



# Jamaica Stock Exchange's Monthly Regulatory Report February 2022

# Jamaica Stock Exchange February 2022 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) February 2022 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 Returns for the period ended January 31, 2022, by March 3, 2022. For the reporting period, fourteen (14) Monthly Returns were due and of the fourteen (14) thirteen (13) were submitted on time.

In accordance with JSE Rule 209 (B) member-dealers were required to file Quarterly Returns for the period ended January 31, 2022, by March 3, 2022. For the reporting period, one (1) Quarterly Return was due and filed on time.

Under JSE Rule 209 (C) member-dealers are required to file within three (3) months of the end of their financial year Audited Reports to the Exchange. For the reporting period ended February 2022, no Audited Reports were due.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended February 2022, was 93%. For the 2021 comparative reporting period, member-dealers' aggregate compliance rate was also 93%. For the reporting period ended January 2022 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, 2022</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers Jan 2022</b>	<b># Of Member-Dealers Jan 2021</b>
Below 0	0	0
0 - 299	2	2
300 – 899	6	2
900 – 1,999	0	4
2,000 – 5,999	2	2
6,000 and above	4	3

## **Listed Companies' Submissions**

Listed Companies were required to file Unaudited Reports for the period ended December 31, 2021, by February 14, 2022. Listed Companies with year ended December 31, 2021 that selected the 60 days filing option were required to file Audited Reports by March 1, 2022. Listed Companies with year ended October 31, 2021, were required to file Annual Reports by February 28, 2022. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>February 2022</b>					<b>February 2021</b>			
Reports	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	45	43	1	1	46	42	2	2
Audited	30	18	0	12*	29	20	0	9
Annual	5	1	0	4*	5	5	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.*

*\* Due to the prolonged impact of the Covid-19 pandemic, the JSE made available extension relief of thirty (30) days and forty-five (45) days respectively to Listed Companies who were required to file Audited and Annual Reports in the month of February 2022.*

## **Market Surveillance and Compliance Activities**

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of February 2022 amounted to twenty-six (26) versus thirty-three (33) 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 2022</b>	<b>Feb 2021</b>	<b>Feb 2022</b>	<b>Feb 2021</b>	<b>Feb 2022</b>	<b>Feb 2021</b>
26	33	15	26	11	7
<b>Y-T-D '22</b>	<b>Y-T-D '21</b>	<b>Y-T-D '22</b>	<b>Y-T-D '21</b>	<b>Y-T-D '22</b>	<b>Y-T-D '21</b>
<b>62</b>	<b>44</b>	<b>45</b>	<b>34</b>	<b>17</b>	<b>10</b>

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

The list of regulatory breaches and enforcement actions for the period ended February 2022, is presented at Table 4.

**Table 4**

#	Entity	Code	Rule	Details
1	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 year ended May 31, 2021, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of February 2022.
2	Margaritaville Turks Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended May 31, 2021, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of February 2022.
3	Express Catering Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i)	The Company's 2 <sup>nd</sup> Quarter Unaudited Financial Statements for the period ended November 30, 2021, which became due January 14, 2022, was submitted on February 28, 2022.
4	Fontana Limited	JMC	JSE Junior Market Rule, Appendix 2, Ongoing Requirements, Part 4 (1) (a) (i)	The Company's 2nd Quarter Unaudited Financial Statements for the period ended December 31, 2021, which became due on February 14, 2022, was submitted on March 4, 2022. The Company had provided a delay notice on February 14, 2022.
5	PanJam Investment Limited	MMC	JSE Rule Appendix 7, Section 9 (b)	The Company provided notification on June 14, 2021, of dealings in its securities on May 28, 2021, by a connected person. Given the JSE Rules the notice to the Exchange was late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).
6	Pulse Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended June 30, 2021, which was granted an extension relief due to the impact of COVID-19 was filed on December 18, 2021. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).
7	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly report for the period ended November 30, 2021, which became due on December 31, 2021, was submitted

				on January 4, 2022. Consequently, the firm was subjected to JSE Rule 211.
8	Lumber Depot Limited	JMC	JSE Junior Market Rule Appendix 2, Part 8 – Section 9 (B).	The Company provided notification on October 12, 2021, of dealings in its securities by a Director on October 4, 2021. Given the JSE Junior Market Rules the notice to the Exchange was late.
9	Blue Power Limited	JMC	JSE Junior Market Rule Appendix 2, Part 8 – Section 9 (B).	The Company provided notification on October 12, 2021, of dealings in its securities by a Director on October 1, 2021. Given the JSE Junior Market Rules the notice to the Exchange was late.

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.