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○ ISSUE 14 | ○ VOLUME 1 | ○ October 2015

Inside the



Editor's Note. In Issue 13 of "Inside the RMOD" a look at the JSE's Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies and a summary of the Regulatory Market Oversight Division Market Surveillance and Compliance activity for the period January—June 2015 is featured. In addition, pictorial highlights are presented on Company Secretary Orientation. Readers are further provided with details on JSE Rule 410 (A) (B) & (C). For our regular recurring feature RMOD member Mr. Garth Kiddoe is featured. To our readers we welcome you to this issue of "Inside the RMOD" and hope that you enjoy!

Market Watch: JSE Rule Amendment

• JSE Rule Appendix 7 & JSE Junior Market Rule, Part 7: Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies

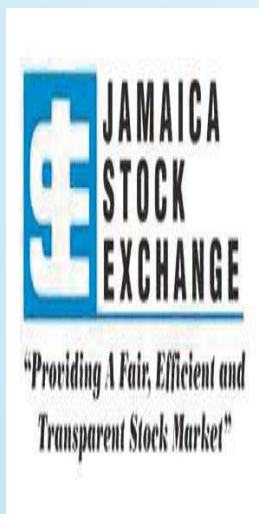
The **JSE Rule Appendix 7** was amended and came into effect on July 8, 2015. The **JSE Junior Market Rule Part 7** was also incorporated on the same date. Both Rules deal with the Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies. Both the Main and Junior Market Rules provisions are the same. Some of the provisions are as follows:

Please see details of the new Provisions below:

- 1.1 All directors or other officers of a listed company must comply with section 51 of the Securities Act and the rules set out in this Model Code are supplemental to and must be read as being subject to that provision.
- 1.2 For avoidance of doubt a director or other officer of a listed company should not deal in any securities of the listed company at any time when he is in possession of unpublished price sensitive information in relation to those securities.
- 1.3 This Model Code sets out additional requirements to section 51 of the Securities Act that must be complied with by the listed company, its directors and officers in relation to dealings in the securities of such listed company and of the listed companies.
- 1.4 Directors or other officers who deal or propose to deal in the securities of a listed company must notify the affected company in writing of such dealing in compliance with provisions set out in paragraphs 8 and 9 of this Model Code.

- 1.5 Where a director or other officer proposes to deal in any securities and entertains any doubt or uncertainty as to whether the dealing comes within the provisions of this Model Code, the director or officer must make disclosure of such proposed Dealing to the Chairman, the company secretary or other designated officer appointed for the specific purpose of the affected company designated to receive such communication to enable a determination to be made as to whether the affected company ought to make disclosure to the Exchange.

- 1.6 The restrictions on dealings in securities by directors and officers of a listed Company as set out in this Model Code should be regarded as equally applicable to dealings by or on behalf of any spouse, child or connected person.
- 1.7 Any director or officer of a listed company who acts as trustee should ensure that his co-trustees are notified in writing of the identity of any company which he is a director or officer so as to enable them to anticipate possible difficulties that may arise from any dealing in securities. Any director or officer of a listed company having funds under management should likewise notify the investment manager.



In our next issue of "Inside the RMOD," additional provisions in the Model Code for Securities Transaction by Directors and Senior Executives of Listed Companies will be provided.

Pictorial Highlights



Kingston Wharves Company Secretary



Salada Foods Company Secretary Orientation



Carreras Group Limited Company Secretary Orientation

The RMOD's Market Surveillance & Compliance Report For the period Jan.—June 2015

RULES TO REMEM-

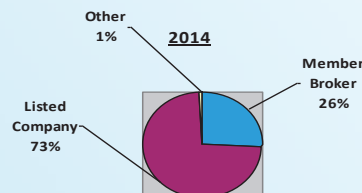
For the period January 2015 to June 2015 the Regulatory and Market Oversight Division (RMOD) handled ninety-six (96) regulatory issues which formed its Market Surveillance and Compliance Log. The total number of issues handled over the comparative period in 2014 was one-hundred and twelve (112). **Table 1** below provides a tabulation of the regulatory issues over the current and comparative period.

Table 1 - Regulatory Issues by Type & Group (2015/2014)

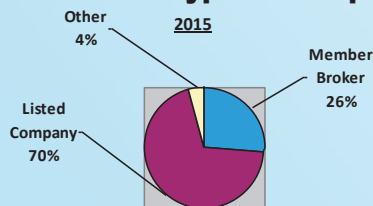
Year	2015	2014
Nature of Infraction	Total	
Complaints on Member-dealers	0	0
Complaints on Listed Companies	1	0
Compliance & Mkt. Surveillance- Member-dealers	25	29
Compliance & Mkt. Surveillance -Listed Company	66	82
Other Compliance & Mkt. Surveillance Issues.	4	1
Total	96	112

For the half year January 2015 to June 2015 the number of regulatory issues identified amounted to ninety-six (96), which represents a decrease of sixteen (16) or 14% when compared to the corresponding period in 2014. The category entitled "Listed Company" had largest decline when compared to the 2014 comparative period. The category entitled "Listed Company" had largest decline when compared to the 2014 comparative period. It should be noted that during the period under review the RMOD instituted new processes in identifying regulatory issues. It is expected that these processes will impact on the total number of regulatory issues that are identified for the 2015 calendar year. In closing, the RMOD wishes to further note that it continues to realize a high closure rate for regulatory issues. The number of regulatory issues closed by the RMOD as at June 30, 2015 amounted to ninety-two (92) or 95% of the ninety-six (96) issues that were identified. For the comparative 2014 period the closure rate was also 96%.

Infraction Type & Group %



Infraction Type & Group %



as at June 30, 2015 amounted to ninety-two (92) or 95% of the ninety-six (96) issues that were identified. For the comparative 2014 period the closure rate was also 96%.

JSE Rule 410 (A), (B) & (C)

The Company is required to give notice to the Stock Exchange of:

- At least a week in advance, the date of the Board meeting at which the declaration or recommendation of a dividend, bonus issue or rights issue will be considered.
- Immediately after the relevant Board meeting has been held,
 - all dividend, capitalization or rights issues recommended or declared or any decision to postpone or omit any dividend or interest payment and;
 - profit figures and issues, and;
- Immediately after the relevant Board meeting, at which a decision has been taken, any intention to increase its Authorized Share Capital. In all such cases the Directors must state in the explanatory circular or other document accompanying the notice of meeting whether or not there is any present intention of issuing any part thereof and, if the increase is 25% or more of the existing Authorized Share Capital, must give an undertaking that the increased capital will not be issued as to change the control (or nature) for the business without the prior approval of the shareholders in general meeting.

Information should be communicated to the Jamaica Stock Exchange directly and not through an agency or third party.

RMOD Objectives

- Monitor the adequacy and effectiveness of the Exchange's regulatory program and assess the Exchange's regulatory performance.
- Structure and direct the regulatory functions of the Exchange.
- Establish regulatory rules of the Exchange.
- Monitor the compliance with the

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- Email as an attachment to RMOD@jamstockex.com

Inside the RMOD features Mr. L. Garth Kiddoe



Mr. Garth Kiddoe is an Independent Director of the Board of the JSE, representing the Institute of Chartered Accountants of Jamaica and is also a member of the Regulatory and Market Oversight Committee (RMOC).

Mr. Kiddoe is the former Dean of the Faculty of Business and Management (now College of Business Management) at the University of Technology Jamaica and previously the Chief Financial Officer of the Jamaica Public Service Company Limited. He is also a past President of the Institute of Chartered Accountants of the Caribbean, as well as the Institute of Chartered Accountants of Jamaica and of the Jamaica Institution of Engineers. He is currently Vice Chairman of the Public Accountancy Board and Chairman of the Professional Engineers Registration Board.

As a supporter of a more environmentally aware society Mr. Kiddoe strives to operate in a paperless environment...As such, he usually requests that committee documents for his attention are submitted electronically.