



*THE TRINIDAD AND TOBAGO
SECURITIES AND EXCHANGE
COMMISSION*



**What is the
Trinidad and Tobago
Securities and Exchange
Commission?**

Q. What is the Trinidad and Tobago Securities and Exchange Commission (SEC)?

The Trinidad and Tobago Securities and Exchange is an autonomous agency established by an Act of Parliament – the Securities Industry Act of 1995 (the Act) – to regulate the securities market.

Q. What is the securities market?

The securities market is the market in which securities are traded i.e. bought and sold. This market facilitates the exchange of funds between borrowers and lenders. Borrowers of funds are able to raise capital by issuing securities to the public. Investors willingly provide these funds by investing their money in securities because these financial instruments offer attractive returns in the form of interest income, dividends and capital gains. Trading in the securities market now takes place electronically through the facilities of the Trinidad and Tobago Stock Exchange (TTSE) or in the over-the-counter (OTC) market.

Q. What is the mission of the Trinidad and Tobago Securities and Exchange Commission?

The Mission of the Trinidad and Tobago Securities and Exchange Commission is to promote confidence, fairness and orderly growth of the Trinidad and Tobago Securities Market through the development of frameworks for investor protection and information dissemination, and the adoption and enforcement of world class standards for fairness, transparency and equity in securities market regulation.

Q. Why is there a need for an organization such as the SEC?

The world of investing can be very fruitful. But unlike the banking world, where deposits are guaranteed, stocks, bonds and other securities can lose value. As more and more investors turn to the markets to help secure their futures, pay for homes, and send children to university, our investor protection mission is more compelling than ever.

Q. What is the composition of the Commission's Board?

The Securities Industry Act 1995 provides for the appointment of no less than three and no more than seven Commissioners to the Board of the Commission. The present Board consists of five Commissioners.

Q. What are the functions of the Commission?

The principal functions of the Commission are to:

- Advise the Minister of Finance on all matters relating to the securities industry;
- Maintain surveillance over the securities market and ensure open, fair and equitable dealings in securities;
- Register, authorize or regulate reporting issuers, self-regulatory organizations and market actors (including brokers, dealers, traders, investment advisers etc.) to ensure that proper standards of conduct and professionalism are maintained in securities business;
- Protect the integrity of the securities market against any abuses arising from the practice of insider trading; and
- Create and promote such conditions in the securities market as may seem necessary, advisable or appropriate to ensure the orderly growth and development of the capital market.

The Commission is charged with the responsibility of ensuring that market actors comply with the provisions of the Securities Industry Act 1995 and the accompanying regulations, the Securities Industry By-laws 1997 and the Securities Industry (Take-Over) By-Laws 2005.

Q. How does the Commission regulate the securities market?

The SEC regulates the market by performing various functions including:

- Registering all securities issued to the public;
- Registering issuers of those securities;
- Registering market actors i.e. brokers, dealers, traders, underwriters, securities companies, and investment advisers;
- Registering self regulatory organizations (for example, stock exchanges and securities associations), Maintaining surveillance over the market to ensure that there is transparent, fair and equitable dealing in securities and that there are no abuses arising from insider trading;
- Hearing and investigating complaints from aggrieved persons including investors and market participants;
- Enforcing the penalties of the Act. Where persons are in breach of the Act, the SEC can impose sanctions or penalties including fines, or may initiate criminal proceedings against them;
- Conducting Investor Education programmes.

The Trinidad and Tobago Securities and Exchange Commission

57-59 Dundonald Street

Port of Spain

Tel: 624-2991; Fax: 624-2995

Website: www.ttsec.org.tt

Business Hours: Monday – Friday

8.00A.M. – 4.00P.M.