

The Jamaica Stock Exchange (JSE) Junior Market allows investors to put capital into legitimate small and medium-sized companies (SMEs) whose shares trade on a JSE platform. This represents an exciting opportunity for SMEs to raise capital and to contribute to the growth and development of the Jamaican economy.

Full details of the current tax incentives, reduced JSE fees and conditions that Junior Market companies must meet in order to enjoy them, are available from the JSE.

#### JSE SHELF DOCUMENTS:

- Admission Application
- Admission Agreement
- Declaration for Admission
- Mentor Agreement
- Company minutes (Board of Directors and shareholders) approving the application for admission to the Junior Market
- Sample prospectus for Initial Public Offering

Companies will still need to take professional advice on the completion of some of the shelf documents (and in particular, on the company meeting minutes, and the prospectus) given their legal importance.

"Do You Want to See Your Company Listed on the Jamaica Stock Exchange's Junior Market?"

The JSE looks forward to discussing the Junior Market with you with a view to bringing you on board.



# JUNIOR MARKET

**How To Get Your Company Listed on the Junior Market**



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## JAMAICA STOCK EXCHANGE

# JUNIOR MARKET PROCESS FOR ADMISSION

### PUBLIC LIMITED COMPANY

For a company to be listed it must be incorporated as a public limited company, in Jamaica or elsewhere in the CARICOM region.

### NO ASSOCIATION WITH OTHER LISTED COMPANIES, OR PRIOR HISTORY OF LISTING

- (a) The company must not have been previously listed on the Main Board of the JSE, or on the main trading platform of any other stock exchange
- (b) The company is not an “associate” (including a subsidiary) of any such listed company

### MINIMUM AND MAXIMUM CAPITAL AND NUMBER OF SHAREHOLDERS

Must have stated capital of not less than J\$50m and not more than J\$500m following its Initial Public Offering (IPO) and during its life on the Junior Market.

In addition, each such company must have at least 100 shareholders holding at least 20% of the issued equity share capital in its first five (5) years on the Junior Market.

### TAX INCENTIVES OF LISTING

Companies that list on the Junior Market will receive a full Income Tax holiday for the first five (5) years after listing and a 50% Income Tax holiday in year 6 - 10. Visit the JSE's website for further details.

### APPOINTMENT OF A MENTOR

Unless the JSE agrees otherwise, prospective companies MUST appoint a mentor who will act as a compliance adviser to the Board of Directors. The mentor must be a suitably experienced person, and she/he must enter into the standard form Mentor Agreement and be approved by the JSE for the purposes of the Company's admission to the Junior Market.

### APPOINTMENT OF A BOARD OF DIRECTORS

Prospective companies MUST appoint a Board of Directors that is suitably experienced as a collective, to govern and represent the company and...

- a. Appoint advisers: auditor, broker and attorney
- b. Confirm compliance with tax legislation and financial reporting requirements
- c. Draft prospectus (can be based on business plan) with advisers
- d. Submit prospectus and other shelf documents to JSE for review at least 21 days before admission
- e. Register prospectus with the Companies Office of Jamaica and FSC.
- f. Launch Initial Public Offering with its brokers

### PUBLICATION AND AVAILABILITY OF PROSPECTUS

An eligible company shall, for the purposes of initial admission, publish in Jamaica a copy of its prospectus, at least seven (7) days before the Initial Public Offering is open for subscription. Such publication must be effected by uploading the document to the JSE's website and by inserting a notice in a national newspaper in daily circulation in Jamaica indicating that the relevant prospectus is available on the JSE's website.

### INITIAL PUBLIC OFFERING

Prospective companies MUST raise a minimum of J\$50m in new funds in an Initial Public Offering that is made subject to a prospectus - i.e. equity shares, convertible or other shares that have the characteristics of equity (rather than debt) securities.

### ONGOING COMPLIANCE REQUIREMENTS FOR COMPANIES ON THE JSE'S JUNIOR MARKET:

1. Timely Financial Reporting
2. Announcement of Unaudited Quarterly Financial Information
3. Announcement of Audited Annual Financial Information
4. Timely Disclosure of Information to the Market
5. The company must disclose price sensitive information to the market. If the company is in doubt as to what needs to be disclosed, guidance is available from the JSE.
6. Payment of JSE Fees
7. Continuing compliance with the Junior Market Rules

Full details of all the requirements for admission and ongoing compliance for Junior Market companies are set out in the Junior Market Rules, which are available online at [www.jamstockex.com](http://www.jamstockex.com) or email [communications@jamstockex.com](mailto:communications@jamstockex.com) for more information.