

CBL DIRECTIVE ON THE PAYMENT OF DIVIDEND BY COMMERCIAL BANKS

Pursuant to Part III, Section 19 (1) of the New Financial Institutions Act of 1999 and in order to ensure that declaration and payment of dividends would not result in the impairment of bank's capital, the CBL hereby issues the following directives regarding the payment of dividends by commercial banks.

PAYMENT OF DIVIDENDS

1. Every commercial bank is prohibited from declaring or paying any dividends or making any other transfer whenever such payment or transfer would result in an impairment of its capital.
2. All commercial banks are required to consult the CBL before any dividends are declared or paid.

PENALTIES FOR NON-COMPLIANCE

Any bank financial institution found to be in violation of this directive shall be fined an amount not less than Two Hundred Thousand Liberian Dollars (LS\$200,000) for each infraction or be subjected to other supervisory sanction (s).

This Directive takes immediate effect.

ISSUED THIS _____ DAY OF FEBRUARY 2007

Signed: _____

J. Mills Jones
EXECUTIVE GOVERNOR