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Jamaica Stock Exchange's Monthly Regulatory Report June 2019

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Overview

This is the Jamaica Stock Exchange's (JSE) June 2019 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-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers were required to file Monthly Reports for the period ended May 31, 2019 by July 1, 2019. For the reporting period, thirteen (13) Monthly Reports were due and of the thirteen (13), twelve (12) were submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended May 31, 2019 by July 1, 2019. For the reporting period, no Quarterly Reports were due, hence no filings were made.

Under JSE Rule 209 (C) member-dealers with financial year ended March 31, 2019 were required to file their Audited Reports by June 30, 2019. For the reporting period, three (3) Audited Reports were due and submitted on time.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports for the month ended June 30, 2019 was 94%. For the 2018 comparative period, member-dealers' aggregate compliance rate was 100%. For the reporting period ended May 31, 2019, all member-dealers satisfied the JSE's Excess Net Free Capital (ENFC) requirement as prescribed by JSE Rule Appendix 12 – Member/Dealers' Report and Financial Information, which is represented in Table 1 below.

Table 1

Member-Dealers' Excess Net Free Capital (ENFC) as at May 31, 2019		
ENFC Range(\$M)	# Of Member-Dealers May 2019	# Of Member-Dealers May 2018
Below 0	0	0
0 - 299	0	2
300 – 899	5	4
900 – 1,999	3	2
2,000 – 5,999	3	1
6,000 and above	2	3

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended April 30, 2019 by June 14, 2019. Listed Companies with year ended April 30, 2019 that selected the 60-days filing option were required to file Audited Financial Statements by June 29, 2019. Listed Companies with year ended March 31, 2019 that selected a 90-days filing option were also required to file their Audited Financial Statements by June 29, 2019. Additionally, Listed Companies with year ended February 2019 were required to file Annual Reports by June 28, 2019. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
June 2019					June 2018			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	3	3	0	0	3	3	0	0
Audited	3	1	0	2	3	1	1	1
Annual	2	2	0	0	2	1	1	0

*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 Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of June 2019 amounted to Fourteen (14) versus Forty-four (44) for the comparative period. 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	
June 2019	June 2018	June 2019	June 2018	June 2019	June 2018
14	44	9	42	5	2
Y-T-D '19	Y-T-D '18	Y-T-D '19	Y-T-D '18	Y-T-D '19	Y-T-D '18
171	282	161	274	10	8

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended June 30, 2019 is presented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	SSL Venture Capital Jamaica Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1)(a) (ii) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2018, which became due on March 1, 2019, was submitted on June 4, 2019. Given the late filing, the Company breached JSE Junior Market Rule Appendix 2, Part 4 (1)(a)(ii). The Company provided notices of the delay in accordance to the rules of the JSE's Junior Market
2	Key Insurance Company Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1)(a) (ii) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2018, which became due on March 31, 2019, was submitted on June 27, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Junior Market. Due to the filing of the Audited Financial Statements on June 27, 2019, the Company breached JSE Junior Market Rule Appendix 2, Part 4 (1) (a) (ii).
3	Caribbean Cement Company Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended December 31, 2018, which became due on April 30, 2019, was submitted on June 5, 2019. The Company provided a notice of the delay. Due to the filing of the Annual Report on June 5, 2019, the Company breached JSE Rule 409 and was subjected to JSE Rule Appendix 3, Section 16 (vii).
4	Seprod Group Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended December 31, 2018, which became due on April 30, 2019, was submitted on June 26, 2019. The Company provided a notice of the delay. Due to the filing of the Annual Report on June 26, 2019, the Company breached JSE Rule 409 and is to be subjected to JSE Rule Appendix 3, Section 16 (vii).
5	Sagikor Group Jamaica Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended December 31, 2018, which became due on April 30, 2019, was submitted on June 4, 2019. The Company provided a notice of the delay. Due to the filing of the Annual Report on June 4, 2019, the Company breached JSE Rule 409 and

				was subjected to JSE Rule Appendix 3, Section 16 (vii).
6	Sagikor Real Estate X Fund Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended December 31, 2018, which became due on April 30, 2019, was submitted on June 14, 2019. The Company provided a notice of the delay. Due to the filing of the Annual Report on June 14, 2019, the Company breached JSE Rule 409 and was subjected to JSE Rule Appendix 3, Section 16 (vii).
7	Consolidated Bakeries Jamaica Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019.
8	Derrimon Trading Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay.
9	Everything Fresh Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay.
10	ISP Finance Services Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay.
11	Key Insurance Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay.
12	SSL Venture Capital Jamaica Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. Company provided a notice of the delay.
13	Caribbean Flavours and Fragrances Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended December 31, 2018, which became due on April 30, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay.
14	SSL Venture Capital Jamaica Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1)(a)(i) – Quarterly Financial Statements	The Company's 1 st Quarter Unaudited Financial Statements for the period ended March 31, 2019, which became due on May 15, 2019, was submitted on June 24, 2019.

15	Seprod Group Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 1 st Quarter Unaudited Financial Statements for the period ended March 31, 2019, which became due on May 15, 2019, was submitted on June 7, 2019. Consequently the company was subjected to JSE Rule Appendix 3, Section 16 (v).
16	JMMB Group Limited	MMC	JSE Rule 408 – Audited Annual Financial Statement	The Company's Audited Financial Statements for the period ended March 31, 2019, which became due on May 30, 2019, was submitted on June 5, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Main Market. Due to the filing of the Audited Financial Statements on June 5, 2019, the Company breached JSE Rule 408 and was subjected to JSE Rule Appendix 3, Section 16 (vi).
17	1834 Investments Limited	MMC	JSE Rule 408 – Audited Annual Financial Statement	The Company's Audited Financial Statements for the period ended March 31, 2019, which became due on May 30, 2019, was submitted on June 17, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Main Market. Due to the filing of the Audited Financial Statements on June 17, 2019, the Company breached JSE Rule 408 and was subjected to JSE Rule Appendix 3, Section 16 (vi).
18	Proven Investments Limited	MMC	JSE Rule 408 – Audited Annual Financial Statement	The Company's Audited Financial Statements for the period ended March 31, 2019, which became due on May 30, 2019, was submitted on June 7, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Main Market. Due to the filing of the Audited Financial Statements on June 7, 2019, the Company breached JSE Rule 408 and was subjected to JSE Rule Appendix 3, Section 16 (vi).
19	Radio Jamaica Limited	MMC	JSE Rule 408 – Audited Annual Financial Statement	The Company's Audited Financial Statements for the period ended March 31, 2019, which became due on May 30, 2019, was submitted on June 7, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Main Market. Due to the filing of the Audited Financial Statements on June 7, 2019, the Company breached JSE Rule 408 and was subjected to JSE Rule Appendix 3, Section 16 (vi).

20	Gwest Corporation Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (2) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended March 31, 2019, which became due on May 30, 2019, was submitted on June 28, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Junior Market. Due to the filing of the Audited Financial Statements on June 28, 2019, the Company breached JSE Junior Market Rule Appendix 2, Part 4 (1) (a) (ii).
21	SSL Venture Capital Jamaica Limited	JMC	<ol style="list-style-type: none"> 1. JSE Junior Market Rule Appendix 2, Part 4 2 (b) (i) – Requirements for Financial Reporting – Audited Annual Financial Statements 2. JSE Junior Market Rule 505 (10) – Financial Reporting. 3. JSE Junior Market Rule Appendix 4 (2) – Admission Agreement 	The Company's Audited Report for the year ended December 31, 2018, which was submitted on June 4, 2019 breached JSE Junior Market Rule Appendix 2, Part 4, Section 2 (b)(i). Given the issue with the company's Audited Report, the company JSE Junior Market Rule 505 (10) – Financial Reporting and JSE Junior Market Rule Appendix 4 (2) – Admission Agreement was also breached. The Company applied for voluntary suspension in accordance with JSE Junior Market Rule 505, Section 14 (b) in order to (i) resolve issues raised and address breach, (ii) implement the appropriate policies and procedures to ensure that these issues do not recur; and (iii) submit an audited financial statement report that as at a new reporting date, remedies all issues, demonstrates an unqualified opinion and complies with International Financial Reporting Standards and the JSE Junior Market Rules. The company's application was approved by the JSE and trading in the company's securities was suspended.
22	SSL Venture Capital Jamaica Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 5 (4)(b) – Requirements for Immediate Disclosure of Material Information.	The Company notified the JSE on June 6, 2019 of changes to its directors and senior management, which took effect on May 1, 2019 and May 5, 2019. Due to the delay in providing notification to the JSE, the company breached JSE Junior Market Rule, Appendix 2, Part 5 (4)(b).
23	Jamaica Broilers Group Limited	MMC	JSE Rule 408 – Audited Annual Financial Statement	The Company's Audited Financial Statements for the period ended April 27, 2019, 2019, which became due on June 27, 2019, is outstanding as at June 30, 2019. The Company provided a notice of the delay in accordance with the rules of the JSE's Main Market.

24	Sweet River Abattoir & Supplies Co. Ltd.	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1)(a) (ii) – Audited Annual Financial Statements	The Company’s Audited Financial Statement for the period ended March 31, 2018, which became due on June 29, 2019, is outstanding as at the end of June 2019. The Company provided a notice of the delay in accordance with the rules of the JSE’s Junior Market.
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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.