



## ADVISORY CIRCULAR TO REGISTRANTS

REF: TTSEC-DR&CF-4561-AB-28/6/2013

June 28, 2013

Dear Registrant,

### **Soliciting Expressions of Interest in a Proposed Securities Issue in accordance with Section 74 of the Securities Act, 2012**

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The Securities Act, 2012 (“the SA 2012”) was proclaimed on December 28, 2012 and came into operation on December 31, 2012. This circular letter seeks to bring your attention to certain provisions related to the solicitation of expressions of interest under the SA 2012.

Under the Securities Industry Act, 1995 (“the Former Act”) registrants were allowed to solicit expressions of interest in a proposed securities offering subject to certain conditions. Specifically, section 70(2) of the Former Act stated:

*“...a registrant may solicit expressions of interest from prospective purchasers with respect to a proposed distribution if he notifies the Commission in writing that he intends to do so and identifies the issuer and the security proposed to be distributed.”*

A similar clause however was not replicated in the SA 2012 but instead section 74 of the SA 2012 states:

*“A person shall not solicit the purchase or sale of a security by way of advertisement in connection with a distribution of a security, unless a receipt has been issued by the Commission under this Act for a prospectus offering the security and the advertisement—*

- (a) identifies the security distributed;*
- (b) states that a receipt has been issued;*
- (c) identifies a person from whom a document specified in paragraph (a) may be obtained, and identifies a person through whom orders will be executed; and*
- (d) contains any other prescribed information.”*

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Trinidad and Tobago Securities and Exchange Commission

The Commission is cognizant of the possible difficulties which may be experienced by registrants in expending resources on the registration of a security without a preliminary gauge of the market's appetite.

Having regard to the consequential effect of section 74 of the SA 2012 persons desirous of soliciting expressions of interest in a proposed security offering are advised to first seek the Commission's approval via a written request. This request should:

1. Identify the issuer of the security to be distributed as well as the salient characteristics of the security being distributed; and
2. Include a commitment from the proposed issuer or registrant arranging the offering to maintain adequate records regarding its solicitation of expressions of interest.

The Staff of the Commission will then respond to such requests in writing and indicate whether the applicant can proceed to solicit expressions of interest.

Please be guided accordingly. Should you have any questions or concerns, please contact us via electronic mail at [sa2012@ttsec.org.tt](mailto:sa2012@ttsec.org.tt).

Yours respectfully,



Candice Huggins  
General Counsel (Ag.)