

MEDIA RELEASE



**Trinidad and Tobago
Securities and Exchange Commission
57-59 Dundonald Street
Port of Spain**

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TTSEC hosts Consultations on Draft Securities Bill 2012

“Regulatory reform is a never ending process as the market being regulated is one that is dynamic; and as situations change, so too must the regulatory framework.”

It is against this backdrop that the Trinidad and Tobago Securities and Exchange Commission (TTSEC) hosted a series of Consultations with the public in Trinidad and in Tobago; with fellow regulators such as the Financial Intelligence Unit, Central Bank of Trinidad and Tobago, Ministry of National Security’s Anti Money Laundering/Combating the Financing of Terrorism (AML-CFT) Unit and the Solicitor General’s Office; with stakeholder associations such as Securities Dealers Association of Trinidad and Tobago, Mutual Funds Association of Trinidad and Tobago, the Trinidad and Tobago Stock Exchange and the Law Association of Trinidad and Tobago.

These consultations which were held over four days in June, aimed to provide fellow regulators, market actors, stakeholders, the legal fraternity and the general public with information on the Draft Securities Bill 2012. The Bill, which is expected to be laid in the next session of Parliament, is intended to replace the existing Securities Industry Act, 1995 and seeks to strengthen the present regulatory framework in order to provide greater protection for investors and other market participants. This enhanced protection will be achieved through the implementation of improved disclosure and transparency procedures, more sophisticated market surveillance, enforcement and the promotion of regulatory cooperation at all levels.

The passage of this Bill is also pivotal as it is expected to assist Trinidad and Tobago’s application to the International Organisation of Securities Commissions’ (IOSCO) Multilateral Memorandum of Understanding (MMoU) to become an “A” list signatory. This MMoU is a tool used by securities regulators to help ensure effective regulation and to preserve and strengthen the international securities market. It was designed to facilitate cross-border enforcement and the exchange of information for securities regulatory enforcement purposes.

By being placed on the IOSCO “A” List, Trinidad and Tobago will have:-

- *The ability to share information with both local and foreign regulators;*
- *An enhanced reputation and credibility; and*
- *The ability to increase investor confidence.*

If Trinidad and Tobago fails to have legislation to address the deficiencies in its present Act, our country may face reputational and credibility issues as countries not on the “A” list by January 2013 may be identified as high risk territories for business and may attract unscrupulous market players.

As Professor Patrick Watson, TTSEC Chairman espoused in his Opening Remarks at all the consultations, “the creation of a strong and robust capital market cannot be established without reference to the soundness of the reporting mechanisms, the reliability of the regulatory regime within which it operates, the effectiveness of corporate governance in the market as well as the degree of the transparency and fairness in existence.”

This revised Securities Bill, which was most recently submitted to Parliament in 2010 and subsequently lapsed, has at its core, the promotion of regulatory co-operation, enhancement of disclosure obligations, shifting the focus from issuer to activity and investor, strengthening of the regulatory framework, fostering transparency, the increase of the TTSEC’s enforcement powers and greater emphasis on prosecuting market misconduct and manipulation.

Each consultation also included presentations by Norton Jack, TTSEC’s General Counsel/General Manager (Ag.) and Ms. Astraea B. Douglas, Legal Officer in the TTSEC’s Legal Advisory and Enforcement Division.

The TTSEC, as the regulator for the securities industry, remains committed to the promotion of investor confidence, fairness and the orderly growth of the local capital market. To achieve this development, our regulatory framework must adapt to the requirements of IOSCO and international best practice.

The TTSEC intends to conduct a special consultation with Members of Parliament within the next few months.

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About the TTSEC:

The TTSEC, established by way of the Securities Industry Act of 1995, is responsible for maintaining oversight of the securities market and for ensuring that fairness, equity and transparency remain common values in the market place. Our vision as an organisation is to be an effective regulator of the capital market in which stakeholders have confidence.

About IOSCO:

The International Organisation of Securities Commissions (IOSCO) is an association of entities that regulate the world’s securities, capital and futures markets. This association has members from over 100 countries, which regulate more than 90 % of the world’s securities markets and has a primary role of assisting its members to promote high standards of regulation. IOSCO acts as a forum for national regulators to cooperate with each other and other international organisations.

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