

Meaning of Financial Terms

- I. Corporate Actions are dividends, rights issues, bonus offers etc.
- II. The ex date is the date on which shares change from being quoted "cum" (or entitled) to "ex" (or not entitled) for a corporate action.
- III. The Record Date is the date used in determining who is entitled to a dividend or other entitlement associated with a share. Those on the register on the record date are eligible for the entitlements.

Need more information?

If you have any questions about these changes, please contact your Broker or your agent. You can also contact JSE customer service by phone: (876) 967-3271-4.



40 Harbour Street, Kingston
Tel: 967-3271 Fax: 924-9090

Email: communications@jamstockex.com

BROKERAGES

BARITA INVESTMENTS LTD.

15 St. Lucia Way
Kingston 5
Phone: 926-2681/926-6673
Fax: 929-8432
email: barita@cwjamaica.com

SCOTIA INVESTMENTS

JAMAICA LTD.
7 Holborn Road
Kingston 10
Phone: 960-6699/960-6700-2
Fax: 960-6705/ 968-7607
email: investmentinfo@scotiabank.com

JMMB SECURITIES LTD.

6 Houghton Terrace
Kingston 5
Phone: 920-5039/920-4720
Fax: 960-8106
email: info@jmbbsecurities.com

GK CAPITAL MANAGEMENT

58 Hope Road
Kingston
Phone: 932-3290
Fax: 927-9273
E-mail: GKCapitalgkco.com
Website: www.GK-Capital.com

MAYBERRY INVESTMENTS LTD.

1 1/2 Oxford Road
Kingston 5
Phone: 929-1908
Fax: 929-1501/ 920-2103
email: sales@mayberry.com

SAGICOR INVESTMENTS LTD.

60 Knutsford Boulevard
Kingston 5
Phone: 929-5583-4
Fax: 926-4385
email: info@sagikor.com

M/VL STOCKBROKERS LTD.

19 Holborn Road
Kingston 10
Phone: 960-1570/926-4319
Fax: 960-1571
email: info@mvl.com.jm

NCB CAPITAL MARKETS LTD.

32 Trafalgar Road, 3rd floor,
Kingston 10
Phone: 960-7108
Fax: 960-7649/ 920-4313
Toll Free: 1-88-4-WEALTH
email: info@ncbcapitalmarkets.com

STOCKS AND SECURITIES LTD.

33 1/2 Hope Road
Kingston 10
Phone: 929-3400
Fax: 929-4825
email: info@sslinvest.com

VICTORIA MUTUAL WEALTH MANAGEMENT LTD.

53 Knutsford Boulevard
Kingston 5
Phone: 960-5000-3
Fax: 960-4972
email: spalmer@ymbs.com

PROVEN WEALTH LTD.

26 Belmont Road
Kingston 5
Phone: 908-3800
Fax: 754-3802
email: info@weareproven.com

JN FUND MANAGER LIMITED

2 Belmont Road,
Kingston 5, Jamaica
Phone: (876) 929-2289
Fax: (876) 926-4375
Website: <http://www.jnfunds.com/>



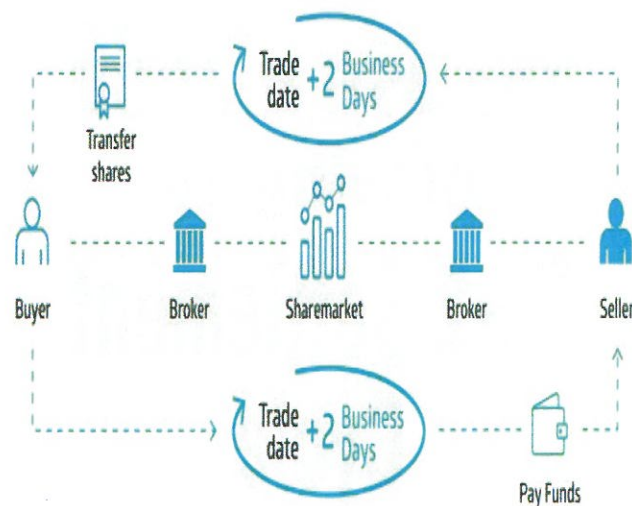
The JSE & JCSD Moving To T+2 Settlement Cycle

Important information
for you to know.

What is Settlement?

When you buy or sell shares on the market through your broker you contract to exchange the legal ownership of those financial products for money. This exchange is called settlement. In today's market, standard settlement occurs three business days after a trade takes place. This is called T+3 (trade date plus 3 business days). The proposed change to T+2 will impact the settlement process as demonstrated in the following diagram:

Example of a Security Settlement Cycle (Share)



Once a trade is executed, your broker or agent will then proceed to make preparations for settlement of the trade. If you have sold shares, your broker will transfer the shares out of your name in preparation for settlement. On the morning of settlement your broker will deliver the shares to the JSE for market settlement. If you have bought shares, your broker will make preparations to fund the purchase on the settlement day. All settlements are done through the Depository Unit operated by Jamaica Central Securities Depository, a subsidiary of the Jamaica Stock Exchange.

What is changing?

The settlement period for shares traded in Jamaica will be shortened by one day. Settlement of your trade will occur two business days after the day a trade takes place. This settlement period is called T+2 (trade date plus 2 business days). The change to T+2 settlement is proposed to take place for trades conducted on or after Thursday, 11th December 2017, with the date to be confirmed by JSE. This change will affect all financial products traded on a securities market in Jamaica, including shares.

Why the change?

Faster settlement means quicker access to your money after selling your shares and earlier delivery after purchasing shares. It is also in keeping with international best practices.

Who will this affect?

1. Licensed Security Dealers, who buy and sell shares on behalf of the client.
2. Investors, who buy and sell shares.
3. Banks, Credit Unions and other Financial Institutions that use shares to secure loans.
4. Cooperate Secretary, Registrars and Transfer Agents that keep record of securities.

How will this change impact corporate actions such as dividends?

Due to the shortening of the settlement period to 2 business days, The period between two important dates for corporate actions the Ex Date and the Record Date, will also be reduced. When the settlement period becomes T+2, the Ex period for corporate actions will be reduced from 3 business days to 2 business days (inclusive of the Ex Date and the Record Date). Using dividends as an example, this means that if you buy shares before the ex date you will receive the dividend. If you buy shares on or after the ex date you will not receive the dividend.

Your arrangements with your Broker

T+2 means one day less for both parties of the trade, to provide either shares or cash to settle the trade. Some tips to help make things as smooth as possible:

- Have an established relationship with a Broker.
- Ensure that your share holdings are in your JSE Depository account.
- Keep your share details handy.
- Ask your Broker to send contract notes electronically - confirmations by mail should be avoided
- Fund your share purchases efficiently - your broker may get in touch with you to set out the range of funding arrangements they will support under T+2. For example, the use of cheques for payment may no longer be viable, as the length of time required to clear the funds may exceed the settlement period. Your Broker may suggest the use of Electronic Funds Transfer (EFT) or Direct Debit or a Cash Management Account. Your Broker may also require an earlier deadline for the funds to be paid. It is important for you to work with your Broker to agree on the best funding arrangements that will ensure settlement occurs on time and therefore reduce any potential failed settlement costs.

Sample process for a share purchase on the day before the ex-date compared to the corporate action timeline

