

A Canadian in Jamaica

(The First Canadian JSE Offering)



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A Good Foundation



- Work is needed for Canada-to-JSE listings to succeed going forward, but a cooperative inter-sector exchange is within reach
- Jamaican issuers listing in Canada is the next step and that project is on-going
- Dual Canada/Jamaica listing possibility will complete the benefits we think can be achieved

What Worked Well



- Legal – the law firm showed good knowledge, steady guidance, translation of document practice and policy
- Jamaican Regulators – they were efficient, timely, reasonable and reasoned
- JSE – always responsive and helpful to moving things
- Adapting Canada Materials – this went well and the documents work both ways
- Regulatory Consistency – the top quality of the JSE and Jamaican regulatory standards

What Went as Expected



- Materials and navigating the differences in law and practice
- Access to investors was acceptable, although it was difficult to translate that into investment
- Timing of the process was manageable once launched
- Currency will be a challenge until the JSE can do Canadian currency, but that was expected

What Needs Work



- Accounting Support is a real issue, not the Jamaican requirements, which were reasonable (because Canada uses IRFS) but getting a firm comfortable was a challenge
- New product acceptance is difficult
- Education – an Issuer used to the North American/Canada process needs better guidance as to the Jamaican way
- Market Guidance – there needs to be a way for a Canadian issuer who is not on the ground to get better and earlier market guidance
- Costs are High

Next Steps and Ideas



- Improved materials to give solid guidance as to for time line and needed materials for submission
- Market testing assistance
- Packaged guidance on budget and deliveries, and post-listing life
- Liquidity assessment for the JSE investor base
- Complete the listing into Canada process as it will help with knowledge and acceptance

How Do We Stop “Why the JSE” in Canada and Jamaica

- Ensure there is interest and liquidity for the issues
- Enhance cross listing and interest – perhaps expand to include Barbados, Canada, elsewhere
- Smooth the process timing and cost – should come with practice (it is hard to be first)
- JSE is ideal to fill the gap between a Junior exchange and Big Board
- Continue the global standards approach
- Try to have a capital source that answers the question with pools of capital that differ from and expand Canada

Jamaica Coming to Canada



- Each exchange is a little different
- Each exchange will have requirements based on industry and potentially size/stage of issuer
- All require minimum distribution of freely-trading listed securities
- Cross listing – what is it, a next step how do we get there
- Listing application and assessment of both issuer and management

Fundraising in the Canadian Market



- Focus on smaller issuers
 - Key sectors: cannabis, resources, financials, tech
- Public offerings
 - The “bought deal”
 - Shelf offerings
 - ATM offerings
- Private placements to eligible investors
 - Greater freedom with respect to process
 - No disclosure document
 - Limited liability
 - Subject to hold periods and pricing

Life After Listing - Reporting and Timely Disclosure

- Public companies must prepare quarterly IFRS financial statements and management's discussion and analysis
- Financial statements need not be in C\$
- Annual financial statements must be audited
- Auditors of financial statements must become members of the Canadian Public Accountability Board
- Immediate disclosure of “material changes”
- Annual proxy statements and executive compensation disclosure; corporate governance disclosures
- “Insiders” must report trades in securities
- Stock exchanges may have additional requirements

Emerging Market Considerations



- Regulatory Guidance provided for issuers located in or with primary assets in “emerging markets”, which includes all countries in the Caribbean
- Highlights potential areas of risk, identifies key questions that directors and management should address and outlines the expectations with respect to the existing disclosure regime for reporting issuers
- Guidance incorporated into listing requirements of the various stock exchanges



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