



**REPORT OF THE BOARD OF DIRECTORS**  
**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS**  
**FOR QUARTER ENDED SEPTEMBER 30, 2016**

**THIRD QUARTER FINANCIAL HIGHLIGHTS**

Description	Q3-2016	Q3-2015	Change	YTD 2016	YTD 2015	Change
	\$	\$	%	\$	\$	%
Total Income	212.2m	172.4m	23.1	737.9m	554.8m	33.0
Total Expenses	142.7m	108.8m	31.2	434.4m	339.9m	27.8
Net Profit After Tax	44.1m	37.3m	18.2	201.9m	139.5m	44.7
Earnings Per Share	0.31	0.27	14.8	1.44	0.99	45.5

**THIRD QUARTER PERFORMANCE**

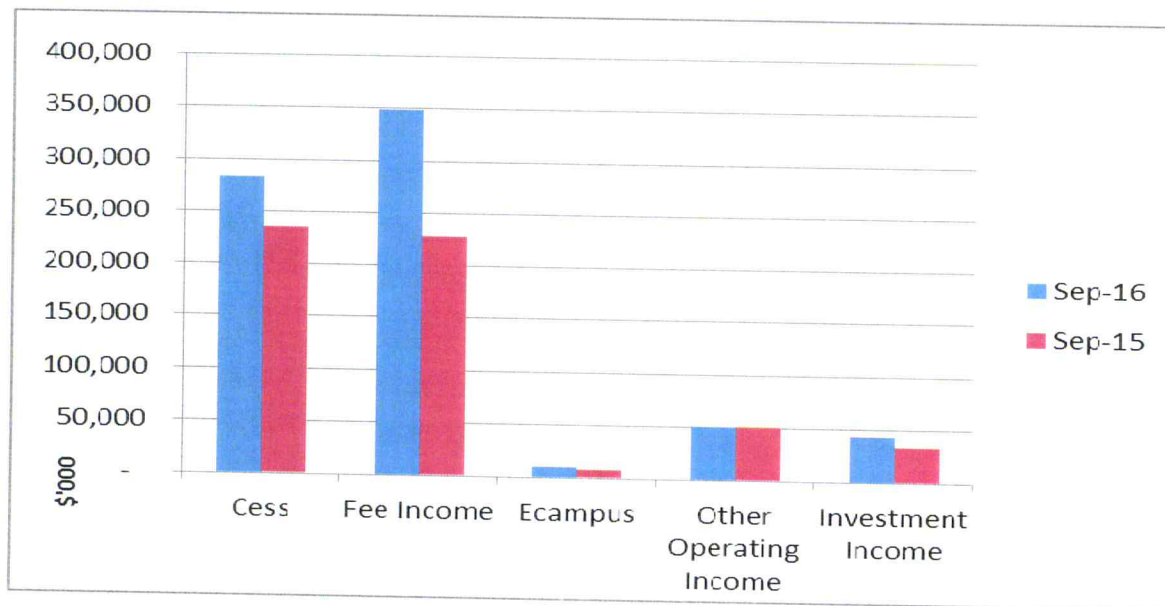
For the Third Quarter ended September 30, 2016, the Jamaica Stock Exchange Group (JSEG) continues to realise increase in its income. Including the results of the quarter under review, this represents seven quarters of consecutive growth over comparative periods in the previous years. The Group continues to benefit from its efforts at revenue diversification and this is reflected primarily in the significant improvement in Fee income.

For the Nine months ended September 30, 2016 there was a significant increase of 114.3% in revenue from the Trustee Services segment of the Group when compared to the corresponding period under review.

**Income**

The JSEG reported consolidated income of \$212.2m for the Quarter ended September 30, 2016, which represents a \$39.8m (23.1%) increase over the corresponding Quarter of 2015. This is attributed to Fee Income which was driven primarily by the Retail Repo Division and revenue generated from an increase in the Trustee Services client base.

For the nine months ended September 30, 2016, the JSEG reported consolidated income of \$737.9m which represents an increase in income of \$183m (33%). A graphical representation of the Group's Q3 2016 vs. Q3 2015 revenue performance is shown below:



### Net Profit

For the Third Quarter ended September 30, 2016, the JSEG recorded a Net Profit After Tax of \$44.1m. This represents an improvement of \$6.8m (18.2%) for the Group when compared to the profit of \$37.3m for the corresponding period in 2015. Improvement in Net Profit continues to be positively impacted by the wider range of products and services that are now being offered by the JSEG.

### Expenses

For the Third Quarter ended September 30, 2016, Total expenses of \$142.7m, increased by \$33.9m (31.2%) over the comparable period in 2015.

Explanations for the main line items contributing to the increase in expenditure are as follows:

- Staff Costs increased by \$11.3m (20.9%) over the prior year due to salary adjustments and increased staff complement to support new business lines.
- Professional Fees in Q3 exceeded 2015 comparatives by \$8.7m (148.8%), which is associated with a strategic planning programme being implemented by the Group.
- Property Expenses in Q3 exceeded 2016 comparatives by \$4.8m (24.2%), which is largely associated with upgrading and maintenance work on the Group's main building.

- Depreciation and amortisation increased by \$4.1m (95.5%) over the prior year due to the increase in assets purchased and revaluation of land and buildings during Q3, resulting in increased monthly charges.

### **Financial Position**

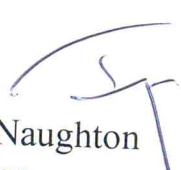
Total JSEG Assets as at September 30, 2016 of \$1.1B, reflects an increase of \$339.6m (44.3%), when compared to holdings as at September 30, 2015. This was due primarily to an increase in Property Plant and Equipment, Intangible Assets, Government Securities purchased under resale agreements and Post-Employment Benefits. Other financial performance of the Group is shown below:

- (a) Total Equity of \$901.9m as at September 30, 2016 reflects increases of \$277.9m (36.5%) and \$280m (45%) over the comparable positions at the end of September 30, 2015 and December 31, 2015 respectively
- (b) Revenue Reserves reflect an increase of \$127.5m (38.7%) over the position as at December 31, 2015, which is net of the amount of \$74m returned to shareholders as dividend on May 6, 2016.
- (c) The inclusion of a revaluation reserve of \$140.2m is as a result of the revaluation of land and buildings in July 2016.

### **MARKET DEVELOPMENTS & OUTLOOK**

The improvement in business and consumer confidence, as reflected in the recently published survey conducted by the Survey and Research Centre of the University of Michigan in collaboration with the Jamaica Chamber of Commerce, has translated to positive performance of listed companies and by extension advances in all the stock market indices over the comparable period.

The Third Quarter performance has been favourable and the outlook for the remainder of the year is positive. The Group will continue in the medium to long term to pursue a strategic path of growth through the promotion of new and existing markets, new product development and the continuous improvement of service delivery to the Group's customers and stakeholders.



Ian McNaughton  
Chairman




L. Garth Kiddoe  
Audit Committee Chairman

**JAMAICA STOCK EXCHANGE LIMITED**  
**Consolidated Statement of Financial Position**  
**At September 30, 2016**

STATEMENT I

	Unaudited Nine months ended September 30, 2016 \$ '000	Unaudited Nine months ended September 30, 2015 \$ '000	Audited Twelve months ended December 31, 2015 \$ '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant & equipment	255,586	81,489	86,177
Intangible assets	45,739	30,662	45,224
Post employment benefits	118,789	66,957	118,789
Investment in securities	205,460	240,000	233,359
Long-term receivables	9,334	9,784	11,082
<b>Total non-current assets</b>	<b>634,908</b>	<b>428,892</b>	<b>494,631</b>
<b>Current assets</b>			
Trade and other receivables	122,626	127,123	119,174
Due from related party	88	2,561	141
Investments in securities	100,073	61,997	62,985
Government securities purchased under resale agreement	204,613	116,427	50,404
Cash and cash equivalents	43,894	30,115	64,009
<b>Total current assets</b>	<b>471,294</b>	<b>338,223</b>	<b>296,713</b>
<b>Total Assets</b>	<b>1,106,202</b>	<b>767,115</b>	<b>791,344</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital	238,146	238,146	238,146
Fair value reserve	18,139	8,769	5,945
Revaluation Reserves	140,246	-	-
Revenue reserve - non-distributable	48,367	48,367	48,367
Revenue reserve	456,996	328,695	329,469
<b>Total equity</b>	<b>901,894</b>	<b>623,977</b>	<b>621,927</b>
<b>Non Current Liabilities</b>			
Deferred tax liabilities	49,789	1,503	43,772
<b>Total non-current liabilities</b>	<b>49,789</b>	<b>1,503</b>	<b>43,772</b>
<b>Current Liabilities</b>			
Income tax payable	34,705	46,590	19,060
Payable and accruals	119,814	95,045	106,585
<b>Total current liabilities</b>	<b>154,519</b>	<b>141,635</b>	<b>125,645</b>
<b>Total Equity &amp; Liabilities</b>	<b>1,106,202</b>	<b>767,115</b>	<b>791,344</b>

Approved and authorized for issue by the Board of Directors on November 9, 2016 and are signed on its behalf by:

  
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 Ian McNaughton - Chairman

  
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 L-Garth Kiddoe - Audit Committee Chairman

**JAMAICA STOCK EXCHANGE LIMITED**  
**Consolidated Statement of Comprehensive Income**  
**For the Nine Months Ended September 30, 2016**

Statement II

	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Three months ended September 2016 \$'000	Three months ended September 2015 \$'000	Nine months ended September 2016 \$'000	Nine months ended September 2015 \$'000	Twelve months ended December 2015 \$'000
<b>INCOME</b>					
Cess	56,393	51,081	282,895	234,711	301,882
Fee Income	119,856	90,680	349,081	228,055	330,086
E-campus	2,651	4,284	10,712	7,825	9,978
Other operating Income	13,791	10,597	51,508	50,626	66,345
	<u>192,691</u>	<u>156,642</u>	<u>694,196</u>	<u>521,217</u>	<u>708,291</u>
<b>EXPENSES</b>					
Staff costs	65,334	54,044	199,682	147,349	215,139
Property expenses	24,362	19,619	67,697	60,154	87,581
Depreciation and amortisation	8,420	4,307	18,929	13,917	18,833
Advertising and promotion	8,091	6,492	36,230	28,630	41,876
Professional fees	14,505	5,830	33,677	24,035	35,336
Securities commission fees	8,060	7,782	38,988	37,444	47,205
Bad debts, less recoveries	-	(331)	-	(331)	6,838
E-campus	2,917	3,416	9,174	9,119	14,004
Other operating expenses	11,032	7,641	30,023	19,604	29,118
	<u>142,721</u>	<u>108,800</u>	<u>434,400</u>	<u>339,921</u>	<u>495,930</u>
Investment Income	19,513	15,725	43,708	33,604	42,424
Other Loss	(8)	-	(235)	-	-
	<u>69,475</u>	<u>63,567</u>	<u>303,269</u>	<u>214,900</u>	<u>254,785</u>
<b>PROFIT BEFORE TAXATION</b>					
Taxation	(25,333)	(26,238)	(101,410)	(75,421)	(79,832)
	<u>44,142</u>	<u>37,329</u>	<u>201,859</u>	<u>139,479</u>	<u>174,953</u>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will never be reclassify to profit or loss:					
Remeasurement of employee benefits assets	-	-	-	-	46,825
Deferred income that will never be reclassified to profit or loss	-	-	-	-	(15,608)
Items that may be reclassify to profit or loss:					
Revaluation surplus property plant and equipment	140,246	-	140,246	-	-
Realised gain on available-for-sale investments	-	-	-	-	(5,433)
Unrealised gains/(losses) on available-for-sale investments	9,448	(6,051)	12,194	(2,192)	(2,090)
Deferred income tax on items that may be reclassified to profit or loss	-	-	-	-	2,507
	<u>149,694</u>	<u>(6,051)</u>	<u>152,440</u>	<u>(2,192)</u>	<u>26,201</u>
Other comprehensive income/(loss) for the period, net of taxes	<u>149,694</u>	<u>(6,051)</u>	<u>152,440</u>	<u>(2,192)</u>	<u>26,201</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><u>193,836</u></u>	<u><u>31,278</u></u>	<u><u>354,299</u></u>	<u><u>137,287</u></u>	<u><u>201,154</u></u>
Earnings per share	\$ 0.31	\$ 0.27	\$ 1.44	\$ 0.99	\$ 1.25

**JAMAICA STOCK EXCHANGE LIMITED**  
**Consolidated Statement of Changes In Equity**  
**For the Nine Months Ending September 30, 2016**

Statement III

	Share Capital	Fair Value Reserve	Revaluation Reserves	Revenue Reserves Non-Distributable	Revenue Reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at January 1, 2015</b>	238,146	10,961	-	-	311,916	561,023
Profit for the period	-	-	-	-	139,479	139,479
Other comprehensive loss for the period	-	(2,192)	-	-	-	(2,192)
Revenue reserves reclassification for the period	-	-	-	48,367	(48,367)	-
<b>Total comprehensive (loss)/income for the period</b>	-	<b>(2,192)</b>	-	<b>48,367</b>	<b>91,112</b>	<b>137,287</b>
Dividend paid	-	-	-	-	(74,333)	(74,333)
<b>Balance at September 30, 2015</b>	<b>238,146</b>	<b>8,769</b>	-	<b>48,367</b>	<b>328,695</b>	<b>623,977</b>
<b>Balance at January 1, 2016</b>	238,146	5,945	-	48,367	329,469	621,927
Profit for the period	-	-	-	-	201,859	201,859
Other comprehensive profit for the period	-	12,194	-	-	-	12,194
Revaluation reserves for the period	-	-	140,246	-	-	140,246
<b>Total comprehensive income for the period</b>	-	<b>12,194</b>	<b>140,246</b>	-	<b>201,859</b>	<b>354,299</b>
Dividend paid	-	-	-	-	(74,332)	(74,332)
<b>Balance at September 30, 2016</b>	<b>238,146</b>	<b>18,139</b>	<b>140,246</b>	<b>48,367</b>	<b>456,996</b>	<b>901,894</b>

THE JAMAICA STOCK EXCHANGE LIMITED  
Consolidated Statement Of Cash Flows  
Nine Months Ended September 30, 2016 (Unaudited)

	Unaudited Six months ended September 2016 \$'000	Unaudited Six months ended September 2015 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	201,859	139,479
Adjustments for:		
Depreciation of property, plant and equipment	13,939	9,759
Amortisation of intangible assets	4,990	4,158
Loss on disposal of property, plant and equipment	235	-
Income tax expenses	101,410	75,421
Interest income	(43,708)	(33,604)
Operating cash flows before movements in working capital	278,725	195,213
Increase trade and other receivable	(3,452)	(64,149)
Increase in trade and other payables	13,229	28,486
Cash provided by operations	288,502	159,550
Income tax paid	(85,765)	(9,441)
Cash provided by operating activities	202,737	150,109
<b>Cash flows from investing activities</b>		
Investments securities, net	52,730	5,647
Government securities purchased under resale agreement	(154,209)	(47,507)
Receipts from/(Payments made by) related parties	53	(185)
Acquisition of property, plant and equipment	(43,337)	(8,820)
Acquisition of intangible assets	(5,505)	(10,129)
Long term receivables	1,748	1,003
Cash used in investing activities	(148,520)	(59,991)
<b>Cash flows from financing activities</b>		
Dividends paid	(74,332)	(74,333)
Cash provided by financing activities	(74,332)	(74,333)
Net (decrease)/increase in cash and cash equivalents	(20,115)	15,785
Cash and cash equivalent at the beginning of the year	64,009	14,330
Cash and cash equivalents at the end of the year	43,894	30,115

**JAMAICA STOCK EXCHANGE LIMITED**  
**Consolidated Segment Report**  
**For the Nine Months Ended September 30, 2016 (Unaudited)**

STATEMENT V

	2016					
	<u>Exchange</u> <u>Operations</u>	<u>Depository</u> <u>Services</u>	<u>Investments</u> <u>Other</u>	<u>Trustees</u> <u>Services</u>	<u>Eliminations</u>	<u>Group</u>
	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)
External Revenue	407,962	156,834	43,708	179,400	(50,000)	<u>737,904</u>
Total Revenue	407,962	156,834	43,708	179,400	(50,000)	<u>737,904</u>
<b>Results</b>						
Segment results	181,499	63,809		107,961	(50,000)	<u>303,269</u>
Profit before taxation	181,499	63,809		107,961	(50,000)	303,269
Taxation	(49,268)	(18,002)		(34,140)		<u>(101,410)</u>
Profit for the Period						<u><u>201,859</u></u>
<b>Other information</b>						
Depreciation & amortisation	11,931	5,364		1,634		18,929
<b>Assets</b>						
Segment assets	791,294	192,012		192,412	(69,516)	<u>1,106,202</u>
<b>Liabilities</b>						
Segment liabilities	129,251	39,354		42,591	(6,888)	<u>204,308</u>
2015						
	<u>Exchange</u> <u>Operations</u>	<u>Depository</u> <u>Services</u>	<u>Investments</u> <u>Other</u>	<u>Trustees</u> <u>Services</u>	<u>Eliminations</u>	<u>Group</u>
	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)
	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)	(\$ 000)
External Revenue	331,086	137,350	33,604	83,780	(31,000)	<u>554,820</u>
Total Revenue	331,086	137,350	33,604	83,780	(31,000)	<u>554,820</u>
<b>Result</b>						
Segment result	146,359	59,819		39,722	(31,000)	<u>214,900</u>
Profit before taxation						214,900
Taxation	(48,786)	(19,940)		(6,695)		<u>(75,421)</u>
Profit for the period						<u><u>139,479</u></u>
<b>Other information</b>						
Depreciation & amortisation	9,387	4,221		309		13,917
<b>Assets</b>						
Segment Assets	587,932	170,480		98,829	(90,126)	<u>767,115</u>
<b>Liabilities</b>						
Segment Liabilities	100,754	45,882		23,996	(27,494)	<u>143,138</u>



**COMPENSATION FUND**  
**Financial Position**  
For the Nine Months Ended September 30, 2016

Statement VI

	Unaudited Nine months ended September 2016 \$'000	Unaudited Nine months ended September 2015 \$'000	Audited Twelve months ended December 2015 \$'000
<b>ASSETS</b>			
<i>Non-current assets</i>			
Investment in Securities	482,269	534,212	528,287
<i>Current assets</i>			
Income tax recoverable	30,715	18,516	22,757
Investment in securities	136,945	33,691	43,246
Government securities purchased under resale agreement	134,249	118,580	120,838
Cash and cash equivalents	1,370	3,027	4,859
	<u>303,279</u>	<u>173,814</u>	<u>191,700</u>
<b>Total Assets</b>	<b><u>785,548</u></b>	<b><u>708,026</u></b>	<b><u>719,987</u></b>
<b>EQUITY AND LIABILITIES</b>			
Contingency reserve	761,640	695,295	706,398
<i>Non Current Liabilities</i>			
Deferred tax liabilities	19,011	5,305	8,316
<i>Current Liabilities</i>			
Payable and accruals	4,897	7,426	5,273
<b>Total Equity &amp; Liabilities</b>	<b><u>785,548</u></b>	<b><u>708,026</u></b>	<b><u>719,987</u></b>

**Compensation Fund  
Comprehensive Income**

	Unaudited Three months ended September 2016 \$'000	Unaudited Three months ended September 2015 \$'000	Unaudited Nine months ended September 2016 \$'000	Unaudited Nine months ended September 2015 \$'000	Audited Twelve months ended December 2015 \$'000
<b>INCOME</b>					
Investment Income	27,205	15,249	61,962	42,165	55,969
<b>EXPENSES</b>					
Administrative expenses	(8,130)	(6,690)	(22,423)	(20,167)	(27,171)
<b>Net Income</b>	<u>19,075</u>	<u>8,559</u>	<u>39,539</u>	<u>21,998</u>	<u>28,798</u>
Taxation	(2,350)	(1,649)	(5,689)	(4,948)	(5,333)
<b>NET PROFIT</b>	<u>16,725</u>	<u>6,910</u>	<u>33,850</u>	<u>17,050</u>	<u>23,465</u>
<b>OTHER COMPREHENSIVE INCOME</b>					
Fair value gain on revaluation of available-for-sale financial assets during the year, net	13,699	141	21,389	1,719	6,411
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b><u>30,424</u></b>	<b><u>7,051</u></b>	<b><u>55,239</u></b>	<b><u>18,769</u></b>	<b><u>29,876</u></b>

# **THE JAMAICA STOCK EXCHANGE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**

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### **1. GROUP IDENTIFICATION**

#### **(a) Composition of the Group**

The group comprises the Jamaica Stock Exchange Ltd (the Company) which is incorporated in Jamaica as a public limited liability company and its wholly owned subsidiary, Jamaica Central Securities Depository Limited, (subsidiary) which is also incorporated in Jamaica. The Group also comprises the JCSD Trustee Services Limited which is a subsidiary of the Jamaica Central Securities Depository. The registered offices of all three companies are situated at 40 Harbour Street, Kingston, Jamaica.

The main activities of the Company are the regulation and operation of a stock exchange and the development of the stock market in Jamaica. The Company performs the twin role of regulating participants in the stock market, and operating an efficient platform on which that market trades, which is the commercial arm of the company.

#### **(b) Principal Activities - Subsidiary**

##### **i. Jamaica Central Securities Depository Limited**

The principal activity is to establish and maintain a Central Securities Depository (CSD) in Jamaica to transfer ownership of securities “by book entry”, including shares, stocks, bonds or debentures of companies and other eligible securities.

##### **ii. JCSD Trustee Services Limited**

The principal activity is the provision of trustee, company management custodianship and related services.

### **2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

These unaudited interim financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and the Companies Act, 2004 of Jamaica.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2015.

The interim financial statements have been prepared on the historical cost basis except for the revaluation of financial assets classified as available-for-sale investments that are measured at revalued amounts or fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**THE JAMAICA STOCK EXCHANGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**

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**3. BASIS OF CONSOLIDATION**

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

All intra- group transactions, balances, income and expenses are eliminated in full on consolidation.

**4. EMPLOYEE BENEFIT COSTS**

**Pension obligations**

The group operates a defined benefit pension plan. The cost of providing benefits is determined using Projected Unit Credit Method with actuarial valuations being carried out at the end of each reporting period.

The post employment benefit assets recognised in the statement of financial position represents the fair value of the plan assets, as adjusted for unrecognised actuarial gains and losses and unrecognized past service costs, and as reduced by the present value of the defined benefit obligation. Any asset resulting from this calculation is limited to the unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

**5. CASH AND CASH EQUIVALENTS**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks.

**THE JAMAICA STOCK EXCHANGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**

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**6. REVENUE RECOGNITION**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of consumption taxes.

**7. IMPAIRMENT OF FINANCIAL ASSETS**

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of investment have been affected.

**8. ORDINARY SHARES**

The number of ordinary shares issued is 140,250,000.

**9. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the profit, by the weighted average number of ordinary shares in issue.

The weighted average number of ordinary units as at 30 September 2015 and 31 December 2015 was 140,250,000 respectively.

**10. REVENUE RESERVES – NON-DISTRIBUTABLE**

Revenue Reserves – Non Distributable represents externally imposed capital requirements for the subsidiary with which they have complied.

**11. REVALUATION RESERVES**

Revaluation Reserves represent surplus arising from revaluation of land and building. The decision was taken by the board to change its accounting policy from the cost model to the revaluation model for land and building during the period.

## **THE JAMAICA STOCK EXCHANGE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**

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#### **12. SUBSEQUENT EVENT**

The shareholders of Jamaica Stock Exchange (JSE) at an Extraordinary General Meeting held on October 25, 2016 approved that each of the ordinary shares of the Company be subdivided into five (5) ordinary shares of no par value. Record date for the split will be November 8, 2016 and the ex-stock split date will be November 4, 2016.

In order to facilitate the stock split an additional 561,000,000 ordinary shares will be listed thereby increasing the issued shares from 140,250,999 to 701,250,000.

#### **13. SEGMENT REPORTING**

The Group's operations are organized into four main business segments as follows:

- *Exchange operations* – the operation and regulation of the Stock Exchange
- *Depository* – Services in connection with transferring and holding of securities, shares, stocks, bonds and debentures.
- *Investments* – Income derived from investing activities of the Group.
- *Trustee* – Custodian, company management and other activities.

The Group's operations are located solely in Jamaica.

#### **14. COMPENSATION FUND**

##### **a. Compensation fund receipts**

These are contributions by member dealers of the Stock Exchange, based on a percentage of the volume of business done by them through the Exchange, for maintaining the Contingency Reserve Fund. However, for the period to date there were no contributions by the member dealers as the Board was of the view that the reserve is adequate for the specific purpose.

##### **b. Contingency reserve**

This fund is created out of surpluses for the purpose of providing some protection to the investing public should they suffer pecuniary loss as a result of defalcation of fraudulent misuse of securities or documents of titles to securities. Provisions in respect of the fund are in accordance with Sections 27 to 35 of the Securities Act.

**JAMAICA STOCK EXCHANGE LIMITED  
TOP 10 ORDINARY SHAREHOLDERS REGISTER  
AS AT SEPTEMBER 30, 2016**

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Names	Shareholdings
1. Sagicor Pooled Equity Fund	16,982,358
2. M/VL Stockbrokers Limited	10,237,000
3. Barita Investments Limited	10,200,000
4. GK Capital Management Limited	10,200,000
5. JMMB Securities Limited	10,200,000
6. Mayberry Investments Limited	10,200,000
7. Sagicor Investments Jamaica Limited	10,200,000
8. Scotia Investments Jamaica Limited	10,200,000
9. VM Wealth Management Limited	10,200,000
10. NCB Capital Markets Limited	10,192,007

**JAMAICA STOCK EXCHANGE LIMITED  
SHAREHOLDING OF DIRECTORS AND SENIOR MANAGERS  
AS AT SEPTEMBER 30, 2016**

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**Directors/Alternate Directors**

**Shareholding**

Edwin McKie*	250,000
Derrick McKoy*	113,234

**Senior Managers**

Marlene Street*	30,000
Robin Levy	50,000
Suzette McNaught*	15,000
Suzette Whyte*	10,000
Neville Ellis*	2,000

*\*Includes holding in joint accounts*