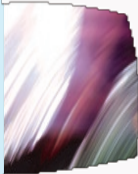




▶ Excerpt from RMOc Chair Presentation.....1



▶ Pictorial Highlights .....1

▶ Face-to-Face meetings with RMOD.....2

▶ Rules to Remember.....2



▶ JSE Rules: Fines & Penalties.....2

▶ New & Existing Members of the RMOc.....2

# Inside the



## Editor's Note.

It was in the 4<sup>th</sup> Quarter of 2007 that the JSE passed a resolution to cede its regulatory responsibilities to the Regulatory & Market Oversight Committee (RMOc) of the Exchange. The Exchange's new construct was furthered with the establishment of the RMOc's operational arm, the Regulatory & Market Oversight Division in 2008. It seems fitting, therefore, that after 2 years, this Issue of **Inside the RMOc**, advances the message of the RMOc's functions, which is represented in the lead article by Mr. Livingstone Morrison, Chairman of the RMOc.

The Issue also has picture moments from the CRO's face-to-face meetings, Mentor Orientations and Chairman Morrison's interface with the public. Page 2 provides an overview and update of JSE Rules: Fines & Penalties, and a peek into the profile of a member of the RMOc. Be sure to check out summaries on "Rules to Remember" and other corporate information...To you we say "Enjoy this issue of **Inside the RMOc** ...!"

## RMOc's Duty: Protecting Stakeholders Interest, Ensuring Market Integrity

**The Regulatory and Market Oversight Committee of the Jamaica Stock Exchange has an integral role to play in protecting Stakeholders' interests and ensuring market integrity...** These are words coming from Chairman of the Regulatory & Market Oversight Committee, Mr. Livingstone Morrison at the recently held JSE Investor Forum on July 20, 2010. The presentation was themed "Protecting Stakeholders; Ensuring Market Integrity". Below is an excerpt of his compelling presentation:

I welcome this opportunity to share a few thoughts from a Regulatory perspective. The continued growth & development of the domestic capital market is of vital importance if Jamaica is to realize its true economic potential. I am mindful of the fact that the cultivation of a larger pool of knowledgeable investors is central to the process of strengthening and deepening the capital market in general, and the stock market in particular.

We must also be aware that:

- The mechanisms that allocate capital throughout the economy is dependent on building increased efficiency, and that;
- Increased efficiency is an outgrowth of the success of efforts to build awareness about the role, functions & operations of the Jamaica Stock Exchange (JSE) and the domestic equities market.

The Regulatory & Market Oversight Committee (RMOc) is a Committee of the Board of Directors of the JSE. The Board's complete delegation of its regulatory functions to the RMOc came with the de-mutualization process in 2007, realizing the full



**RMOc Chairman Mr. Livingstone Morrison delivers a riveting presentation at the JSE's Investor Forum on July 20, 2010 at the Knutsford Court Hotel.**

and complete separation of regulatory functions from commercial activities. The Regulatory & Market Oversight Committee of the Jamaica Stock Exchange has an integral role to play in protecting stakeholders' interests & ensuring market integrity.

The RMOc ensures:

- That Listed Companies are aware of the importance of rules & regulations, and the need to comply with same;
- The strengthening of the regulatory function to provide some basis for investor confidence in the integrity of the domestic stock market;
- The undertaking of activities which ensure close & continuous monitoring of compliance with rules & regulations with specific emphasis on the timely submission of reports;
- Increased surveillance to test for market infractions including Insider Trading & breach of accounting requirements.

In order to create and bolster investor confidence in the integrity of the stock market, the importance of rules, regulations, independence of regulatory functions, extensive market surveillance and sensitivity to Stakeholder views ought to be the basis on which we promulgate the activity. The Exchange is benchmarked against international best practices to attain the highest possible standards of market integrity.



CRO's Face-to-Face meeting with Grace Kennedy



Jamaica Teas' Jnr. Market Mentor Orientation



Blue Power Jnr. Market Mentor Orientation



Chairman presents token: JSE's Investor Forum



CRO at Face-to-Face meeting with CCFG

## CRO convenes Face-to-Face meetings with Companies Listed on the Exchange

The CRO, Wentworth Graham, hit the road during the 1<sup>st</sup> Quarter of 2010 and had a series of face-to-face meetings with Executives of Listed Companies' at their offices as part of the Regulatory & Market Oversight Division's (RMOD) sensitization and public awareness programme.

The sessions were opportune to update Listed Companies on regulatory developments at the Exchange, and particularly on responsibilities and

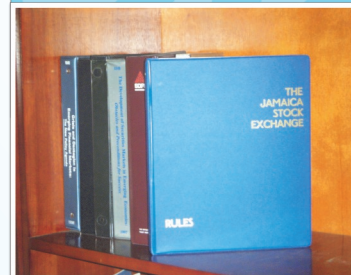


CRO Meets With JBG Execs

activities of the Regulatory and Market Oversight Committee (RMOC), which is responsible for the Jamaica Stock Exchange's (JSE's) regulatory affairs.

By all accounts, the meetings yielded mutual benefits as they provided a forum for information sharing and dialogue, while clarifying issues specific to each Listed Company and also those of a general nature.

## RULES TO REMEMBER!



### JSE Rule 223

#### Dealings in Listed Securities

**No member/dealer of the Exchange may deal in Jamaica in any stocks, shares or securities listed on the Exchange save and except at market meetings of the Exchange or as otherwise authorized by rules made by the Exchange.**

## The RMOC continues to benchmark the Exchange's regulations to International Best Practices

Having assumed regulatory responsibilities from the Board of the JSE, the RMOC was prompted to consider a review of the Exchange's rules to determine breaches that could attract fines. The Committee saw the rationale in such an undertaking as part of its continuing effort to benchmark the Exchange's rules and regulations to international best practices. Equally central to the activity is the fostering and fulfilling of the RMOC's objective of adopting measures and rules that are necessary to strengthen the market and temper the Exchange's current applicable penalty extremes of suspension or delisting.



The RMOC has been applying a gradual and clearly defined process to implement the rule change. Some of the activities that have been undertaken include:

- A series of Committee meetings that have resulted in the formation of a document titled "JSE Rules: Fines & Penalties;

- Circulation of draft document, which includes posting it to JSE's website [www.jamstockex.com](http://www.jamstockex.com) and having preliminary discussions with Listed Companies, member-dealers and investors;
- A Open- forum meeting with Listed Companies;
- One-on-one meetings with Listed Companies and interest group.

The above mentioned activities resonates with the Committee's commitment and belief in a process of consultation to allow for the solicitation of comments and feedback for the creation of a path where, going forward, all market participants and investors would have a clear understanding of fines and their application. The draft document that was presented to stakeholders was completed in November 2009; the consultation process begun January 2010 and is expected to end June 2011.

## Inside the introduces Mrs. Jane George, MA (Oxon), LDM:



Mrs. Jane George is an Independent Director of the Board of the JSE, representing the Private Sector Organization of Jamaica and also a member of the Regulatory and Market Oversight Committee (RMOC).

In 1996 Jane journeyed her way across the Atlantic from the City of London, where she practiced as a Solicitor after gaining qualification from the Supreme Court of England and Wales in 1989, to live in the tropical paradise of Jamaica.

That same year she joined the then Dunn, Cox, Orrett and Ashenheim (now DunnCox). In 2001, Jane stepped up her ante to take up the position of Corporate Attorney-at-Law for Lascelles deMercado & Company Ltd, and by 2005, she assumed the post of Company Secretary.

This brilliant, vivacious Attorney-at-Law was appointed to the RMOC on June 19, 2008. Her expertise in legal and commercial affairs, makes her an invaluable asset to the Committee.

She is an avid traveler who would like to add India to her repertoire, and who also adores horseback riding. She thinks a most irresistible meal is one consisting of chocolate, and when she's not hard at work she enjoys spending time with her family.

And, other secrets..? This hardworking honey bee never passes up an opportunity to fly to Europe to sweeten merchants' pockets...!

*"When I am not busy with work, I enjoy spending time with my family..."*

Jane George, M.A. (Oxon), LDM

#### RMOC Objectives

1. Monitor the adequacy and effectiveness of the Exchange's regulatory programme and assess the Exchange's regulatory performance.
2. Structure and direct the regulatory functions of the Exchange.
3. Establish regulatory rules of the Exchange.
4. Monitor the compliance with the Exchange's rules by market participants and Listed Companies.
5. Monitor member dealers trading activities, investigation of trading activities and enforcement of the Exchange's Rules.



Kindly send feedback to [rmod@jamstockex.com](mailto:rmod@jamstockex.com)

The RMOC offers three options for submitting complaints. Please download the complaint form provided on the RMOC's page at [www.jse.com.jm](http://www.jse.com.jm) and once completed, either:

1. Email as an attachment to [RMOD@jamstockex.com](mailto:RMOD@jamstockex.com)
2. Fax to 876-967-3275

Or mail to:

The Chief Regulatory Officer  
Regulatory & Market Oversight Division  
Jamaica Stock Exchange  
40 Harbour Street  
Kingston

Also, the public can send enquires to [rmod@jamstockex.com](mailto:rmod@jamstockex.com) or call the toll free number at 1-888-429-5678 for further information.