



Jamaica Stock Exchange's Monthly Regulatory Report July 2016

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Overview

This is the Jamaica Stock Exchange's (JSE) July 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 Reports for the period ended June 30, 2016 by July 31, 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 June 30, 2016 by July 31, 2016. For the reporting period eleven (11) Quarterly Reports were due and all were submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended April 30, 2016 were required to file their Audited Reports by July 31, 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 July 2016 was 100%. For the 2015 comparative period member-dealers' aggregate compliance rate was also 100%. An overview of member-dealers' financial condition as at June 30, 2016 is represented in Table 1 below:

Table 1

Member-Dealers' Excess Net Free Capital (ENFC) as at June 30, 2016		
ENFC Range(\$M)	# Of Member-Dealers June 2016	# Of Member-Dealers June 2015
Below 0	0	0
0 - 299	2	4
300 – 899	5	4
900 – 1,999	1	1
2,000 – 4,999	1	1
6,000 and above	3	2

Listed Company Compliance

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

Table 2

Listed Companies' Financial Submissions								
July 2016					July 2015			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	3	3	0	0	4	4	0	0
Audited	4	3	0	1	4	2	1	1
Annual	13	7	0	6	10	8	0	2

*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 July 2016 amounted to Twenty-Four (24) versus Thirty-Two (32) for the comparative month last year. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

Table 3

Market Surveillance & Compliance Log					
Total Issues		Issues Closed		Issues Unclosed	
July 2016	July 2015	July 2016	July 2015	July 2016	July 2015
24	32	18	28	6	4
Y-T-D '16	Y-T-D '15	Y-T-D '16	Y-T-D '15	Y-T-D '16	Y-T-D '15
182	129	173	121	9	8

List of Regulatory Breaches and Enforcement Actions

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

Table 4

#	Entity	Code	Rule	Details
1	Consolidated Bakeries Jamaica (Limited)	JMC	JSE Appendix 2, Part 4 (3) – Annual Reports -	The Company's Annual Report for the year ended December 31, 2015, which was due on April 29, 2016 was submitted on July 29, 2016.
2	1834 Investments Limited (formerly the Gleaner Company Limited)	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended March 31, 2016, which became due on May 30, 2016 was submitted on July 21, 2016. Consequently the company was subjected to JSE Rule Appendix 3, Section (vi).
3	Radio Jamaica Limited	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended March 31, 2016, which became due on May 30, 2016 was submitted on July 20, 2016. Consequently the company was subjected to JSE Rule Appendix 3, Section (vi).
4	KLE Group Limited	JMC	Section 126 of the Companies Act of Jamaica 2004 – Annual General Meeting (AGM)	KLE's last Annual General Meeting (AGM) was held on October 13, 2014. KLE issued a notice to the market on June 20, 2016 that advised of the convening of an AGM on July 20, 2016. The meeting was held on the date stated. Given the date that the meeting was convened KLE breached Section 126 of the Companies Act.
5	BCW Holdings Limited	M/D	JSE Rule 209c – Financial Returns – Annual Returns	The firm's Audited Financial Statements for the year ended March 31, 2016, which was due on June 30, 2016, became outstanding as at July 1, 2016. The report is outstanding as at July 30, 2016.
6	Seprod Limited	MMC	1. JSE Rule Appendix 3 – Listing Agreement, Sections (4a) & (18)	The Company provided notification on June 24, 2016, of dealings in its securities by a

			2. JSE Rule Appendix 7 – Model Code for Securities Transactions by Directors and Senior Executives of Listed Companies, Sections (9a) & (9b)	Senior Officer on April 8, 2016. Given the JSE’s rules the notice to the Exchange was seventy-two (72) days late. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (i). Further, given a query that the RMOD made of the company in relation to the trade, the RMOD has concluded that Seprod also breached JSE Rule Appendix 7, Model Code for Securities Transactions by Directors and Senior Executives of Listed Companies, Sections 9 (a) and (b).
7	Sagicor Group Jamaica Limited	MMC	JSE Rule Appendix 3 – Listing Agreement, Sections (4a) & (18)	The Company provided notification on July 4, 2016, of dealings in its securities by a related party on June 24, 2016. Given the JSE’s rules the notice to the Exchange was a total of five (5) days late. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (i).
8	Scotia Group Jamaica Limited	MMC	JSE Rule Appendix 3 – Listing Agreement, Sections (4a) & (18)	The Company provided notification on July 8, 2016, of dealings in its securities by Senior Managers on July 1, 2016. Given the JSE’s rules the notice to the Exchange, for some of the Officers, was a total of four (4) days late. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (i).
9	Pan-Jamaican Investment Trust Limited	MMC	JSE Rule Appendix 3 – Listing Agreement, Sections (4a) & (18)	The Company provided notification on July 15, 2016, of dealings in its securities by Senior Managers on July 8, 2016. Given the JSE’s rules the notice to the Exchange was a total of six (6) days late. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (i).
10	1834 Investments Limited (formerly the Gleaner Company)	MMC	JSE Rule 409 – Annual Report	The Company’s Annual Report for the year ended March 31, 2016, which was due on July 29, 2016, became outstanding as at July 30, 2016.

	Limited)			
11	Proven Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended March 31, 2016, which became due on 29, 2016, was submitted on August 9, 2016. Consequently the company is subjected to JSE Rule Appendix 3, Section 16 (vii).
12	Radio Jamaica Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended March 31, 2016, which was due on July 29, 2016, became outstanding as at July 30, 2016.
13	Medical Disposables and Supplies Limited	JMC	JSE Appendix 2, Part 4 (3) – Annual Reports	The Company's Annual Report for the year ended March 31, 2016, which was due on July 29, 2016, became outstanding as at July 30, 2016. The Company advised that the report would be available no later than Friday, August 12, 2016.
14	Sweet River Abattoir & Supplies Company Limited	JMC	JSE Appendix 2, Part 4 (3) – Annual Reports	The Company's Annual Report for the year ended March 31, 2016, which was due on July 29, 2016, became outstanding as at July 30, 2016. The Company advised that the report would not be ready until Friday, August 5, 2016. The Company filed its report on August 5, 2016.
15	Access Financial Services Limited	JMC	JSE Appendix 2, Part 4 (3) – Annual Reports	The Company's Annual Report for the year ended March 31, 2016, which became due on July 29, 2016 was submitted on August 2, 2016.
16	Margaritaville Caribbean Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended May 31, 2016, which was due on July 30, 2016, became outstanding as at July 31, 2016.

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 that are found to be in breach of the rules and regulations of JSE.