JMMB Group Dividend Policy
October 2011.

INTRODUCTION

This policy applies to Jamaica Money Market Brokers Limited (JMMB) and its subsidiaries (referred to as the Company).

The company's dividend policy is an important signalling mechanism to the market in which its shares are traded – it impacts investor perception of the value of the stock, the financial strength of the company and its future prospects for growth. Thus, the execution of JMMB's dividend policy must consider the impact of such actions on market perceptions and by extension the share price.

Generally, the guiding philosophy behind JMMB's dividend policy is to balance paying dividends with maintaining sufficient retained earnings to ensure reinvestment of profits for future growth and expansion. This ensures that investors' preference for immediate cash flows is met while the company remains able to sustain dividend payouts due to re-investment and growth: A win-win approach.

Subsidiaries
Dividend policies at the subsidiary level will be determined by the Board of the subsidiary to allow for the input of minority shareholders, if existing. The policy should consider the constraints and key considerations of the Group Dividend Policy.

TARGET DIVIDEND PAYOUT RATIO & FREQUENCY

Payout Ratio
The dividend policy established by the Directors of JMMB on October 15, 2002, is to pay a dividend of between 15% and 30% of annual after tax profits generated by core business activities. The same payout ratio applies to gains realized from non-recurring or extraordinary transactions.

The Company Board, at its discretion, may alter the dividend payout ratio from the stipulated target. However, such deviation must consider the impact on capital market perception ,and the needs of the company for the reinvestment of profits to finance growth.

Frequency
The target minimum dividend frequency is twice annually.

Payouts (Ratio & Frequency) are subject to the constraints listed in the section below.

CONSTRAINTS

Capital Adequacy

Where JMMB does not meet its regulatory capital adequacy requirements (due to significant market events or changing regulations), the level of payouts should be reduced to allow the company to address the shortfall in capital adequacy through retained earnings. Strong capitalization is important in maintaining a favourable view in the eyes of the company's regulators and in enabling the company to pursue strategic opportunities.

Cash flows

Dividend payouts should not exceed the cash generated by the company or impair the cash balance available to the company. Low cash resources may send a negative signal to the market and expose the company to unnecessary liquidity risks

Covenants

Dividend payouts may be subject to negative covenants contained in contracts entered into by the company which restrict dividend payments.

OTHER KEY CONSIDERATIONS

Investor Perception

Given the wide ownership of shares in the Company, the Directors of JMMB recognise that, subject to sustained profitability, the continuation of stable or growing annual dividends would be desirable.

A fall off in dividend payments or alterations in the frequency and timing of payments may signal cash flow problems to the market.

REVIEW OF POLICY

The dividend policy will be subject to review on a biennial basis by the Company's Board

Drafted
October 2011

Ratified by JMMB Board February 21 2012