



# Jamaica Stock Exchange's Monthly Regulatory Report February 2020

# Jamaica Stock Exchange February 2020 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) February 2020 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 January 31, 2020 by March 2, 2020. For the reporting period, thirteen (13) Monthly Reports were due and submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended January 31, 2020 by March 2, 2020. For the reporting period, one (1) Quarterly Report was due and submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended November 30, 2019 were required to file their Audited Reports by February 29, 2020. For the reporting period no Audited Reports were due, hence no filings were made.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports due for the period ended February 2020 and March 2, 2020 was 100%. For the 2019 comparative period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended January 31, 2020, 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**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at January 31, 2020</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers Jan 2020</b>	<b># Of Member-Dealers Jan 2019</b>
Below 0	0	0
0 - 299	1	1
300 – 899	3	4
900 – 1,999	4	4
2,000 – 5,999	2	3
6,000 and above	3	1

## Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended December 31, 2019 by February 14, 2020. Listed Companies with year ended December 31, 2019 that selected the 60-days filing option were required to file Audited Statements by February 29, 2020. Listed Companies with year ended October 31, 2019 were required to file Annual Reports by February 28, 2020. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>February 2020</b>					<b>February 2019</b>			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	43	41	1	1	38	35	2	1
Audited	26	23	0	3	0	0	0	0
Annual	5	4	0	1	4	4	0	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 February 2020 amounted to Twenty-Six (26) versus Twenty-Three (23) for the comparative period. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

**Table 3**

<b>Market Surveillance &amp; Compliance Log</b>					
<b>Total Issues</b>		<b>Issues Closed</b>		<b>Issues Unclosed</b>	
<b>Feb 2020</b>	<b>Feb 2019</b>	<b>Feb 2020</b>	<b>Feb 2019</b>	<b>Feb 2020</b>	<b>Feb 2019</b>
26	23	17	21	9	2
<b>Y-T-D '20</b>	<b>Y-T-D '19</b>	<b>Y-T-D '20</b>	<b>Y-T-D '19</b>	<b>Y-T-D '20</b>	<b>Y-T-D '19</b>
42	43	32	39	10	4

## **List of Regulatory Breaches and Enforcement Actions**

The list of regulatory breaches and enforcement actions for the period ended February 29, 2020 is presented at Table 4.

**Table 4**

<b>#</b>	<b>Entity</b>	<b>Code</b>	<b>Rule</b>	<b>Details</b>
1	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, was submitted on February 21, 2020.
2	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, 2019, which became due on June 29, 2019, is outstanding as at the end of January 2020. The Company was suspended on August 9, 2019 for its breaches of the JSE's Junior Market Rules and failure to address the breaches in a timely manner. On February 10, 2020 the Company was delisted for its failure to comply with the JSE's Junior Market Rules - Ongoing Requirements.
3	Sweet River Abattoir & Supplies Co. Ltd.	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended March 31, 2019, which became due on July 29, 2019, is outstanding as at the end of January 2020. The Company was suspended on August 9, 2019 for its breaches of the JSE's Junior Market Rules and failure to address the breaches in a timely manner. On February 10, 2020 the Company was delisted for its failure to comply with the JSE's Junior Market Rules - Ongoing Requirements.
4	Sweet River Abattoir & Supplies Co. Ltd.	JMC	JSE Junior Market Rule Appendix 2, Ongoing Requirements, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company's 1st Quarter Unaudited Financial Statements for the period ended June 30, 2019, which became due on August 14, 2019, is outstanding as at the end of January 2020. The Company was suspended on August 9, 2019 for its breaches of the JSE's Junior Market Rules and failure to address the breaches in a timely manner. On February 10, 2020, the Company was delisted for its failure to comply with the JSE's Junior Market Rules - Ongoing Requirements.
5	SSL Venture Capital Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) - Annual Report	The Company's Annual Report for the year ended June 30, 2019, which became due on October 28, 2019, is outstanding as at the end of February 2020.

6	Sweet River Abattoir & Supplies Co. Ltd.	JMC	JSE Junior Market Rule Appendix 2, Ongoing Requirements, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company's 2 <sup>nd</sup> Quarter Unaudited Financial Statements for the period ended September 30, 2019, which became due on November 14, 2019, is outstanding as at the end of January 2020. The Company was suspended on August 9, 2019 for its breaches of the JSE's Junior Market Rules and failure to address the breaches in a timely manner. On February 10, 2020, the Company was delisted for its failure to comply with the JSE's Junior Market Rules - Ongoing Requirements.
7	Sweet River Abattoir & Supplies Co. Ltd.	JMC	<ol style="list-style-type: none"> <li>1. JSE Junior Market Rule 504 (1) (b) – Board Level Requirements</li> <li>2. JSE Junior Market Rule 504 (2) (b) – Board Level Requirements</li> <li>3. JSE Junior Market Rule 505 (5) – Ongoing Requirements, Board of Directors</li> <li>4. JSE Junior Market Rule 500 (4) – High Level Principles, Board Level Requirements</li> <li>5. JSE Junior Market Rule Appendix 4, Section 2 – Admission Agreement</li> </ol>	Based on engagement with the Company on August 2, 2019, the JSE was informed that the Company did not have any independent non-executive directors as required by the JSE's Junior Market Rules. As a consequence the Company is unable to satisfy the JSE's Junior Market requirements as it relates to having an Audit Committee and a Remuneration Committee. Due to the circumstance, the Company breached the Board Level Requirements of the JSE's Junior Market Rules. The Company was suspended on August 9, 2019 for its breaches of the JSE's Junior Market Rules and failure to address the breaches in a timely manner. On February 10, 2020, the Company was delisted for its failure to comply with the JSE's Junior Market Rules - Ongoing Requirements.
8	138 Students Living Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended September 30, 2019, which became due on January 28, 2020, was submitted on February 6, 2020. Consequently, the company was subjected to JSE Rule Appendix 3, Section 16 (vii).
9	Radio Jamaica Limited	MMC	JSE Rule Appendix 7, 8 (c) and 9 (b)	The Company provided notification on December 16, 2019 of dealings in its securities on December 3, 2019 by a Connected Person. Given the JSE Rules the trades were notified to the JSE a total of six (6) days late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).

10	Sagicor Group Jamaica Limited	MMC	JSE Rule Appendix 7, 8 (c) and 9 (b)	The Company provided notification on December 20, 2019 of dealings in its securities on the 10th, 11th and 12th of December 2019 by a Senior Officer. Given the JSE Rules the trades were notified to the JSE a total of six (6) days late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).
11	MPC Caribbean Clean Energy Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company’s 4 <sup>th</sup> Quarter Unaudited Financial Statements for the period ended December 31, 2019, which became due on February 14, 2020, was submitted on February 24, 2020. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (v).
12	Key Insurance Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 1 (a) (i) – Quarterly Financial Statements	The Company’s 4 <sup>th</sup> Quarter Unaudited Financial Statements for the period ended December 31, 2019, which became due on February 14, 2020 is outstanding as at the end of February 2020. The Company provided a notice of the delay.
13	Pan Jamaican Investment Trust Limited	MMC	JSE Rule Appendix 7, 8 (c) and 9 (b)	The Company provided notification on September 3, 2019 of dealings in its securities on the 23rd and 26th of August 2019 by a Director. Given the JSE Rules the trades were notified to the JSE a total of five (5) days late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).
14	Limners and Bards Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3) – Annual Report	The Company’s Annual Report for the year ended October 2019, which became due on February 28, 2020, is outstanding as at the end of February 2020.

**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.