



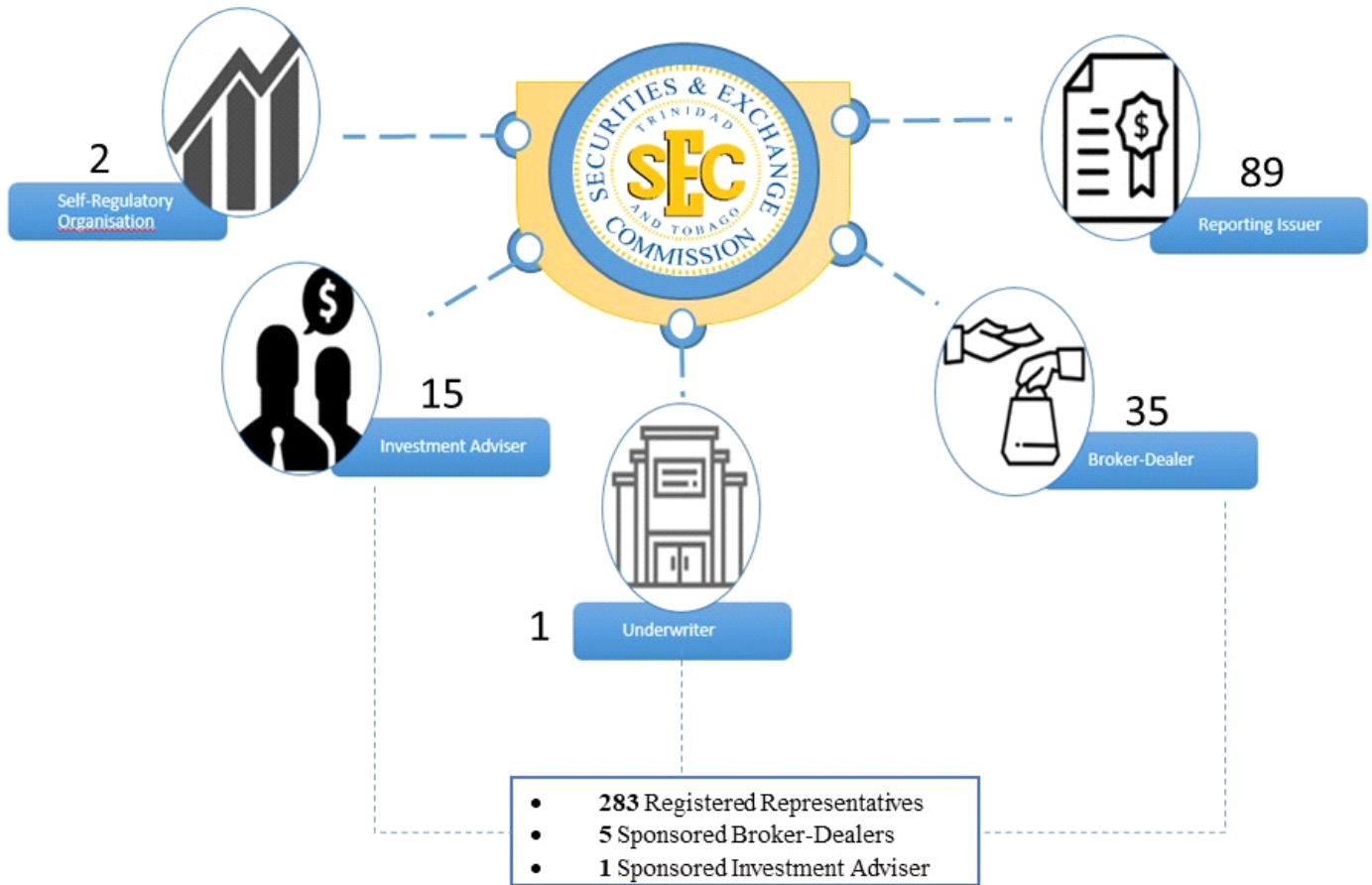
Who's who in the Securities Market

In the Central Bank of Trinidad and Tobago's, 2018 Annual Economic Survey, the Financial Sector is shown to have accounted for approximately 7.5 percent of the Gross Domestic Product (GDP) of Trinidad and Tobago. Over the past five (5) years it has ranked fifth (5th) on average, out of the 20 categorised sectors, making it a major contributor to GDP. This sector which mainly comprises banks, investment and insurance companies, offers a broad range of services to individuals, organisations and companies that promote saving; investing; risk management and loan and mortgage facilities. Within this sector, there are two main regulatory authorities, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and the Central Bank of Trinidad and Tobago (CBTT). The TTSEC and the CBTT have signed a Memorandum of Understanding (MOU) that facilitates cooperation and the exchange of information for regulatory supervision purposes. This collaboration serves to promote the integrity, efficiency and financial soundness of the capital market.

The TTSEC regulates the securities market while the CBTT has oversight over the banking and insurance segment of the financial sector. The TTSEC's role is to protect investors and promote and enable the growth and development of the securities industry by nurturing fair, efficient and transparent securities markets, cooperating with other regulators and mitigating systemic risk. As the securities industry evolves due to the development of innovative financial products and services to investors, our role becomes even more critical.

Entities that engage in activities specified within the respective legislation that govern the TTSEC and the CBTT are required to be duly registered with the relevant regulator/s. Investment activities that fall under the remit of the TTSEC may be undertaken by: Self-Regulatory Organisations, Broker-Dealers, Investment Advisers, Underwriters, Sponsored Broker-Dealers, Sponsored Investment Advisers and Registered Representatives. **Figure 1** below shows the TTSEC's main categories of registration and the numbers registered within each category, as at 31st December, 2019. It should be noted that a person or entity registered under the respective category, is required to comply with the provisions of the Securities Act, 2012 (SA 2012).

Figure 1: Main Categories of Registration



- **Self-Regulatory Organisation (Section 36 of the SA 2012)**

A Self-Regulatory Organisation is a clearing agency; securities exchange or an association of market actors registered or required to be registered under the SA 2012. This entity sets standards for, or monitors the conduct of its members or participants relating to trading in, or advising on securities. Such organisations include the Trinidad and Tobago Stock Exchange Limited and the Trinidad and Tobago Central Depository.

- **Broker-Dealer, Investment Adviser and Underwriter (Section 51 of the SA 2012)**

Broker-Dealers, Investment Advisers and Underwriters are referred to as Registrants under the SA 2012. A Broker-Dealer buys and sells securities on behalf of its clients, as well as executes trades on its own behalf. Activities performed by Broker-Dealers include: Repurchase Agreement Selling; Collective Investment Scheme and Wealth Management and, Discretionary and Non-Discretionary Trading. An

Investment Adviser provides investment advice in exchange for a fee. An Underwriter provides services in connection to the distribution of securities.

- ***Sponsored Broker-Dealer and Sponsored Investment Adviser***

A Sponsored Broker-Dealer or Sponsored Investment Adviser is an individual registered under the securities legislation of a designated foreign jurisdiction who conducts business in securities in Trinidad and Tobago on behalf of a respective Broker-Dealer or Investment Adviser, for a period not exceeding an aggregate of ninety (90) days in any one calendar year.

- ***Registered Representative***

Within each Registrant category listed above, an individual who is a senior officer, agent or employee of a Registrant who engages in any act, action or course of conduct in connection with the class of business activities of the Registrant is required to be registered as a Registered Representative in the respective category: Advising, Brokering or Underwriting.

It should be noted that persons who are registered as Registrants with the TTSEC are required to maintain a designated minimum capital requirement at all times as prescribed under By-law 27 of the Securities (General) By-laws, 2015 (the By-laws).

- **Reporting Issuer and its Securities (Sections 61 and 62 of the SA 2012)**

No security shall be distributed or listed with any stock exchange unless it is registered with the TTSEC. In addition, any entity that wishes to distribute a security, is required to be registered as a Reporting Issuer. Furthermore, a Reporting Issuer is an issuer whose securities are listed on registered markets or an entity that came into existence following a takeover, business combination or other re-organisation involving an exchange of securities, in which one of the parties was a Reporting Issuer at the time of the transaction. The Reporting Issuer category does not include a government entity or international agency. It should be noted however that exemptions from the registration of a Reporting Issuer as well as its securities are outlined under Sections 61(4) and 62(9) of the SA 2012, respectively.

While the TTSEC fosters development of the securities industry and welcomes participation in the market, we encourage members of the public who are interested in investing in securities, to visit our website at <https://www.ttsec.org.tt/registration/> for a list of registered companies, individuals and securities or consult with professionals registered with the TTSEC, for the necessary information.

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For more information, please visit our corporate website, www.ttsec.org.tt.
You may also visit our Investor Education website at www.investucatett.com or
connect with us via any of our social media handles:



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