



## TTSEC – How We Protect the Investing Public



Over the course of this article series, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) has sought to educate the market and the public on its role and functions; and to demystify the operations of the local securities market, in order to engender greater levels of trust and confidence among investors. There has been significant focus on the measures utilised by the TTSEC to afford protection to investors, as provided for under the Securities Act, Chapter 83:02 (SA), and emphasis is placed on the important role of the individual, in ensuring his/her own investment interests are safeguarded by exercising due care and attention prior to any investment decision.

The TTSEC's core divisions play a major role in the preventative aspects of regulation by providing guidance to market participants, conducting surveillance and investigations, initiating enforcement action for breaches of the securities legislation and through an aggressive investor education and public outreach programme. We will now look at the specific functions associated with preventative regulation.

## **Disclosure and Registration**

The TTSEC conducts comprehensive reviews of registration documents to ensure that the filings received contain all the required disclosure as mandated by the SA, to verify that contingencies are in place to prevent uncertainty and to promote investor confidence.

The TTSEC may initiate enforcement action where persons/entities fail to comply with the legislative disclosure obligations. This is an important factor in effective regulation as investors need to have timely access to information in order to make informed investment decisions. Where disclosure obligations are not met, the TTSEC would initiate the appropriate legal action.

## **Compliance and Inspections**

The TTSEC is empowered under Section 89 of the SA to conduct compliance reviews while Section 7(1)(l) enables the TTSEC to, “*monitor the risk exposure of registrants and self-regulatory organisations and take measures to protect the interest of investors, clients, members and the securities industry*”. Inspections and compliance assessments are intended to determine the safety and soundness of an entity by identifying its significant activities, assessing key risks inherent in each significant activity, assessing the quality of its risk management and performing a financial analysis.

## **Market, Regulation and Surveillance**

All complaints received by the TTSEC are reviewed to determine if there is a contravention of the SA which warrants the initiation of an investigation. The TTSEC provides legislative review with respect to the assessment of matters that may constitute material changes or market misconduct under the SA and may also initiate enforcement action where necessary.

## **Investor Education**

The TTSEC is required, under Section 6 (g) of the SA, to promote an understanding about the securities industry among the public. This is achieved through a variety of means under the TTSEC’s expansive investor education and public outreach programme which, due to the COVID-19 pandemic, is now largely carried out virtually via webinars and live events. The TTSEC has multiple online investor education resources including an investor education online hub, which is accessible at: [www.investucatett.com](http://www.investucatett.com); a “*train-the-trainer*” programme, which utilises our investor education online course, manual and workbook, and an online investing gaming platform - InvestorQuestTT available at: [www.investorquest-tt.com](http://www.investorquest-tt.com).

The TTSEC also participates in investor education and market outreach initiatives which assist, in particular, with building collaboration and cooperation among key entities; helping to grow the securities market and protecting individuals from fraudulent, high-risk, and unregulated financial scams.

The TTSEC is also actively involved in and contributes to local, regional and international financial education initiatives via its involvement in two core committees: the National Financial Education Committee and the International Forum for Investor Education - Caribbean Working Group, which is an affiliate of the International Organisation of Securities Commissions (IOSCO). Major annual collaborations include the commemoration of Global Money Week, in March, and World Investor Week, in October.

The TTSEC also focuses on the early detection, or prevention, of activities that may have the potential to cause investor mistrust or uncertainty. In this regard, the TTSEC informs the general public of their role in actively safeguarding their own investing interests. Some of our helpful tips include:

### **Look before you leap!**

**Refer to the List of Registrants:** On the TTSEC's website and via the Investor Protection App, there is a complete list of persons/entities registered with the TTSEC that provide investment services. This is particularly important information to individuals since no person/entity ought to offer the services of a broker, broker-dealer or investment adviser without first having been registered with the TTSEC. Remember to check our registration database first, to ensure that the entities and the securities being offered are registered before making any investment decision.

### **Speak up!**

**Submit a Complaint:** If a member of the public believes that they have been aggrieved by any registrant or by a person offering the services of a broker, broker-dealer or investment adviser, they may lodge an official complaint in writing with the TTSEC. Written complaints are to be addressed to the Director, Market Regulation and Surveillance. The online complaints form is available on our website at <http://ttsec.org.tt/about-us/investor-complaints/>.

**Report a Scam:** If you come across someone promoting a seemingly fraudulent financial scam, whether via WhatsApp, on social media or even in person, you may submit an anonymous tip to the TTSEC along with any supporting evidence, whether in the form of a video or audio file, image or document. For your ease of access, you may download the TTSEC mobile application - 'TTSEC Investor Protection App', and lodge a complaint or report a scam directly from your android or apple devices.

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For more information, please visit our corporate website, [www.tfsec.org.tt](http://www.tfsec.org.tt).  
You may also visit our Investor Education website at [www.investucattt.com](http://www.investucattt.com) or  
connect with us via any of our social media handles:



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