



Jamaica Stock Exchange's Monthly Regulatory Report January 2021

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Overview

This is the Jamaica Stock Exchange's (JSE) January 2021 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 December 31, 2020 by January 31, 2021. For the reporting period, thirteen (13) Monthly Reports were due and of the thirteen (13) eleven (11) were submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended December 31, 2020 by January 31, 2021. For the reporting period, twelve (12) Quarterly Reports were due and of the twelve (12) ten (10) were submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended October 31, 2020 were required to file their Audited Reports by January 31, 2021. For the reporting period, one (1) Audited Report was due and submitted on time.

The aggregate compliance rate for member-dealers' filing of Monthly, Quarterly and Audited Reports due for the month ended January 31, 2021 was 85%. For the 2019 comparative reporting period, member-dealers' aggregate compliance rate was 100%. For the reporting period ended December 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

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

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended November 30, 2020 by January 14, 2021. Listed Companies with year ended October 31, 2020 that selected the 90 -days filing option were required to file Audited Reports by January 29, 2021. Listed Companies with year ended September 30, 2020 were required to file Annual Reports by January 28, 2021. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
January 2021					January 2020			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	8	5	1	2	8	8	0	0
Audited	1	1	0	0	1	1	0	0
Annual	8	7	0	1	8	5	1	2

*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 January 2021 amounted to eleven (11) versus sixteen (16) 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	
Jan 2021	Jan 2020	Jan 2021	Jan 2020	Jan 2021	Jan 2020
11	16	4	11	7	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
11	16	4	11	7	5

List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended January 31, 2021 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	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 January 2021.
4	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 January 2021.
5	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 January 2021.
6	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 filed on January 14, 2021. The firm's Audited Report was deemed to

				be late as it was submitted outside of the extension relief period. deemed to be outstanding as at the end of December 2020. As a consequence the firm was subjected to JSE Rule 211 (A).
7	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).
8	Knutsford Express Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i)	The Company's 2 nd Quarter Financial Statements for the period ended November 30, 2020, which became due on January 14, 2021, was submitted on January 15, 2021.
9	Margaritaville Turks Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 2 nd Quarter Financial Statements for the period ended November 30, 2020, which became due on January 14, 2021, is outstanding as at the end of January 2021. The Company provided a notification regarding the delay.
10	Express Catering Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i)	The Company's 2 nd Quarter Financial Statements for the period ended November 30, 2020, which became due on January 14, 2021, is outstanding as at the end of January 2021. The Company provided a notification regarding the delay.
11	Barita Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended September 30, 2020, which became due on January 28, 2021 is outstanding as at the end of January 2021. The Company provided a notification regarding the delay.
12	Kingston Wharves Limited	MMC	JSE Rule Appendix 7, Section 8 (c) and 9 (b)	The Company provided notification on October 22, 2020 of dealings in its securities on September 18, 2020 and the 9th and 13th of October 2020 by a Connected Person to a director. Given the JSE Rules the notice to the Exchange was late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).

13	CAC 2000 Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company's 2 nd Quarter Financial Statements for the period ended April 30, 2020 that was filed with the JSE on June 12, 2020, had material discrepancies that resulted in a refiling on July 30, 2020 and on October 8, 2020. The filing on October 8, 2020 satisfied all concerns.
14	Stanley Motta Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the period ended March 31, 2019, which was granted extension relief due to the impact of COVID-19 was filed on July 31, 2020. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief period. As a consequence, the company was subjected to JSE Rule Appendix 3, Section 16 (vi).

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.