



# Jamaica Stock Exchange's Monthly Regulatory Report February 2016

# Jamaica Stock Exchange February 2016 Regulatory Report

## **Overview**

This is the Jamaica Stock Exchange's (JSE) February 2016 Monthly Regulatory Report. The report gives a synopsis of the following regulatory activities:

1. Member-dealers' reporting,
2. Listed companies' submissions,
3. Market surveillance and compliance activities,
4. Regulatory breaches and enforcement actions.

## **Member-Dealer Regulation**

In accordance with JSE Rule 209 (A) member-dealers were required to file Monthly Report for the period ended January 31, 2016 by March 2, 2016. For the reporting period twelve (12) Monthly Reports were due and all were submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended January 31, 2016 by March 2, 2016. For the reporting period one (1) Quarterly Report was due and it was submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended November 30, 2015 were required to file their Audited Reports by February 29, 2016. No Audited Reports were due, hence no filings were made.

The aggregate compliance rate for member-dealers' filing of their monthly, quarterly and audited reports for the month ended February, 2016 was 100%. For the 2015 comparative period member-dealers' aggregate compliance rate was 83%. An overview of member-dealers' financial condition as at January 31, 2016 is represented in Table 1 below:

**Table 1**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at January 31, 2016</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member- Dealers Jan 2016</b>	<b># Of Member- Dealers Jan 2015</b>
Below 0	0	0
0 - 299	2	3
300 – 899	6	4
900 – 1,999	0	1
2,000 – 4,999	1	0
6,000 and above	3	2

## **Listed Company Compliance**

During the month of February 2016 Listed Companies were required to file Unaudited Reports for the period ended December 31, 2015. Listed Companies with year ended December 31, 2015 that selected the 60-days filing option were required to file Audited Statements during the month of February 2016. Listed Companies with year ended November 30, 2015 that selected a 90-days filing option were also required to file their Audited Statements during the month of February 2016. Additionally, Listed Companies with year ended October 31, 2015 were required to file Annual Reports during the month. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>February 2016</b>					<b>February 2015</b>			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	26	25	1	0	27	26	0	1
Audited	20	13	0	7	0	0	0	0
Annual	2	2	0	0	2	2	0	0

*Key: Late reports are filings after the due date that came in before the close of the month.  
Outstanding reports are due reports that were not received as at the close of the month.*

## **Market Surveillance and Compliance**

The JSE's tally of market surveillance and compliance issues as at February 2016 amounted to eleven (11) versus seven (7) for the comparative month last year. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

**Table 3**

<b>Market Surveillance &amp; Compliance Log</b>					
<b>Total Issues</b>		<b>Issues Closed</b>		<b>Issues Unclosed</b>	
<b>Feb 2016</b>	<b>Feb 2015</b>	<b>Feb 2016</b>	<b>Feb 2015</b>	<b>Feb 2016</b>	<b>Feb 2015</b>
11	7	11	5	0	2
<b>Y-T-D '16</b>	<b>Y-T-D '15</b>	<b>Y-T-D '16</b>	<b>Y-T-D '15</b>	<b>Y-T-D '16</b>	<b>Y-T-D '15</b>
28	16	27	13	1	3

## **List of Regulatory Breaches and Enforcement Actions**

In Table 4 below is the list of regulatory breaches and enforcement actions for the period ended January 31, 2016:

**Table 4**

#	Entity	Code	Rule	Details
1	Barita	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for

	Investments Limited			the year ended September 30, 2015, which became due on January 28, 2016, remained outstanding as at January 29, 2016.
2	Barita Investments Limited	M/D	JSE Rule 209(A) – Financial Returns - Monthly	The firm's financial statement for the month ended December 31, 2015, which became due on February 1, 2016, was submitted on February 15, 2016. Given the breach the company was subjected to JSE Rule 211 (A).
3	Barita Investments Limited	M/D	JSE Rule 209(C) – Financial Returns - Quarterly	The firm's financial statement for the Quarter ended December 31, 2015, which became due on February 1, 2016, was submitted on February 15, 2016. Given the breach the company was subjected to JSE Rule 211 (A).
4	C2W Music Limited	JMC	JSE Junior Market Rule – Appendix 4 (5) – Admission Agreement	The Company's 2015 Share Register, which was due on February 1, 2016, was submitted on February 2, 2016.
5	Montego Bay Ice Company Limited	MMC	JSE Main Market Rule – Appendix 3 (10) – Listing Agreement	The Company's 2015 Share Register, which was due on February 1, 2016, was submitted on February 2, 2016. Given the breach the Company was subjected to JSE Rule Appendix 3, Listing Agreement, Section 16 (ii).
6	Jamaica Public Service Company Limited	MMC	JSE Main Market Rule – Appendix 3 (10) – Listing Agreement	The Company's 2015 Share Register, which was due on February 1, 2016, was submitted on February 2, 2016. Given the breach the Company was subjected to JSE Rule Appendix 3, Listing Agreement, Section 16 (ii).
7	Margaritaville Caribbean Limited	MMC	JSE Main Market Rule – Appendix 3, Sections (5) (a) & (18)	On January 19, 2016, the Company advised the JSE that it would convene a meeting on January 28, 2016 to consider a Dividend Payment. Given the rules of the Exchange the Company ought to have notified the JSE of the decision taken by February 2, 2016. The Company filed the required notice on February 3, 2016, which was one (1) day late. Consequently the Company was subjected to JSE Rule Appendix 3,

				Listing Agreement, Section 16 (i)
8	Barita Investments Limited	MMC	JSE Main Market Rule 407 – Quarter Financial Statements	The Company's 1 <sup>st</sup> Quarter Financial Statements for the period ended December 31, 2015, which became due on February 15, 2016, was submitted on February 16, 2016. Consequently, the company was subjected to JSE Rule Appendix 3, 16 (v).

**Code Key:**

1. JMC – Junior Market Company
2. MMC – Main Market Company
3. M/D – Member-Dealer
4. O – Others

The RMOD undertakes enforcement actions as prescribed by the JSE rules. Enforcement actions take the form of fines; suspension and delisting that are imposed on entities who are found to be in breach of the rules and regulations of JSE.