



Jamaica Stock Exchange's Monthly Regulatory Report December 2020

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Overview

This is the Jamaica Stock Exchange's (JSE) December 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 November 30, 2020 by December 31, 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 November 30, 2020 by December 31, 2020. For the reporting period, no Quarterly Report became due.

Under JSE Rule 209 (C) member-dealers with financial year ended August 31, 2020 were required to file their Audited Reports by November 30, 2020. For the reporting period, two (2) Audited Reports were due and submitted on time.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports due for the month ended December 31, 2020 was 100%. For the 2019 comparative reporting period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended November 30, 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

Member-Dealers' Excess Net Free Capital (ENFC) as at November 30, 2020		
ENFC Range(\$M)	# Of Member-Dealers Nov 2020	# Of Member-Dealers Nov 2019
Below 0	0	0
0 - 299	1	1
300 – 899	4	3
900 – 1,999	3	3
2,000 – 5,999	2	3
6,000 and above	3	3

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended October 31, 2020 by December 15, 2020. Listed Companies with year ended October 31, 2020 were required to file Audited Reports by December 30, 2020. Those with year ended September 30, 2020 were required to file Audited Reports by December 29, 2020. Listed Companies with year ended August 31, 2020 were required to file Annual Reports by December 29, 2020. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
December 2020					December 2019			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	5	5	0	0	4	4	0	0
Audited	9	8	1	0	8	8	0	0
Annual	1	1	0	0	1	1	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 December 2020 amounted to fourteen (14), which was the same number of issues handled for the comparative period December 2019. 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	
Dec 2020	Dec 2019	Dec 2020	Dec 2019	Dec 2020	Dec 2019
14	14	9	9	5	5
Y-T-D '20	Y-T-D '19	Y-T-D '20	Y-T-D '19	Y-T-D '20	Y-T-D '19
252	298	227	277	25	21

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended December 31, 2020 is presented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	Tree of Knowledge International Corporation	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 2 nd Quarter Unaudited Financial Statements for the period ended June 30, 2020, which became due on August 14, 2020, was submitted on December 1, 2020. The Company was suspended on October 21, 2020 for its breaches of the JSE Main Market Rules and its failure to address the breaches in a timely manner. Due to the late filing the company was subjected to JSE Rule Appendix 3, Section 16 (v).
2	Tree of Knowledge International Corporation	MMC	1. JSE Rule Appendix 8 – Policy Statement on Timely Disclosure, Section D – Developments to be Disclosed 2. JSE Rule Appendix 3, Section 12	The Company has failed to provide, in accordance with the rules of the JSE, adequate disclosures on significant changes in management, which includes disclosures concerning several changes to its Board and Management since listing and the current composition of its Audit Committee. Due to the failure to provide the requisite disclosures as required by the JSE the company has breached several rules of the Exchange. Consequently, the company was suspended on October 21, 2020.
3	Palace Amusement Company (1921) Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended June 30, 2020, which became due on October 28, 2020, was submitted on December 23, 2020. The Company provided a notification of the delay. Due to the filing of the Annual Report on December 23, 2020, the Company breached JSE Rule 409 Annual Report. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vii).
4	iCreate Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3)-Published Annual Report and Audited Financial Statements.	The Company's Annual Report for the period ended December 31, 2019, which was granted extension relief due to the impact of COVID-19 was filed on December 3, 2020. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief period.

5	Consolidated Bakeries Jamaica Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3)-Published Annual Report and Audited Financial Statements.	The Company's Annual Report for the period ended December 31, 2019, which was granted an extension relief due to the impact of COVID-19 was deemed to be outstanding as at the end of December 2020.
6	Margaritaville Turks Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended May 31, 2020, which became due on September 28, 2020, is outstanding as at the end of December 2020.
7	Express Catering Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (3)-Published Annual Report and Audited Financial Statements.	The Company's Annual Report for the period ended May 31, 2020, which became due on September 28, 2020, is outstanding as at the end of December 2020.
8	Stocks and Securities Limited	M/D	JSE Rule 209 (C) – Annual Returns	The firm's Audited Report for the period ended June 30, 2020, which was granted extension relief due to the impact of COVID-19 was deemed to be outstanding as at the end of December 2020.
9	iCreate Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i)	The Company's 3 rd Quarter Financial Statements for the period ended September 30, 2020, which became due on November 14, 2020, was submitted on December 3, 2020.
10	Palace Amusement Company Ltd	MMC	JSE Rule 407 - Quarterly Financial Statements	The Company's 1 st Quarter Financial Statements for the period ended September 30, 2020, which became due on November 14, 2020, was submitted on December 10, 2020. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (v).
11	Tree of Knowledge International Corporation	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 3 rd Quarter Unaudited Financial Statements for the period ended September 30, 2020, which became due on November 14, 2020, is outstanding as at the end of November 2020. The Company was suspended on October 21, 2020 for its breaches of the JSE Main Market Rules and its failure to address the breaches in a timely manner. Due to the late filing the company was subjected to JSE Rule Appendix 3, Section 16 (v).
11	Proven Investments Limited	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Report for the period ended March 31, 2020, which was granted extension relief due to the impact of COVID-19 was filed on July 21, 2020. The Company's Audited Report was deemed to be late as it was submitted outside of the extension relief period. As

				consequence the company was subjected to JSE Rule Appendix 3, Section 16 (vi).
12	Radio Jamaica Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended March 31, 2020, which was granted extension relief due to the impact of COVID-19 was filed on October 5, 2020. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief period. As consequence the company was subjected to JSE Rule Appendix 3, Section 16 (vii).
13	Derrimon Trading Company Limited	JMC	Junior Mkt Listed Company - Violation - JSE Junior Market Rule Appendix 2, Part 4	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 was filed on September 8, 2020. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief period.
14	Caribbean Flavours and Fragrances Limited	JMC	Junior Mkt Listed Company - Violation - JSE Junior Market Rule Appendix 2, Part 4	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 was filed on September 8, 2020. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief period.
15	Caribbean Cream Limited	JMC	Junior Mkt Listed Co - Violation -Appendix 2, Part 5 - Paragraph 2	The Company notified the JSE of its AGM, which was held on October 27, 2020 on November 6, 2020. As a consequence the company breached JSE Junior Market Rule Appendix 2 Part 5 Paragraph 2.
16	General Accident Insurance Company Limited	JMC	Junior Mkt Listed Co - Violation - Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting	The Company's 2nd Quarter Financial Statements for the period ended June 30, 2020 that was filed with the JSE on August 14, 2020 had a material discrepancy. The issue was considered a breach of JSE Junior Market Rule Appendix 2, Part 4(1)(b)(i) – Requirements for Financial Reporting. The Company filed an amended statement that satisfied the rules of the JSE.
17	Lumber Depot Limited	JMC	Junior Mkt Listed Co - Violation - Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting	The Company's 1st Quarter Financial Statements for the period ended July 31, 2020 that was filed with the JSE on September 11, 2020 had a material discrepancy. The issue was considered a breach of JSE Junior Market Rule Appendix 2, Part 4(1)(b)(i) – Requirements for Financial Reporting. The

				Company filed an amended statement on that satisfied the rules of the JSE.
18	Eppley Caribbean Property Fund Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 3rd Quarter Financial Statements for the period ended June 30, 2020, that was filed with the JSE on August 14, 2020, excluded financial information for the three (3) months period, April 1, 2020 to June 30, 2020, as well as the comparative three (3) months prior period. The issue was considered a breach of JSE Rule 407 – Quarterly Financial Statements. The Company subsequently filed an amended statement on September 7, 2020, which satisfied JSE Rule 407.
19	IronRock Insurance Company Limited	JMC	Junior Market Listed Company - Violation - Appendix 2, Part 8, Section 9(b)	The Company provided notification on September 9, 2020 of dealings in its securities by a Connected Person of a Director on August 24, 2020. Given JSE Junior Market Rule Appendix 2, Part 8 Sections 8 (c), the notice to the Exchange was late.
20	Dolphin Cove Limited	JMC	Junior Mkt Listed Co - Violation - Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting	The Company's 3rd Quarter Unaudited Financial Statements for the period ended September 30, 2020 that was filed with the JSE on November 13, 2020, had discrepancies that were deemed to be material. The Company filed an amended statement that satisfied the rules of the JSE.
21	Mayberry Investments Limited	M/D	JSE Main Mkt Rule 209(A) - Monthly Returns	The firm submitted an incomplete Broker Report for the month ended September 30, 2020. The report became due on November 1, 2020 and an initial filing was made on November 2, 2020. A complete filing was made on November 3, 2020. Consequently, the firm was subjected to JSE Rule 211 B.

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.