through profit or loss	\$ 119,257,137	\$ 179,062,863	\$ -	\$ 298,320,000

*Included in Fixed Income is \$15,508,418 (2015: \$16,485,610) of US Securities and Exchange Commission Rule 144A restricted securities.

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and certain non-US sovereign obligations. The Plan does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds and certain non-US sovereign obligations, US government treasury bills, listed equities, and open ended mutual funds. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include private equity and corporate debt securities. As observable prices are not available for these securities, the Plan uses valuation techniques to derive the fair value. At June 30, 2016 and 2015 the Plan did not hold any investments classified in level 3.

Transfers between levels of the fair value hierarchy, for the purposes of preparing the tables above and below are deemed to have occurred at the date of the event or change in circumstances that caused the transfer. There were no transfers between levels 1 and 2 during the year ended June 30, 2016 and 2015. No securities were categorized in Level 3 during the year.

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3. Financial assets at fair value through profit or loss (continued)

The following table analyses within the fair value hierarchy the Plan's assets and liabilities (by class) not measured at fair value at June 30, 2016 and 2015 but for which fair value is disclosed.

June 30, 2016	Level 1	Level 2	Level 3	Total balance
Assets				
Cash and cash equivalents	\$ 9,805,252	\$ -	\$ -	\$ 9,805,252
Receivable for securities sold	-	807,261	-	807,261
Accrued interest receivable	-	1,106,732	-	1,106,732
Accrued dividends receivable	-	181,742	-	181,742
Total	9,805,252	2,095,735	-	11,900,987
Liabilities				
Payable for securities purchased	-	1,342,552	-	1,342,552
Benefits payable	-	3,071,570	-	3,071,570
Account payables	-	1,006,059	-	1,006,059
Total	\$ -	\$ 5,420,182	\$ -	\$ 5,420,182

June 30, 2015	Level 1	Level 2	Level 3	Total balance
Assets				
Cash and cash equivalents	\$ 9,595,178	\$ -	\$ -	\$ 9,595,178
Receivable for securities sold	-	130,676	-	130,676
Accrued interest receivable	-	868,758	-	868,758
Accrued dividends receivable	-	70,400	-	70,400
Total	9,595,178	1,069,834	-	10,665,012
Liabilities				
Payable for securities purchased	-	1,214,787	-	1,214,787
Benefits payable	-	3,680,285	-	3,680,285
Account payables	-	870,790	-	870,790
Accrued interest payable	-	7,700	-	7,700
Total	\$ -	\$ 5,773,562	\$ -	\$ 5,773,562

The assets and liabilities included in the above tables are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

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4. Accounts payable

	2016	2015
Other expenses	\$ 271,532	\$ 287,577
Investment management fees	297,224	287,850
Administration and custody fees	414,531	294,391
Directors fees	21,064	-
Commissions	1,708	972
Total accounts payable	\$ 1,006,059	\$ 870,790

5. Benefit payments

	2016	2015
Termination of residence	\$ 7,037,056	\$ 6,666,902
Retirement	5,181,893	4,322,098
Death and medical	365,509	226,964
Housing	1,745,209	1,306,177
Total benefit payments	\$ 14,329,667	\$ 12,522,141

6. Administration and custody fees

Effective March 1, 2006, the Plan entered into an Amended and Restated Administrative Services Agreement, whereby MUFG Fund Services (Cayman) Limited ("MUFG"), previously named Butterfield Fulcrum Group, provides member administration services to the Plan.

The Amended and Restated Administrative Services Agreement provides for an all-inclusive fee, calculated on a monthly basis on the month-end net assets available to participants of the Plan. Effective July 1, 2015, the all-inclusive fee is calculated at the following revised rates:

- i) 0.575% per annum on the first CI\$200,000,000
- ii) 0.30% per annum between CI\$200,000,000 and CI\$300,000,000
- iii) 0.20% per annum between CI\$300,000,000 and CI\$400,000,000
- iv) 0.15% per annum over CI\$400,000,000.

As at June 30, 2015, the annual rates were as follows:

- i) 0.75% per annum on the first CI\$50,000,000
- ii) 0.60% per annum between CI\$50,000,000 and CI\$100,000,000
- iii) 0.50% per annum between CI\$100,000,000 and CI\$150,000,000
- iv) 0.45% per annum over CI\$150,000,000.

For its service during the year ended June 30, 2016, MUFG earned fees under this agreement amounting to \$1,444,085 (2015: \$1,577,077).

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6. Administration and custody fees (continued)

Effective October 1, 2012, the Plan entered into a Custody agreement with State Street Bank and Trust Company ("State Street"). For its services State Street earned fees amounting to \$85,371 (2015: \$65,000).

Effective July 1, 2011, the Plan entered into an Administration Agreement with Maples Fund Services (Cayman) Limited ("MaplesFS"), whereby MaplesFS provides Net Asset Value ("NAV") calculation services to the Plan. For these services MaplesFS receives a fee calculated on a monthly basis as a percentage of the month end NAV at the following rates:

Net Asset Value in US\$	Percentage/basis points
First \$500 million	5 bps
\$500 million - \$1 billion	4 bps
Over \$1 billion	3 bps

For the year ending June 30, 2016, MaplesFS earned fees under this agreement amounting to \$149,295 (2015: \$147,542).

7. Investment management fees

Effective February 28, 2006, the Plan entered into a Discretionary Investment Agreement whereby Butterfield Bank (Cayman) Ltd. ("Butterfield Bank"), manages a portion of the fixed income portfolio of the Plan. Effective May 1, 2016, the Plan amended the Discretionary Investment Agreement with Butterfield Bank. The agreement provides for a fee calculated on the total market value of the fixed income portfolio of the Plan, and paid on a quarterly basis. Effective May 1, 2016, the fee is calculated at the following revised rates:

- i) 0.275% per annum on the first US\$25,000,000;
- ii) 0.225% per annum on the balance between US\$25,000,000 and US\$50,000,000;
- iii) 0.20% per annum on the balance

As at June 30, 2015, the annual rates were as follows:

- i) 0.30% per annum on the first US\$25,000,000;
- iii) 0.20% per annum on the balance

For its services during the year ended June 30, 2016, Butterfield Bank earned fees under this agreement amounting to \$116,920 (2015: \$107,895).

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7. Investment management fees (continued)

Effective December 20, 2011 the Plan entered into an Investment Management Agreement with Income Research & Management ("IRM"), whereby IRM manages a portion of the fixed income portfolio of the Plan. The agreement provides for a fee calculated quarterly in arrears based on the average month-end net value of the investment account during the quarter. Effective February 19, 2016, the management fee is calculated at the following revised rates:

- i) 0.27% per annum on the first US\$50,000,000;
- iii) 0.23% per annum on amounts over US\$50,000,000.

As at June 30, 2015, the annual rates were as follows:

- i) 0.30% per annum on the first US\$50,000,000;
- ii) 0.25% per annum on the next US\$25,000,000;
- iii) 0.20% per annum on amounts over US\$75,000,000.

For its services during the year ended June 30, 2016, IRM earned fees under this agreement amounting to \$129,339 (2015: \$128,409).

Effective December 20, 2011 the Plan entered into an Investment Management Agreement with EFG Bank, Cayman Branch ("EFG"), whereby EFG manages a portion of the fixed income portfolio of the Plan. The agreement provides for a fee calculated quarterly in arrears based on the average month-end net value of the investment account. Effective March 1, 2016, the fee is calculated at the following revised rates:

- i) 0.25% per annum on the balance.

As at June 30, 2015, the annual rates were as follows:

- i) 0.30% per annum on the first US\$25,000,000;
- ii) 0.25% per annum on the balance.

For its services during the year ended June 30, 2016, EFG earned fees under this agreement amounting to \$124,683 (2015: \$115,617).

Effective October 30, 2008, the Plan entered into an Investment Agreement with McKinley Capital Management, Inc. ("McKinley"), whereby McKinley manages a portion of the equity portfolio of the Plan. The agreement provides for a fee calculated quarterly in arrears based on the average month-end net value of the investment account during the quarter at the following annual rates:

- i) 0.75% per annum on the first US\$10,000,000;
- ii) 0.65% per annum on the next US\$15,000,000;
- iii) 0.60% per annum on the next US\$25,000,000;
- iv) 0.50% per annum on the next US\$100,000,000;
- v) 0.48% per annum on the next US\$50,000,000 up to US\$200,000,000.

A separate sliding scale with rates of 0.50% to 0.225% is employed for net asset values between US\$200 million and US\$900 million. For net assets in excess of US\$900 million, a sliding scale with rates of 0.35% and 0.32% is employed.

For its services during the year ended June 30, 2016, McKinley earned fees under this agreement amounting to \$352,743 (2015: \$367,158).

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

7. Investment management fees (continued)

Effective September 24, 2010 the Plan entered into an Investment Agreement with Epoch Investment Partners ("Epoch"), whereby Epoch manages a portion of the equity portfolio of the Plan. The agreement provides for a fee calculated quarterly in arrears based on the preceding quarter end net value of the investment account. Effective March 31, 2016, the fee is calculated at the following revised rates:

- i) 0.75% per annum on the first US\$100,000,000;
- ii) 0.65% per annum on the next US\$50,000,000.

As at June 30, 2015, the annual rates were as follows:

- i) 0.85% per annum on the first US\$50,000,000;
- ii) 0.75% per annum on the next US\$50,000,000;

For its services during the year ended June 30, 2016, Epoch earned fees under this agreement amounting to \$451,877 (2015: \$481,090).

The Vanguard Investment Series plc – Global Stock Index Fund ("Vanguard") charges a fixed annual management fee of 0.29% of the net asset value of the institutional shares held by the Plan. The net asset value of Vanguard includes, and is reported, net of such fees. Vanguard's expenses will not exceed, on an annual basis, 1% of the average net asset value of the institutional shares held by the Plan.

Effective June 15, 2010, the Trustees of the Plan entered into a Total Expense Ratio Agreement with the Vanguard Investment Series plc- Global Stock Index Fund which provides for a fee rebate calculated based on the daily gross assets invested in Vanguard and payable monthly in arrears in the form of additional units in Vanguard based on the following schedule:

- i) 0.37% per annum on the first US\$5,000,000
- ii) 0.16% per annum on gross assets in excess of US\$5,000,000

For the year ended June 30, 2016 the Plan received additional units in Vanguard with value of \$39,251 (2015: \$40,095) under the Total Expense Ratio Agreement which results in an effective expense ratio of approximately 0.18% (2015: 0.18%) for the institutional shares held by the Plan.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

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8. Consultancy fees

Effective December 15, 2004, the Trustees of the Plan entered into an agreement with Mercer Investment Consulting, Inc. ("Mercer") under which Mercer was engaged to perform a review of the Plan's investment arrangements as well as to provide ongoing quarterly investment performance evaluation services.

Effective April 12, 2006, the Plan entered into an agreement with Mercer to provide certain marketing and communication services to the Plan.

Effective March 5, 2009, the Plan entered into an agreement with Mercer that updated the scope of services surrounding its ongoing quarterly investment performance evaluation services.

For its services during the year ended June 30, 2016, Mercer earned fees under this agreement amounting to \$189,186 (2015: \$79,804).

9. Unit transactions

Units of the Plan are issued or redeemed on the first business day of each month at a price based on the underlying net asset value of the relevant Lifecycle Fund at the opening of business on that date.

Transactions in units for the year ended June 30, 2016 and 2015 are summarized as follows:

	Chamber 2055	Chamber 2045	Chamber 2035	Chamber 2025	Chamber 2015	Chamber income	Total plan
Outstanding units, at June 30, 2014	-	19,419,968	43,889,205	43,164,167	18,772,508	3,456,429	128,702,277
Issued during the period (contributions and transfers from other plans)	-	3,492,370	3,676,241	3,054,298	1,171,396	183,526	11,577,831
Net transfers	-	845	(26,897)	26,104	17,146	(16,048)	1,150
Redeemed during the period (benefit payments and transfers to other plans)	-	(1,465,181)	(2,383,062)	(1,795,354)	(1,203,557)	(486,479)	(7,333,633)
Outstanding units, at June 30, 2015	-	21,448,002	45,155,487	44,449,215	18,757,493	3,137,428	132,947,625
Issued during the period (contributions and transfers from other plans)	58,986	4,417,128	4,136,690	3,259,412	625,934	713,991	13,212,141
Net transfers	-	(8,214)	25,844	(30,675)	(18,647,013)	17,110,329	(1,549,729)
Redeemed during the period (benefit payments and transfers to other plans)	(674)	(1,358,910)	(2,382,931)	(1,786,160)	(736,414)	(1,306,764)	(7,571,853)
Outstanding units, at June 30, 2016	58,312	24,498,006	46,935,090	45,891,792	-	19,654,984	137,038,184

The Plan's capital is primarily represented by these units. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 11, the Plan endeavors to invest the contributions received from unitholders into appropriate investments while maintaining sufficient liquidity to meet withdrawals.

The net asset values per unit of each of the Lifecycle Funds, at June 30, 2016 and 2015 are disclosed in Note 14.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

10. Plan termination

The Trustees may at any time, with the sanction of an Extraordinary Resolution of the Members in a general meeting and in accordance with the provisions of the Pensions Law, determine that the Plan shall forthwith terminate, and upon termination either:

- a. apply all sums credited to a participant's account to the purchase of a fully paid up life annuity, commencing at the normal retirement date, or other prescribed savings arrangement; or
- b. transfer all sums credited to a participant's account to another pension plan approved by the Trustees for the benefit of the participant.

11. Financial instruments and associated risks

The Plan's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Plan's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Plan's financial performance.

Price risk:

All securities investments present a risk of loss of capital. The investment advisors (Note 7) moderate this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Plan's overall market positions are monitored on a daily basis by the investment advisors. The Plan's equity and trading derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The Plan's market price risk is managed through diversification of the investment portfolio ratios by exposures. The overall market exposures as at June 30, 2016 are presented in Note 3.

At June 30, 2016 and 2015, the Plan's market risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements.

Equity portfolio managed by McKinley (Note 7)

If the MSCI World Growth Net Dividend Index at June 30, 2016 had increased/decreased by 10% with all other variables held constant, this may have increased net assets attributable to unitholders by approximately \$4,826,215 to \$7,902,263 (2015: \$5,656,358 to \$6,675,959) or decreased by \$2,704,802 to 5,780,850 (2015: \$3,095,217 to \$6,615,269).

Equity portfolio managed by Epoch (Note 7)

If the MSCI World Equity Index at June 30, 2016 had increased/decreased by 10% with all other variables held constant, this may have increased/decreased net assets attributable to unitholders by approximately 4,659,930 (2015: \$6,032,360).

Vanguard (Note 7)

If the NAV of the Vanguard Global Stock Index Fund at June 30, 2016 had increased/decreased by 10% with all other variables held constant, this may have increased/decreased net assets attributable to unitholders by approximately \$5,029,935 (2015: \$5,166,158).

The aforementioned analysis excludes the market risk associated with the Plan's fixed income portfolio, which is discussed under "Interest rate risk" below.

Cayman Islands Chamber of Commerce Pension Plan

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(Expressed in Cayman Islands dollars)

11. Financial instruments and associated risks (continued)

Price risk: (continued)

The above investment advisors do not manage the Plan's investments to track any particular index or external benchmark. The sensitivity analysis presented above is based upon the portfolio composition as at June 30, 2016 and the performance of the securities in the portfolio relative to a benchmark index. The composition of the Plan's investment portfolio and the correlation thereof to the respective index is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2016 and 2015 is not necessarily indicative of the effect on the Plan's net assets of future movements in the level of the index. The majority of the investments are denominated in USD.

Currency risk:

At June 30, 2016 and 2015 the Plan held the following equity securities denominated in currencies other than the USD.

<u>(expressed in KYD)</u>	<u>2016</u>	<u>2015</u>
AUSTRALIAN DOLLAR	\$ 168,550	\$ 768,603
BRAZILIAN REAL	469,747	-
BRITISH POUND	6,625,162	6,754,026
CANADIAN DOLLAR	1,599,317	2,606,600
DANISH KRONE	-	1,497,409
EURO	13,701,007	16,687,669
HONG KONG DOLLAR	3,002,718	2,819,141
INDONESIAN RUPIAH	568,514	-
ISRAELI SHEKEL	337,266	976,893
JAPANESE YEN	3,808,350	4,182,571
MEXICAN PESOS	646,002	-
NORWEGIAN KRONE	588,653	471,801
PHILIPPINE PESO	-	553,764
REPUBLIC OF KOREA WON	826,061	537,543
SINGAPORE DOLLAR	690,945	-
SOUTH AFRICAN RAND	547,713	949,167
SWEDISH KRONA	492,499	564,512
SWISS FRANC	1,373,910	2,745,079
TAIWAN DOLLAR	-	676,776
	\$ 35,446,414	\$ 42,791,554

The Cayman Islands dollar is pegged to the US dollar (Note 2) therefore the Plan is only affected by changes in movements in the exchange rates of other foreign currencies. The table below shows the approximate effect on profit, at June 30, 2016 and 2015, had the exchange rate between the Cayman Islands dollar and the respective foreign currencies, other than the US dollar, in which the equity securities were denominated, increased or decreased by 5% with all other variables held constant. All fixed income securities are denominated in USD (Note 3).

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11. Financial instruments and associated risks (continued)

Currency risk: (continued)

The analysis below is performed for what management believes to be reasonably possible movements in foreign currency exchange rates with all other variables held constant, showing the impact on net increase in net assets from operations available to unitholders (due to changes in fair value of currency sensitive non-monetary assets, excluding changes in fair value of forward foreign currency exchange contracts). In performing the analysis below, it is assumed that the change in the relevant risk variable had occurred at the statement of financial position date and had been applied to the risk exposures in existence at that date.

(expressed in KYD)	2016 Effect on profit - 5% increase/decrease	2015 Effect on profit - 5% increase/decrease
AUSTRALIAN DOLLAR	\$ 8,428	\$ 38,430
BRAZILIAN REAL	23,487	-
BRITISH POUND	331,258	337,701
CANADIAN DOLLAR	79,966	130,330
DANISH KRONE	-	74,870
EURO	685,050	834,383
HONG KONG DOLLAR	150,136	140,957
INDONESIAN RUPIAH	28,426	-
ISRAELI SHEKEL	16,863	48,845
JAPANESE YEN	190,418	209,129
MEXICAN PESOS	32,300	-
NORWEGIAN KRONE	29,433	23,590
PHILIPPINE PESO	-	27,688
REPUBLIC OF KOREA WON	41,303	26,877
SINGAPORE DOLLAR	34,547	-
SOUTH AFRICAN RAND	27,386	47,458
SWEDISH KRONA	24,625	28,226
SWISS FRANC	68,696	137,254
TAIWAN DOLLAR	-	33,839
	\$ 1,772,322	\$ 2,139,577

The Plan also holds monetary assets and liabilities denominated in currencies other than the KYD, its functional currency and the USD to which the KYD is pegged. It is therefore exposed to currency risk, as the value of the monetary assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Plan may enter into currency hedging transactions.

At June 30, 2016, the Plan held approximately \$34,456 (2015: \$167,558) of cash and cash equivalents denominated in foreign currencies, other than the USD and KYD. Had exchange rates between the KYD and the respective foreign currencies, other than USD in which the foreign cash was denominated increased/decreased by 5% with all other variables held constant, the effect would be an increase/decrease on profit of approximately \$1,723 (2015 : \$8,378).

Currency risk with respect to the Plan's equity investments is discussed under "Price risk" above.

Cayman Islands Chamber of Commerce Pension Plan

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11. Financial instruments and associated risks (continued)

Currency risk: (continued)

In accordance with the Plan's policy, the investment advisors monitor the Plan's net currency position on a regular basis. The Plan's fixed rate and zero coupon bond holdings are subject to market risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The table below summarises the Plan's exposure to interest rate risks. It includes the Plan's assets at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

Interest rate risk:

<u>June 30, 2016</u>	<u>Up to 1 year</u>	<u>2-5 years</u>	<u>Above 5 years</u>	<u>Total</u>
Cash and cash equivalents	\$ 9,805,252	\$ -	\$ -	\$ 9,805,252
Financial assets at fair value through profit or loss	18,881,295	79,141,549	43,907,234	141,930,078
Total Assets	\$ 28,686,547	\$ 79,141,549	\$ 43,907,234	\$ 151,735,330

<u>June 30, 2015</u>	<u>Up to 1 year</u>	<u>2-5 years</u>	<u>Above 5 years</u>	<u>Total</u>
Cash and cash equivalents	\$ 9,595,178	\$ -	\$ -	\$ 9,595,178
Financial assets at fair value through profit or loss	15,877,117	69,805,335	41,718,828	127,401,280
Total Assets	\$ 25,472,295	\$ 69,805,335	\$ 41,718,828	\$ 136,996,458

At June 30, 2016, should interest rates, for the debt securities held by the Plan, have decreased/increased by 100 basis points (2015: 100 basis points) with all other variables remaining constant and ignoring the effects of any management fees, the increase/decrease in net assets attributable to unitholders for the year would amount to approximately \$4,087,586 (2015: \$3,223,252), arising substantially from the increase/decrease in market values of debt securities.

In accordance with the Plan's policy, the investment advisors monitor the Plan's overall interest sensitivity on a daily basis.

Credit risk:

The Plan takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Plan's main credit risk is comprised of a) its cash and cash equivalent balances; and b) its debt securities. The aggregate extent of the Plan's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Plan's statement of financial position. The fair value of substantially all cash and cash equivalents and debt securities are with the Plan's prime broker State Street.

Although the Trustees monitor State Street and believe that it is an appropriate custodian, there is no guarantee that State Street will not become insolvent. There is no certainty that in the event of a failure of State Street that has custody of Plan's assets, the Plan would not incur losses due to its assets being unavailable for a period of time or that there is ultimately a less than full recovery of its assets, or both. Because substantially all of the Plan's assets are held with State Street, such losses could be significant and could materially impair the ability of the Plan to achieve its investment objective. The Trustees manage the credit risk with State Street by regularly monitoring its credit worthiness. State Street has a Fitch rating of AA- (2015: AA-).

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

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11. Financial instruments and associated risks (continued)

Credit risk: (continued)

The Plan's debt securities portfolio by rating, as provided by Standard & Poor's and Moody's (with the highest rating of the two) is as follows:

Rating	2016	2015
AAA/Aaa	\$ 39,447,020	\$ 18,549,714
AA+/Aa1	8,265,595	16,100,438
AA/Aa2	11,123,589	7,617,850
AA-/Aa3	17,716,289	21,053,532
A+/A1	18,117,280	14,631,233
A/A2	14,604,400	17,074,652
A-/A3	16,169,384	16,045,455
BBB+/Baa1	7,906,966	8,401,055
BBB/Baa2	5,721,387	3,756,003
BBB-/Baa3	2,858,168	4,171,348
	\$ 141,930,078	\$ 127,401,280

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Pension Law requires the Plan to hold fixed income securities that are rated at least investment grade. As at June 30, 2016 and 2015, the Plan did not hold any fixed income securities below investment grade. During year ended June 30, 2016 and 2015, no investment was downgraded from investment grade.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting financial obligations. Management believes that the Plan has sufficient resources to meet the present and foreseeable needs of its business operations. Management's guiding policies require monthly or quarterly payments for an 'emergency' reserve. The Plan invests the majority of its assets in investments that can be readily disposed of.

At June 30, 2016 and 2015, all of the Plan's liabilities (excluding net assets attributable to participants for their benefits) have a maturity of 3 months or less.

Cayman Islands Chamber of Commerce Pension Plan

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12. Financial highlights

The increase/(decrease) in net asset value per unit, of each of the Lifecycle Funds, for the years ended June 30, 2016 and 2015, calculated for each Lifecycle Fund based on the Modified Dietz method of performance measurement and is shown as follows:

2055	5.14 % (2015: N/A)
2045:	-5.26 % (2015: 3.20%)
2035:	-4.05% (2015: 2.98%)
2025:	-2.47% (2015: 2.32%)
2015:	-1.44 % (2015: 1.42%)
Chamber Income:	0.10% (2015: 1.24%)

13. Taxation

The Plan is not subject to any income, withholding or capital gains taxes in the Cayman Islands. Generally the Plan conducts its affairs so as not to be liable to taxation in any other jurisdiction; however, the Plan does invest in securities whose income is subject to non-refundable foreign withholding taxes, which are expensed in the statement of comprehensive income.

The Plan invests in securities issued by entities which are virtually all domiciled in countries other than the Cayman Islands. Many of these foreign countries have tax laws which indicate that capital gains taxes may be applicable to non-residents, such as the Plan. Typically, these capital gains taxes are required to be determined on a self-assessment basis and, therefore, such taxes may not be deducted by the Plan's brokers on a "withholding" basis. At June 30, 2016 and 2015, the Plan has measured its tax liabilities with respect to foreign capital gains taxes at nil. However, there is a risk that foreign tax authorities will begin seeking to collect taxes on capital gains earned by the Plan, without giving any prior warning and possibly, on a retrospective basis. Any retrospective enforcement may result in a potential loss to the Plan.

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

14. Financial information on a Lifecycle Fund basis

The movement in the net assets for the year ended June 30, 2016 and for each Lifecycle Fund is as follows:

	Chamber 2055	Chamber 2045	Chamber 2035	Chamber 2025	Chamber 2015***	Chamber income	For the year ended June 30, 2016 Total Plan	For the year ended June 30, 2015 Total plan
Opening net assets available to Participants for their benefits	\$ -	\$ 47,940,946	\$ 103,202,107	\$ 101,824,465	\$ 42,504,629	\$ 7,739,303	\$ 303,211,450	\$ 286,462,408
Total contributions*	62,128	9,406,552	9,167,518	7,186,469	1,403,757	43,408,487	70,634,911	25,949,085
Total withdrawals*	(713)	(2,910,321)	(5,285,562)	(3,984,225)	(43,302,103)	(3,187,361)	(58,670,285)	(16,536,525)
Net increase/(decrease) in net assets from operations	(103)	(2,560,561)	(4,160,405)	(2,493,918)	(606,283)	575,988	(9,245,282)	7,336,482
Closing net assets available to Participants for their benefits	\$ 61,312	\$ 51,876,616	\$ 102,923,658	\$ 102,532,791	\$ -	\$ 48,536,417	\$ 305,930,794	\$ 303,211,450
No. of units (Note 9)	58,312	24,498,006	46,935,090	45,891,792	-	19,654,984	137,038,184	132,947,625
Net asset value per unit - June 30, 2016	\$ 1.051	\$ 2.118	\$ 2.193	\$ 2.234	\$ -	\$ 2.469	\$ 2.232	
Expense ratio 2016**	1.34%	1.30%	1.28%	1.24%	1.20%	1.19%	1.26%	
Net asset value per unit - June 30, 2015	\$ -	\$ 2.235	\$ 2.285	\$ 2.291	\$ 2.266	\$ 2.467		\$ 2.281
Expense ratio 2015**	%	1.34%	1.27%	1.19%	1.14%	1.14%		1.23%

*Total contributions and total withdrawals include net transfers

**Expense ratio is calculated as expenses for the year divided by the average monthly net assets available to Participants for their benefits by Lifecycle Fund. General expenses are allocated to each Lifecycle Fund based upon its proportionate share of total net assets. Certain investment related expenses are proportionately allocated to each Lifecycle Fund based upon its monthly investment mix

***See Note 1

Cayman Islands Chamber of Commerce Pension Plan

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

(Expressed in Cayman Islands dollars)

15. Plan Registration Fees

For the financial year ended June 30, 2016, the Plan paid registration fees amounting to \$325,640 (2015: \$316,940).

16. Subsequent Events

There were no subsequent events requiring additional disclosures identified.

Cayman Islands Chamber of Commerce Pension Plan

PORTFOLIO INVESTMENT MIX (UNAUDITED)

For year ended June 30, 2016

(Expressed in Cayman Islands dollars)

For the year ended June 30, 2016

	Market Value							Cost			
	Cash and cash equivalents	% of Total	Equity	% of Total	Fixed Income	% of Total	Total	Cash and cash equivalents	Equity	Fixed Income	Total
Chamber 2055	\$ 1,212	3.39%	\$ 30,978	86.76%	\$ 3,517	9.85%	\$ 35,707	\$ 1,212	\$ 27,210	\$ 3,473	\$ 31,895
Chamber 2045	1,692,196	3.30%	36,565,144	71.26%	13,052,189	25.44%	51,309,529	1,692,196	32,117,383	12,889,385	46,698,964
Chamber 2035	3,434,756	3.23%	63,158,940	59.26%	39,983,529	37.52%	106,577,225	3,434,756	55,476,325	39,484,800	98,395,881
Chamber 2025	3,212,436	3.14%	46,559,278	45.46%	52,657,371	51.41%	102,429,085	3,212,436	40,895,836	52,000,556	96,108,828
Chamber Income	1,464,652	2.99%	11,205,570	22.91%	36,233,472	74.10%	48,903,694	1,464,652	9,842,532	35,781,518	47,088,702
Total	\$ 9,805,252		\$ 157,519,910		\$ 141,930,078		\$ 309,255,240	\$ 9,805,252	\$ 138,359,286	\$ 140,159,732	\$ 288,324,270
Percentage of Plan Assets (*) held	3.17%		50.94%		45.89%		100%	3.39%	47.99%	48.61%	100.00%

For year ended June 30, 2015

	Market value							Cost			
	Cash and cash equivalents	% of Total	Equity	% of Total	Fixed Income	% of Total	Total	Cash and cash equivalents	Equity	Fixed Income	Total
Chamber 2045	\$ 1,458,609	3.06%	\$ 35,846,585	75.16%	\$ 10,386,633	21.78%	\$ 47,691,827	\$ 1,458,609	\$ 29,652,412	\$ 10,440,172	\$ 41,551,193
Chamber 2035	3,325,152	3.09%	69,002,691	64.14%	35,254,281	32.77%	107,582,124	3,325,152	57,079,251	35,436,005	95,840,408
Chamber 2025	3,195,265	3.13%	51,916,924	50.85%	46,977,380	46.02%	102,089,569	3,195,265	42,945,848	47,220,033	93,361,146
Chamber 2015	1,369,052	3.20%	12,207,444	28.49%	29,265,720	68.31%	42,842,216	1,369,052	10,098,038	29,416,575	40,883,665
Chamber Income	247,100	3.21%	1,945,076	25.23%	5,517,266	71.57%	7,709,442	247,100	1,608,973	5,545,705	7,401,778
Total	\$ 9,595,178		\$ 170,918,720		\$ 127,401,280		\$ 307,915,178	\$ 9,595,178	\$ 141,384,522	\$ 128,058,490	\$ 279,038,190
Percentage of Plan Assets (*) held	3.12%		55.51%		41.38%		100%	3.43%	50.67%	45.89%	100.00%