



# Jamaica Stock Exchange's Monthly Regulatory Report May 2022

# Jamaica Stock Exchange May 2022 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) May 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 April 30, 2022, by May 31, 2022. For the reporting period, fifteen (15) Monthly Returns were due and of the fifteen (15), fourteen (14) were submitted on time.

In accordance with JSE Rule 209 (B) member-dealers were required to file Quarterly Returns for the period ended April 30, 2022, by May 31, 2022. For the reporting period, one (1) Quarterly Return was due and submitted 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. There were two (2) member-dealers with Annual Returns for the year ended December 31, 2021, which were granted extension relief to file by May 2, 2022. Of the two (2), one (1) was submitted on time.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended May 2022, was 89%. For the 2021 comparative reporting period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended April 2022 all member-dealers, except one (1), 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 April 2022</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers Apr 2022</b>	<b># Of Member-Dealers Apr 2021</b>
Below 0	1	0
0 - 299	4	2
300 – 899	4	4
900 – 1,999	0	3
2,000 – 5,999	3	0
6,000 and above	3	4

## **Listed Companies' Submissions**

Listed Companies were required to file Unaudited Reports for the period ended March 31, 2022, by May 15, 2022. Listed Companies with year ended March 31, 2022, that selected the 60 days filing option were required to file Audited Reports by May 30, 2022. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>May 2022</b>					<b>May 2021</b>			
Reports	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	68	61	6	1	63	61	1	1
Audited	12	5	0	7*	12	4	0	8*
Annual	0	0	0	0	0	0	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 forty-five (45) days to Listed Companies who were required to file Audited Reports in the month of May 2022.*

## **Market Surveillance and Compliance Activities**

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of May 2022 amounted to Fifty-nine (59) versus nineteen (19) 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>May 2022</b>	<b>May 2021</b>	<b>May 2022</b>	<b>May 2021</b>	<b>May 2022</b>	<b>May 2021</b>
59	19	36	10	23	9
<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>159</b>	<b>98</b>	<b>119</b>	<b>82</b>	<b>40</b>	<b>16</b>

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

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

**Table 4**

#	Entity	Code	Rule	Details
1	QWI Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended September 30, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on May 6, 2022. 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).
2	Jamaican Teas 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 September 30, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on May 6, 2022. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
3	Barita Investments Limited	MMC	JSE Rule 409 – Annual Report	The Company's Annual Report for the year ended September 30, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on May 16, 2022. 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).
4	iCreate Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on May 2, 2022. The Company's Audited Financial Statements was deemed to be late as it was submitted outside of the extension relief provided.
5	Jetcon Corporation Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 is outstanding as at the end of May 2022.

6	Mayberry Investments Limited	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Financial Statements for year ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on May 12, 2022. The Company's Audited Financial Statements 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	General Accident Insurance Company Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements	The Company's Audited Financial Statement for the period ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 is outstanding as at the end of May 2022.
8	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended September 2021, which became due on October 31, 2021, was submitted on November 1, 2021. Consequently, the firm was subjected to JSE Rule 211.
9	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209 (B) – Quarterly Returns	The firm's quarterly return for the period ended September 2021, which became due on October 31, 2021, was submitted on November 1, 2021. Consequently, the firm was subjected to JSE Rule 211.
10	Barita Investments Limited	M/D	JSE Main Mkt Rule 209(A) - Monthly Returns	The firm submitted an incomplete Monthly Return for the period ended July 2021. The report became due on August 31, 2021, and an initial filing was made on August 27, 2021. A complete filing was made on September 1, 2021. Consequently, the firm was subjected to JSE Rule 211 B.
11	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended December 2021, which became due January 31, 2022, was submitted on February 1, 2022. Consequently, the firm was subjected to JSE Rule 211.
12	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209 (B) – Quarterly Returns	The firm's quarterly return for the period ended December 2021, which became due on January 31, 2022, was submitted on February 1, 2022. Consequently, the firm was subjected to JSE Rule 211.
13	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended January 2022, which became due on March 3, 2022, was submitted on March 6, 2022. Consequently, the firm was subjected to JSE Rule 211.

14	Proven Wealth Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended February 2022, which became due on March 31, 2022, was submitted on April 1, 2022. Consequently, the firm was subjected to JSE Rule 211.
15	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209(A) – Monthly Returns	The firm's monthly return for the period ended March 2022, which became due on May 1, 2022, was submitted on May 2, 2022. Consequently, the firm was subjected to JSE Rule 211.
16	Stocks and Securities Limited	M/D	JSE Main Mkt Rule 209 (B) – Quarterly Returns	The firm's quarterly return for the period ended March 2022, which became due on May 1, 2022, was submitted on May 2, 2022. Consequently, the firm was subjected to JSE Rule 211.
17	iCreate Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company's 3rd Quarter Financial Statements for the period ended September 30, 2021, that was filed with the JSE on December 1, 2021, had material discrepancies, which resulted in a refiling on January 17, 2022. The revised filing on January 17, 2022, satisfied all concerns.
18	Tropical Battery Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company's 1st Quarter Financial Statements for the period ended December 31, 2021, that was filed with the JSE on February 10, 2022, did not include in the Statement of Changes in Shareholder's Net Equity a comparative three (3) months for the period ended December 2020 as required by IAS 34.20. This resulted in a refiling on May 13, 2022. The revised filing satisfied all concerns.
19	Mayberry Jamaican Equities Limited	MMC	JSE Rule 408 – Audited Annual Financial Statements	The Company's Audited Financial Statements for year ended December 31, 2021, which was granted an extension relief due to the impact of COVID-19 was submitted on April 4, 2022. The Company's Audited Financial Statements 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).

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.