



■ Trinidad and Tobago Securities and Exchange Commission
ANNUAL REPORT 2006

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■ OUR VISION

To be an effective regulator of the capital market in which stakeholders have confidence.

■ OUR MISSION

The Trinidad and Tobago Securities and Exchange Commission is the regulatory agency for the Securities Industry. We administer the Securities Industry Act to protect the investor, promote integrity and transparency and foster the development of the capital market through a committed and competent team of professionals.





■ LETTER OF TRANSMITTAL

January 31st, 2007

The Honourable Patrick Manning
Prime Minister and Minister of Finance
Whitehall
29 Maraval Road
PORT OF SPAIN

Dear Honourable Prime Minister,

In accordance with the provisions of Section 20(1) of the Securities Industry Act, 1995, I submit the Annual Report of the Trinidad and Tobago Securities and Exchange Commission for the financial year ended September 30th, 2006 together with a copy of the Annual Audited Statement of Accounts certified by the auditors.

I would be grateful if you could advise me when the report is laid in Parliament, as the Act requires that copies be made available to the public after it has been so laid.

Yours faithfully,



OSBORNE NURSE
Chairman

■ FUNCTIONS OF THE COMMISSION

The Trinidad and Tobago Securities and Exchange Commission (the Commission) was established by the Securities Industry Act, 1995 (the Act).

It is an autonomous body whose role is to provide for the regulation of the securities market in Trinidad and Tobago and for related matters. The main functions of the Commission are outlined in Section 5 of the Act as follows:

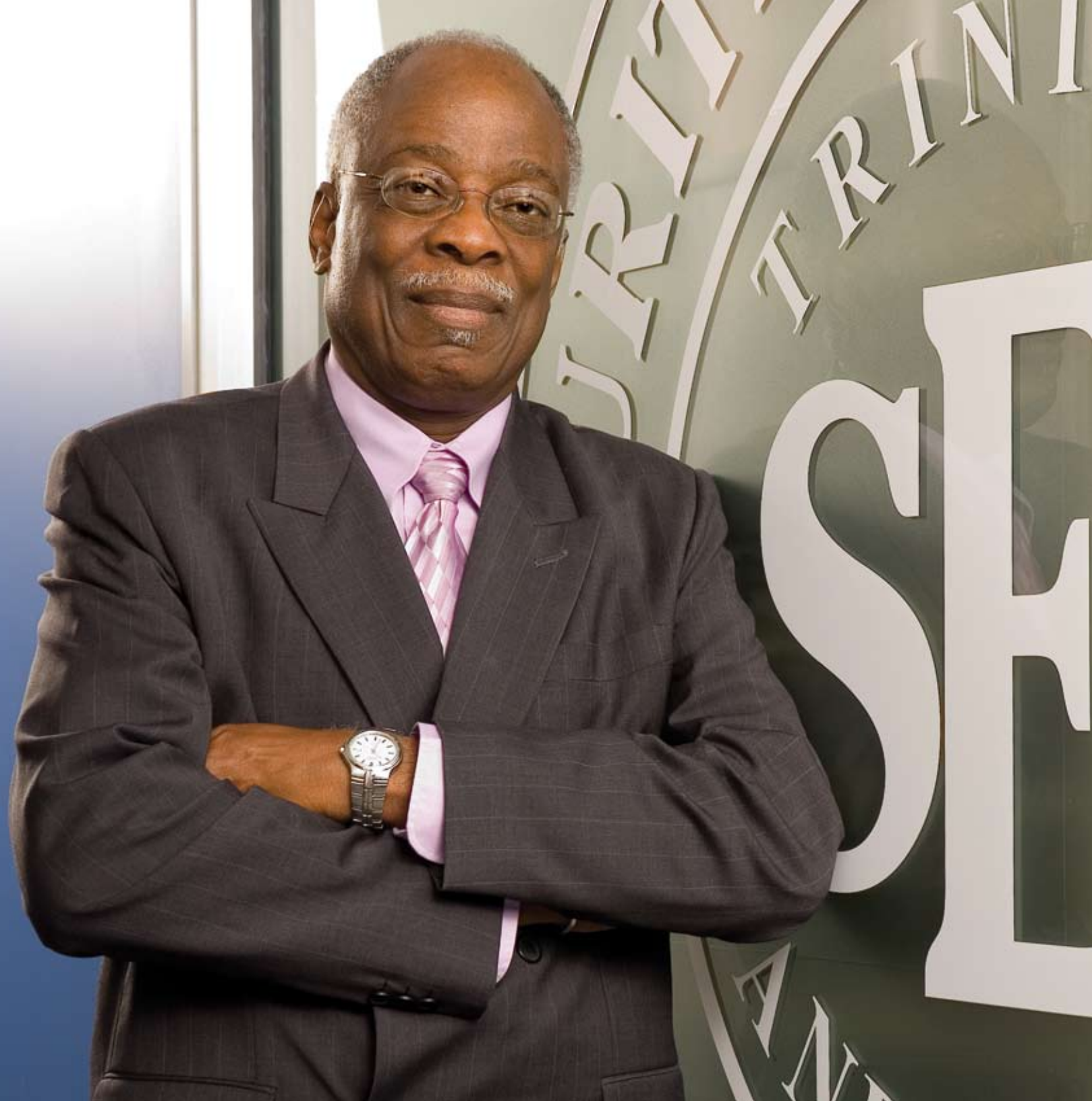
- Advise the Minister of Finance on all matters relating to the securities industry;
- Maintain surveillance over the securities market and ensure orderly, fair and equitable dealings in securities;
- Register, authorize or regulate in accordance with the Act, self-regulatory organizations, securities companies, brokers, dealers, traders, underwriters, issuers and investment advisers, and control and supervise their activities with a view to maintaining proper standards of conduct and professionalism in the securities business;
- Protect the integrity of the securities market against any abuses arising from the practice of insider trading;
- Create and promote such conditions in the securities market as may seem to it necessary, advisable, or appropriate to ensure the orderly growth and development of the capital market.



▲ From left to right:
Shelton Nicholls, Commissioner | Vishnu Dhanpaul, Commissioner
| Bridgid Annisette-George, Commissioner | Osborne Nurse, Chairman

“The Commission experienced an extremely active year in each of the three principal areas involved in the active regulation of the market”

Osborne Nurse
Chairman





■ MESSAGE FROM THE CHAIRMAN

The past year has been one filled with great change and challenges as well as their associated rewards, as the Commission continues to develop and fulfill its mandate of the regulation of the capital markets in Trinidad and Tobago.

MARKET DEVELOPMENTS

During the year under review, the level of activity on the Trinidad and Tobago Stock Exchange (TTSE) continued the decline that started in May 2005 and continued throughout the financial year, as well as into the first quarter of the 2006/2007 financial year.

The Composite Index of stock market prices reached 1,074.64 on December 31st, 2004 and increased to 1,232.19 on May 17th, 2005. At the end of the 2004/2005 financial year in September 2005, the Index recorded a value of 1,082.86, an increase of 0.76% since December 2004 and 12.48% since the previous year end, September 2004.

The Index closed at 1,067.38 on December 31st, 2005 and at 868.78 at the Commission's year end of September 30th, 2006. By September 30th, 2006, the Index had declined by a total of 29.49% since its peak in May 2005.

The decline in stock market activity occurred although Trinidad and Tobago continued to show strong economic growth, albeit with growing inflationary pressures. GDP growth in 2005 was approximately 12%, but the

year-on-year rate of inflation had increased from 7.16% in December 2005 to 9.64% in October 2006.

One of the principal reasons for the decline in the index and in stock market activity has been identified as the decision by the Inspector of Financial Institutions in December 2004 to caution insurance and pension funds about their need to adjust their portfolio balances to the prudential norms, enshrined in the regulations, which called for a maximum of 50% of such portfolios to be held in investments in equities. At the time of this caution, some 25 pension funds, representing over 60% of the funds under management held in excess of 60% of their portfolios in equities.

Since institutional investors such as pension funds are estimated to account for over 80% of demand on the Exchange, their consequent and effective withdrawal from the market has contributed to the depth and length of the decline that has been experienced.

The correction that has taken place may however be considered necessary and expected following the market's remarkable bull run over the period 2002 - 2004, during

which the index increased by 147.42%, from 434.34 on January 2nd, 2002 to 1,074.64 on December 31st, 2004 and market capitalization of listed companies more than doubled, despite the absence of significant new listings (other than cross listings) and new capital issues. Market capitalization was \$48.1 billion at the end of 2002 and \$117.4 billion as at June 30th 2005. At September 30th, 2006, the market capitalization was \$88.0 billion.

Market activity in the major regional markets of Jamaica and Barbados was also extremely sluggish, with Jamaica and Barbados both showing declines in their respective index of 14.55% and 13.66% for the period October 1st, 2005 to September 30th, 2006. On the other hand, capital market activity as well as economic growth, has continued to be robust in global markets. In the United States, the S&P 500 Index increased 8.7%, the Financial Times Stock Exchange (FTSE) 100 in the United Kingdom by 9%, the Deutsche Aktien Xchange (DAX) in Germany by 18.1% and the Nikkei in Japan by 18.88%, for the same one year period.

REGULATION

The Commission experienced an extremely active year in each of the three principal areas involved in the active regulation of the market –the development of the legal and regulatory framework, the monitoring of market activity and behaviour, as well as the conduct of investigative and enforcement actions.

(a) Securities Legislation

At the beginning of the second quarter,

the Commission delivered to the Minister of Finance its recommendations for the comprehensive revision of the Securities Industry Act (SIA). The proposed Draft SIA 2006, which was submitted in January 2006, together with the associated By-Laws, is based on the recommendations of the Stikeman Elliot Report and provides for enhancing the protection of investors by strengthening the reporting requirements of issuers and the regulatory powers of the Commission. Key improvements have been recommended in the Commission's power to examine market actors, to regulate mutual funds, to strengthen reporting requirements and to impose larger penalties for contraventions of the Act.

Of particular significance has been the strengthening of the provisions for the regulation of Collective Investment Schemes (CIS). Indeed, in view of the importance of this segment of the market which is poorly regulated at present, the Commission has engaged in a number of consultations with CIS sponsors and managers with a view to securing their observance of the CIS By-Laws regulatory proposals—issued as Guidelines—prior to the passage and coming into force of the new Act.

We are pleased to recognize the high level of cooperation and support that these proposals have received from the market participants, and look forward to a continuing process of broad based consultation on CIS as well as other areas of regulatory development.

Similar consultative processes have been undertaken with Underwriters and Issuers of asset backed securities with similar positive cooperative results.

One particularly encouraging development arising out of these consultative processes is the movement by Underwriters and issuers of asset backed securities to organize a representative group, which may result in the formation of a self regulatory organization under the Securities Act. This is a development that the Commission welcomes and encourages.

(b) Market Surveillance and Analysis

With the introduction of automated trading on the Trinidad and Tobago Stock Exchange in March 2005, the Commission undertook to upgrade its capacity to monitor the exchange's electronic trading systems. The Commission has built on its access to the trading results through a terminal similar to that available to brokers and traders and has developed a capacity for online technical analysis of trading data and for further in-depth analysis of particular trades. This facility, which is called the Securities Market Watch (SMW), is designed to give Commission staff the capacity to identify and analyze daily trading patterns on the day following trading days. The Commission is continuing development efforts on SMW with a view to giving it the capacity of analyzing such trading patterns within minutes of their execution.

The SMW is part of the Commission's wider system for online analysis of market

and of economic data including the presentation and analysis of information on the Mutual Funds industry. The Commission is very optimistic about the utility and value of these technological developments and on their ability to improve its understanding of the market and the economy and its overall supervision of market behaviour and developments.

(c) Investigations and Enforcement

In the past year, the Commission has completed two formal investigations and begun enforcement action in a number of cases related to the failure to notify the Commission and publish notices of material change as well as for failure to observe the Take-Over By-Laws. The Commission is currently considering the evidence that has been garnered in these investigations and is preparing its recommendations in relation to any further enforcement action that may be required. The Commission has determined that it is premature to make public announcements on these subjects and will only do so when it has completed all the procedures in respect of these matters. The Commission is also engaged in enforcement action in a number of other cases, in several of which the parties have requested the adoption of settlement procedures. These are ongoing.

ORGANIZATIONAL DEVELOPMENTS

The Commission relocated its offices in March 2006 to its current location at 57 - 59 Dundonald Street, Port of Spain. The

move has contributed significantly to the achievement of two of its key objectives: the strengthening of its public image and the improvement of the quality of facilities for its staff by securing new appropriate premises. The facilities that were available to us at the Central Bank were completely exhausted by the end of the 2004/2005 financial year and we needed additional facilities in order to help us to achieve our objectives. We now possess a strong new identity and image and an excellent working environment for our staff that will reflect in improvements in the quality of our output.

As our landlord for many years, the Central Bank has been an excellent host and source of support and made it easy for us to survive and manage the inevitable delays that seem to attend all construction projects. We offer to Governor Ewart Williams and his staff our sincerest thanks and appreciation.

INSTITUTIONAL STRENGTHENING

The Commission undertook a number of projects designed to improve the quality of its administration and management and the welfare of its staff. Among these was the upgrading of the status of staff from an exclusively contract basis to one of permanent employment, accompanied by a revised package of compensation including welfare benefits.

A second major exercise was that of making greater use of electronic systems for the management of information critical to the performance of our mandate. We have introduced a records management system





(RMS) that covers both electronic and physical filing of documents, files and other records. Alongside the RMS, we have also introduced a knowledge management system comprising online systems of managing news and other items of information and integrating these into our library services.

The third element of our information management systems is designed to readily capture developments and changes in the securities market. Our Securities Market Watch (SMW) is linked to the automated trading system at the Stock Exchange and allows the Commission a degree of electronic monitoring of the market changes and trading behaviour. At full development, this system will be able to enable us to undertake such surveillance on a real time basis.

A second market monitor, designed to facilitate surveillance of the mutual fund or collective investment scheme sector, is also currently in development and, along with the other two projects, should be fully operational by the end of the 2006/2007 financial year.

Our move to Dundonald Street results in our occupation of an entire building and having for the first time to undertake for ourselves all the functions associated with the management of such an undertaking, leading to the introduction of new and significant responsibilities for the health and safety of our staff and our visitors. In this regard, we are actively involved in the compliance processes in relation to the requirements of the Occupational Safety and Health Act.

GOVERNANCE

In my last message, I made reference to the need to fill a number of vacancies within the Commission, particularly at the level of the Board. This unfortunately did not occur during the course of the year, continuing to place significant demands on the current Commissioners that we are fortunate to have, and who continue to serve with great distinction.

The terms of office of Ms. Alison Lewis, Permanent Secretary of the Ministry of Finance, and Ms. Bridgid Annisette-George as Commissioners on the Board came to an end in August 2006.

Ms. Annisette-George's term has been renewed for a further period of three years, while Ms. Lewis has been replaced by Mr. Vishnu Dhanpaul, Deputy Permanent Secretary in the Ministry of Finance. I would like on behalf of my fellow Commissioners, the Management and staff to thank Ms. Lewis for her immeasurable contributions over the past three years as the Commission made so many new strides and took so many new initiatives.

The Commission was successful in recruiting Mr. Terrence Clarke to the position of General Manager in February 2006. We welcome Mr. Clarke, who brings a wealth of local and international capital market knowledge to the Commission, having gained several years of corporate and investment banking experience from a number of financial institutions within the country, to the challenge of his new position.

The search for a new general manager proved to be a long and painstaking one, and during the search period I was asked to assume full time responsibilities as Chairman and Chief Executive Officer for the period January to December 2005. Following the expiration of my term as Chairman in April 2006, the Minister requested that I undertake a further term of three years, this time as a full time Chairman and Chief Executive Officer. I thank the Minister for his expression, by this request, of confidence in what the Commission has achieved in the past three years and commit my efforts and those of the Board and Management of the Commission to ensure similar results over the next three years.

ACKNOWLEDGEMENT

Finally, I wish to thank my fellow Commissioners and the staff of the Commission for their support, diligence and dedication to the work of the Commission. None of the many achievements of the Commission would be possible without their efforts.

A special word of thanks is due to Ms. Hazel Persad, our Manager of Administration, and her staff for the effort they put into the realization of the completion of renovations and furnishing of and move to our new offices. To the Administrative department as well as all other staff, I wish as well to offer my thanks and that of the Board of Commissioners for managing and executing an extremely smooth transition to our new location.

I am grateful to all who have contributed and expect to make comparable demands of them in the years ahead.



Osborne Nurse
Chairman



“We have been focused on developing specific Guidelines in key segments of the securities markets”

◀ Terrence Clarke
General Manager

■ GENERAL MANAGER'S REMARKS

I am pleased to report on the operations of the Trinidad and Tobago Securities and Exchange Commission for the past fiscal period, having assumed the position of General Manager some seven months ago in February 2006.

INTRODUCTION

The last several months have been quite busy, all designed to implement a new operating model to make the Commission more effective, while handling a challenging agenda of regulatory issues.

Under this new operating model, the Securities and Exchange Commission has grouped all of its actions under three broad headings: protecting the investing public; promoting efficient and orderly markets and improving the Commission's business capability. Over the course of the year, the Commission has focused on the achievements of the aims under these three headings, which are discussed further in the annual report.

STRENGTHENING THE COMMISSION

(i) The People of the Commission

The past year was one of great challenge for the staff of the Commission. Apart from physically moving premises in March 2006, there were many new issues that the staff had to deal with at short notice. These included resolving complex regulatory issues, learning to fully utilize its newly acquired technologies, charting new courses in the areas of investigations

and enforcement, and balancing limited resources in the midst of a strongly competitive employment market in which the demands for skilled resources are steadily increasing.

To help prepare for and cope with these challenges, significant investments have been made in staff development within the past year due to the belief that only through the acquisition and effective deployment of resources would we be able to deliver our regulatory objectives.

Consequently, 40 staff members attended 24 local and foreign seminars, courses and workshops throughout the year in a cross section of disciplines. The Commission itself also hosted one such course along with the US Securities and Exchange Commission to which our regional counterparts were invited and attended.

Moreover, the Commission has embarked on a management development programme that is intended to improve the cohesiveness and performance of the management team.

I am happy to say that the various teams within the Commission have

responded quite positively to these initiatives, resulting in improvement in the effectiveness of and more action oriented approaches to regulation with a view to benefiting the domestic financial services market and raising the standard of international competitiveness of the domestic capital markets.

(ii) Strategic Plan

The Commission completed its three year strategic plan during the past year. This plan was created with input from the entire staff and proposes that the Commission over the foreseeable future will improve the efficiency of its operations and the regulation of the securities industry by:

- providing clear, unambiguous information to registrants and reporting issuers about the process of registration and disclosure;
- providing regulatory oversight of collective investment schemes;
- closely monitoring all trading activities so as to identify any market manipulation, insider trading, irregular trading patterns or any unusual activity;

- undertaking thorough investigative and enforcement action should there be any illegal or unauthorized activity;
- pursuing any changes to the regulatory framework to capture any new developments that could adversely affect the smooth functioning and development of the market; and
- communicating effectively with all market participants on a regular basis so as to solicit feedback and disseminate information about the direction of the Commission.

(iii) Improved Technology

The Commission has invested in a number of new technologies designed to improve the quality, effectiveness and timeliness of its market surveillance efforts. The Securities Market Watch (SMW) is the primary vehicle to facilitate market surveillance. As cited by the Chairman, SMW is a real time, electronic system, linked to the Stock Exchange's Horizon trading platform, that enables the Commission to review trading behaviour on a near real-time basis.

By the completion of the SMW in the current financial year, the Commission will be in a position to monitor intra-day trading behaviour and patterns with a 15 minute delay. The system provides a real time stock market ticker and enables Commission staff to identify the buyers and sellers engaged in any specific trading transaction and to relate observed behaviour to news or other information that could affect trades.

A second electronic system called the

Collective Investment Scheme Monitor (CIS Monitor) is also being developed to track developments in this rapidly growing area of the market. This system is also expected to be fully operational by the end of the financial year.

The Commission is also developing other systems for improved information management by the utilization of electronic technologies. We have recently developed and installed a manual records management system and are in the process of upgrading this into an electronic system that will facilitate easy access and the seamless sharing of information.

Our knowledge management system for the electronic capture of news is also an important and critical element in our increasing use of technology to capture, store, disseminate and analyze information within the Commission.

REGULATORY DEVELOPMENTS

The Commission submitted the proposed Securities Act 2006 to the Minister of Finance early this year. The Commission expects that the Draft, which is based on the Stikeman Elliot Report, will come in to force in 2007. Since then, much of the Commission's time and energies have been focused on developing specific Guidelines in key segments of the securities markets which were made ahead on the enactment of the legislation. As is the practice in securities jurisdictions around the world, the use of Guidelines permits the implementation and testing of proposed legislation.

However the Commission, mindful of the need to continue the development of the legislative framework, has developed an approach of continuous consultation with market participants in certain areas that are in need of improved regulation. This approach consists of the Commission developing Guidelines, based on the Stikeman Elliot Report or on its own research, and after consultation with the market, and seeking to have the market comply fully with the Guidelines which are in reality proposed law.

This approach has worked very successfully in the CIS area and the market has agreed to begin compliance in 2007. Similar success has also been achieved with regard to the regulation of Underwriters and Issuers of derivative securities. The Commission is convinced that the use and implementation of Guidelines is the most effective way to approach the development of the regulatory environment and will intensify its efforts in the coming years.

The Commission has also issued for comment Guidelines on the Capital Adequacy for Underwriters and Issuers of Asset-Backed Securities, as well as Share Repurchases pursuant to the Companies Act 1995 Chap. 81:01 and the Securities Industry Take Over By-Laws. These were forwarded to the market for industry comments at various times throughout the just concluded year. Though this process is not complete, the Commission also expects that industry practitioners will adopt these new guidelines during 2007.

Finally, we note that consultation has also been initiated with the country's leading

audit firms to discuss the implications of the proposed Securities Act as well as the new guidelines, and of the application of international standards to their own operations and to their clients. Given the internationally critical role of auditors and accountants as gatekeepers in the securities industry, it is with great interest that we look forward to continued dialogue with this group.

REGISTRATION OF SECURITIES AND PARTICIPANTS

The last year was a relatively slow year for registration of both securities and participants when compared with registrations in the previous two years as the Commission registered one new reporting issuer and 13 new market actors. The Commission's register now consists of 186 market actors and issuers, an increase of 14 registrants in the year.

There was a decline in the issuance of securities where only 78 new securities amounting to \$5.7 billion were issued, compared to the \$14.6 billion worth of securities via 100 issues in the previous year.

ENFORCEMENT

The Commission started several new preliminary enquiries emanating from its surveillance of the Stock Exchange, adding to the enquiries that were in train at the beginning of the year. A number of those enquiries were closed during the year and a number remain on-going.

Enforcement actions often carry significant consequences for the parties if it is

determined that contraventions of the Act have taken place and in consideration of this fact, the Commission subjects each potential case to careful review before taking action or publicizing the matter. This accounts for the slow pace of progress on investigations but the Commission is of the view that this approach is in the best interest of the market and all its participants.

REGIONAL AND INTERNATIONAL DEVELOPMENTS

Developments within the regional and international regulatory environment continued to be part of the Commission's work schedule in the past year. These contributions are indeed vital if the Commission is to be an active participant in the regulatory debate at a global level.

Within the Caribbean, the Commission is an active participant in the Caribbean Group of Securities Regulators (CGSR), a regional body formed in 2003 to allow regulators to meet regularly to discuss and harmonize policy on matters of common interest. The Commission remains committed to participating fully in these sessions, recognizing that it must play a leadership role, given the size of the domestic capital market and its importance to capital formation regionally. In this regard, we worked closely with the region's other regulators in such areas as a take-over of a large financial institution that is listed across three stock exchanges, and also in the on-going development of a single regional stock exchange.

The Commission is also a member of the Council of Securities Regulators of the

Americas (COSRA). COSRA provides a forum for mutual cooperation and communication to enhance the efforts of each country in the region to develop and foster the growth of sound securities markets that are fair to all investors.

Internationally, the Commission continues to play an active role in the International Organization of Securities Commissions (IOSCO), working with colleagues in many countries around the world to evaluate regulatory regimes. Trinidad and Tobago remains fully committed in supporting the work of IOSCO in its efforts to identify areas of vulnerability and to seek global solutions where appropriate.

APPRECIATION

I would like to thank the Board for their support during this past year at the Commission, and the Management and staff for contributing positively to the work, and their unstinting dedication to developing a safer, more efficient market and to protecting investors.



Terrence Clarke
General Manager



▲ From left to right:

Arlene Popplewell-Stephen, Manager - Communications | Hazel Ramsingh-Persad, Manager - Administration
| Lynette Ramoutar, Director - Legal Advisory and Enforcement | David Bazil, Director - Registration and
Corporate Finance. Missing: Gregory Simms, Director Market Regulation and Surveillance | Charmaine Howard,
Information Technology Administrator.

■ MANAGEMENT DISCUSSION

I: PROTECTING THE INVESTING PUBLIC

One of the key objectives of securities regulation and of this Commission is to ensure the protection of investors. The Commission seeks to discharge its mandate in this respect, in a number of different ways including:

- Developing and delivering programmes of investor education.
- Registering market actors and securities intended for distribution to the public;
- Enforcing a regime of public disclosure of material changes and regular financial information by issuers of securities;
- Ensuring that securities firms have capital that is adequate to the type and level of business that they conduct;
- Monitoring market developments and behaviour as well as managing complaints;
- Implementing a robust legislative framework.

DEVELOPING AND DELIVERING PROGRAMMES OF INVESTOR EDUCATION

As part of the Commission's ongoing investor education programme, it re-designed and

launched a new version of its website to make data more easily retrievable. The new aspects of the website content include:

- A more in-depth listing of registrants and securities;
- Media releases and investor warnings/notices;
- Guidelines and policies issued to the market;
- Reports and studies conducted by the Commission;
- General information about the functioning of the Commission.

This information is updated regularly to ensure that prospective and existing investors receive timely information concerning transactions in the securities of issuers and the status of persons registered to conduct securities business in the local capital market.

In order to better focus its Investor Education efforts the Commission created a new Communications Unit in 2006 which has designed nine brochures for release to investors in 2007, with particular emphasis on unsophisticated investors who might

not be fully aware of the risks involved in investments in the stock market and the level of disclosure required. The main objectives of such brochures are to:

- improve the understanding of the investor regarding the role of the Securities and Exchange Commission (SEC);
- inform the public as to their rights and responsibilities as investors;
- provide investors with the tools to protect themselves from fraud and other abuses;
- equip the public with the tools to assist them in assessing the risks associated with certain investments.

Recognizing that the proper functioning of market actors is also an important part of providing protection to investors, the unit has also incorporated into its investor education programme a series of conferences, seminars and workshops for market actors. The gist of these activities centers around the Commission's intent to implement the new Guidelines that it has developed. In 2007 the investor education programme expects to extend its outreach to a wide range of investors and potential investors.

REGISTERING MARKET ACTORS AND SECURITIES INTENDED FOR DISTRIBUTION TO THE PUBLIC

The first line of investor protection is the registration of issuers, market actors and securities intended for distribution to the public. This process confirms that persons are qualified and securities are issued in accordance with the requirements of the Act.

The Commission has tightened its documentary requirements for initial registration and annual renewals of registration in accordance with Part IV of the SIA and associated By-Laws. These new requirements, such as the submission of certified copies of the educational and/or professional qualification of the full time directors of the registering market actor (where the actor is a registered company), seek not only to improve the detailing of individuals engaged in the discharge of securities business but also assist the Commission in its determination of their eligibility to do so. The Commission also requires increased levels of disclosure on the registration of Collective Investment Schemes on key issues such as nomenclature, prospectus disclosure, performance measurements, fund governance and continuous reporting.

(a) Registration

During the year, the Commission registered 14 new securities businesses including six brokers, two investment advisers and five securities companies. In addition, one new reporting issue was added, bringing the total number issues to 82 and the total number of all registrants

to 186, an overall increase of 14 over the previous year (See Table 1 and Chart 1). In addition, the annual registration of all existing registrants were revised and in most cases renewed. However, the registration of four existing traders lapsed during the year, three of whom applied for and were registered as brokers.

At the end of the year, there were 17 brokers – an increase of six – two dealers and 17 traders. In both these latter categories there was no increase in the number of registrants over the previous year.

At the end of the year there were 28 securities companies registered with the Commission. This is an increase of five over the previous year; four were registered as dealer, underwriter and investment adviser and one as a broker and a dealer. One existing company had its registration amended to add a broker's licence to the dealer, underwriter and investment adviser licence it previously held.

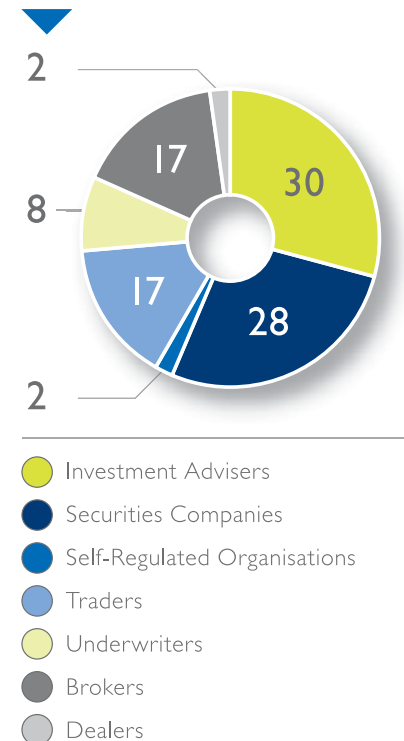
(b) Registration of Securities

During the last financial year, seventy-nine securities were registered with the Commission, as identified in Table 2 below. This represents a decline of twenty-one registered securities from the previous year. The total value of securities issued and registered with the Commission was \$5.7 billion.

(c) Equity Issues

Between October 2005 and September 2006, the Commission registered 48 new

Chart 1
Classes of Market Actors*



*Registered by the Trinidad and Tobago Securities and Exchange Commission between October 1st, 2005 and September 30th, 2006

equity issues, consisting of 139,647,240 units of ordinary share capital, with an estimated value of \$381 million. Broadly categorized, these equity issues can be described as follows: Issuance of Shares pursuant to Employee and Employee Stock Ownership Plans (17), Management Stock Ownership Plans (25), Rights Issues (1), Mergers and Acquisitions (3), Share Reconciliation (1) and Bonus Issues (1). A full listing is provided at Appendix 2.

(i) Issues Pursuant to Stock Ownership/ Option Plans Issues

The majority of the new equity issuance continues to be that occurring as a result of stock

compensation plans. Forty-two of the 48 new equity issues registered by the Commission were related to compensation stock option plans for management, non-executive and executive directors from ten publicly listed reporting issuers. Cumulatively 24,647,699 shares with an estimated value of \$72.6 million were issued under this form of management compensation. 20,175,485 shares with an estimated value of \$11.0 million (TT dollar equivalent) were issued by foreign domiciled firms, cross listed on the Trinidad and Tobago Stock Exchange.

(ii) Mergers and Acquisitions

During the period, the Commission granted approval for the registration of two equity issues pursuant to merger and acquisition activity by the same company. These two were as follows:

(I) One Caribbean Media Limited:

Registration of 3,000,000 ordinary shares of no par value on October 13th, 2006, pursuant to the terms of the merger of the Caribbean Communication Network Group and the Nation Corporation of Barbados at a value of TT\$60,000,000.

Appendix I provides a list of the number of market actors and reporting issuers registered with the Commission.

Class of Registration	As at Sept 30, 2006	As at Sept 30, 2005	As at Sept 30, 2004	As at Sept 30, 2003	As at Sept 30, 2002
Market Actors:					
Brokers	17	11	11	10	10
Dealers	2	2	2	2	2
Investment Advisers	30	28	24	18	19
Securities Companies	28	23	21	20	20
Self-Regulatory Organizations	2	2	2	2	2
Traders	17	17	8	6	7
Underwriters	8	8	7	7	7
Total	104	91	75	65	67
Other Registrants:					
Reporting Issuers	82	81	76	74	70
Total	186	172	151	139	137

Table I
Market Actors and Reporting Issuers registered with the Commission

(2) One Caribbean Media Limited:
Registration of 27,680,682 ordinary shares of no par value on February 8th, 2006, pursuant to a non-cash merger of the Caribbean Communication Network Group and the Nation Corporation of Barbados. On February 8th, 2006 trading in the shares of the Caribbean Communication Network on the Trinidad and Tobago Stock Exchange closed valued at TT\$20.06.

(iii) Rights Issues

On October 13th, 2005, the Commission approved the only Rights Issue for the year of 22,326,840 ordinary shares at BDS\$1.40 per share pursuant to a 2 for 3 Rights Issue in Fortress Caribbean Property Fund. The purpose of the Rights Issue was to raise BDS\$30,800,000 (equivalent to TT\$98.5 million) of new capital that will be used to fund new investment opportunities presently before Fortress Caribbean

Property Fund. The new investment opportunities include real estate development projects in Barbados, St. Lucia and Tobago.

(iv) Bonus Issue

Scotiabank Trinidad and Tobago Limited registered a 1 for 2 Bonus Issue on September 21st, 2006, amounting to 58,751,250 shares. These shares were issued in lieu of dividend to capitalize TT\$150 million of the company's retained earnings.

(d) Mutual Funds

Five prospectuses from two local sponsors and one foreign sponsor were receipted by the Commission during the review period. The foreign sponsor was Man AHL Diversified plc from the Republic of Ireland. The five prospectuses related to the launch of eight individual funds. Of these, Guardian Asset Management (GAM) was authorize to issue six funds, five of which were in Trinidad and Tobago Dollars and one in United States Dollars, under two prospectuses.

The other two funds, both open ended energy funds, one denominated in Trinidad and Tobago dollars, the other in United States dollars were receipted to the Colonial Life Insurance Company (Trinidad) Limited. Further details are provided at Appendices 3 and 4. Activity in the receipting of new mutual funds was lower than in the previous year when nine were registered under 10 prospectuses.

(e) Debt and Derivative Debt Securities

Nineteen debt issues with an aggregate value of TT\$5.3 billion were registered during the last fiscal period by the Commission. Of these 19 issues, 15 were TT dollar denominated with an aggregate value of TT\$3.4 billion, while the remaining four issues were all denominated in United States dollars for an aggregate value of US\$292 million (TT\$1.8 billion). The listing of debt securities registered is provided at Appendix 5. In this area as well, market activity showed a decline as compared to the previous period when \$8.7 billion was registered in 21 issues.

Class of Securities	Oct 1, 2005 to Sept 30, 2006	Oct 1, 2004 to Sept 30, 2005	Oct 1, 2003 to Sept 30, 2004	Oct 1, 2002 to Sept 30, 2003	Oct 1, 2001 to Sept 30, 2002
Equity Issues	48	45	28	23	17
Mutual Funds	8	9	6	8	7
Debt Securities	19	33	24	22	21
Derivative (Debt) Securities	4	12	11	15	21
Other Collective Investment Schemes	0	1	3	0	0
Total	79	100	72	68	66

▲ Table 2

Classes of Securities registered with the Commission over the period October 1st 2001 to September 30th 2006

Domestic statutory bodies and state enterprises were the predominant issuers of debt securities in the review period, registering TT\$2.7 billion from eight issues. Locally domiciled, private sector companies issued \$1.6 billion in debt securities via nine issues.

Only two foreign domiciled entities raised debt in the domestic capital market in the just concluded year. Both issuers were resident in Jamaica; one a statutory body and the other a private sector company. The government-controlled Air Jamaica Limited, borrowed US\$125 million (TT\$787.67 million equivalent) while RBTT Bank (Jamaica) Limited, a foreign private sector company raised US\$40 million (TT\$251.8 million equivalent) as shown in Chart 2 below.

Four derivative debt securities valued at TT\$1.8 billion were registered with the Commission in the last fiscal period. Three of the four derivative debt securities were denominated in United States dollars and issued by RBTT Finance Limited, Air Jamaica Limited and RBTT Bank (Jamaica) Limited for an aggregate value of US\$215.1 million or TT\$1.4 billion. All were arranged by RBTT Merchant Bank Limited.

The fourth Series of Certificates of Participation was issued by Trinidad Cement Limited in the amount of \$478.8 million and arranged by Republic Finance and Merchant Bank Limited. A list of all the derivative securities registered by the Commission is provided at Appendix 6.

ENFORCING A REGIME OF PUBLIC DISCLOSURE OF MATERIAL CHANGES AND REGULAR FINANCIAL INFORMATION BY THE ISSUERS OF SECURITIES

As part of its monitoring function, the staff of the Commission has continued to monitor and enforce the requirements of Section 66(3) of the SIA, 1995 with respect to continuous disclosure of material changes and financial information. With reference to these areas the Commission (for the financial year ended September 30, 2006) initiated enforcement action against six registrants found to be in contravention of the SIA and associated By-Laws in respect of disclosure of material information. These enforcement actions are still on-going.

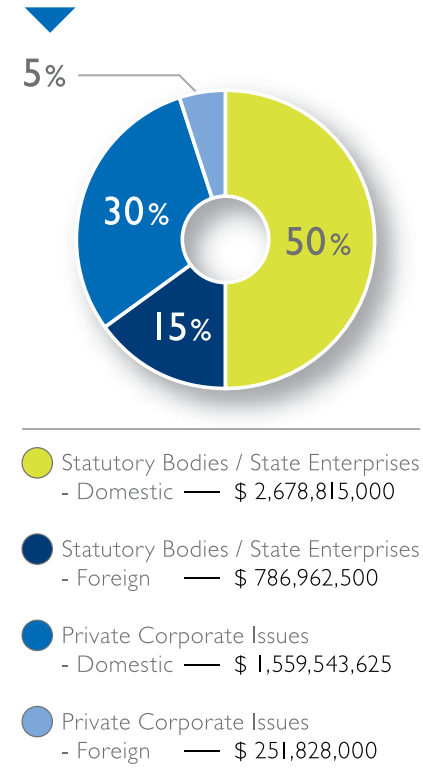
The Commission has also begun action against some 60 registrants in respect of their failure to file their financial statements and annual report on time. These matters will be dealt with in the current financial year.

Ensuring that securities firms have capital that is adequate to the type and level of business that they conduct

Recognizing the discrepancies and potential risks that existed due to the variations in the capital requirements of the SIA 1995 and those of the Financial Institutions Act, 1993 (the FIA) with respect to persons conducting the business of underwriting, the Commission issued guidelines on Capital Requirements for Underwriters and Issuers of Securitised Instruments. The guidelines:

- Ensure that all underwriters carry

Chart 2
Distribution of Debt Issues by Issuer's Category*



*Registered by the Trinidad and Tobago Securities and Exchange Commission between October 1st, 2005 to September 30th, 2006



adequate capital to undertake this line of business;

- Clarify when a new security is created in the form of a derivative instrument;
- Ensure that the issuer of derivative securities has the capacity to acquire the underlining security; and
- Provide for the reporting to the Commission on the performance of the instrument and its underlying security.

These Guidelines are expected to come into force by June 2007. In addition to the above, the CIS Guidelines also make provisions for improved capital requirements for CIS promoters and managers.

MONITORING MARKET DEVELOPMENTS AND BEHAVIOUR AS WELL AS MANAGING COMPLAINTS

The Commission has increased its vigilance of the equities market. It has developed and utilizes a Securities Market Watch (SMW) system to monitor daily movements and general trends on the stock market. This system is flexible and is being continually upgraded to incorporate new analytical capabilities and indicators in order to allow the Commission to keep pace with a rapidly evolving market.

Additionally, the Commission has embarked upon the in-house development of an Electronic Resource Center (ERC). The ERC encompasses a Stock Watch feature that allows for the integration of all market

surveillance data sources in one centralized area and a greater breakdown of individual stock market transactions. These two applications compliment each other and allow for more in-depth analysis of stock market activities.

The Commission has been striving for greater efficiency in the general monitoring of the securities market and in reviewing and completing inquiries into complaints made by the general public.

Of the six complaints and/or inquiries received by the Commission over the year, four were successfully reviewed and resolved. Furthermore, the Commission was able to identify and take corrective action against persons who were not registered with the Commission and who therefore were not authorized to offer investment advice or to market securities.

One such example is Bedeau Financial & Asset Management Company Limited ("Bedeau Financial") which the Commission observed (via the internet), had represented itself as, among other things, being in the business of marketing investment products and giving investment advice. The Commission noted from a review of its records, that Bedeau Financial was not and had not previously been registered by the Commission in any capacity. Bedeau Financial was therefore directed to immediately desist from engaging in or holding themselves out as engaging in the business of advertising persons with respect to investments in, or the purchase or sale of, any security. This has since been complied with and the company continues to be monitored.

IMPLEMENTING A ROBUST LEGISLATIVE FRAMEWORK

Over the last year, the Commission has also concentrated some of its efforts on updating the legislative framework. First among these initiatives was the completion of its review and redrafting of the draft Securities Act and related By-Laws. This body of work was submitted to the Minister of Finance in January 2006. This review and redrafting exercise, which started in the previous year, was needed to ensure that gaps in the draft legislation were adequately addressed. Some of the gaps that have been addressed include:

- 1) Permitting the Commission to consult and cooperate with and provide information to the Central Bank, other government and regulatory agencies, including those in foreign jurisdictions, as well as to enter into memoranda of understanding for the sharing of information with such organization as the Stock Exchange, agencies of a foreign government and other securities regulators;
- 2) Empowering the Commission to conduct on-site compliance reviews of market actors;
- 3) Providing for enhanced disclosure requirements as well as, director, senior officer and auditor liability;
- 4) Providing for greater specificity in the definitions of and greater penalties for market-related offences.

As indicated elsewhere, the Commission has, after a number of consultations with

interested parties, extracted the CIS By-Laws from the draft SIA and presented them to the market for implementation as Guidelines, pending the passage of the Act into law. The conduct of this consultative process has led to additional amendments being made to the proposals.

The Commission also issued draft Guidelines on Share Repurchases pursuant to the Companies Act 1995 Chap. 81:01 and the Securities Industry (Take-Over) By-Laws 2005 for comment by the market. These Guidelines seek to provide a mechanism that permits companies to repurchase their shares in the circumstances permitted by the Companies Act, without triggering the Take-Over By-Laws. Once the consultative process with the market is complete, the Commission will issue these guidelines to the industry.

The Commission has also commenced its review of the IOSCO requirements on anti-money laundering and counter-terrorist financing (AML/CTF). These requirements relate to the global fight against money laundering and terrorist financing within the world's financial system. The goal of this exercise is to protect the integrity of the international financial system, cut off the resources available to terrorists, and make it harder for criminals to profit from their crimes.

During the year a new structure of fees applicable to the conduct of transactions at the Commission came into effect in March 2006. The new fee structure has been designed to initiate a process by which the market will be required to bear a greater proportion of the cost of regulation.

■ STAFF OF THE COMMISSION



▲ From left to right:

Marion Albarado | Tayeb Bostic | Gabrielle Brewster |
Brenton Trim | Vernivia Edwards | Karen-Anne Gordon |
Noel Nero | Oneze Caruth

◀ From left to right:

Ria Badree | Ayoub Barcoo | Avril Bacquain | Joanne Dasent,
Craig Cumberbatch | Kevin Deopersad | Leslie Clarke

From left to right: ▶
Nkisha Candice Taylor | Rosalind King | Amelia Samai | Sandra Smart |
Bevan Gibson | Sunil Sheen | Melissa Nancis | Lisa Escalante



▶ From left to right:
Cindy Phillip | Otis Murray | Seeta Sookdeo | Karen Rampersad |
Arlene Francis | Carol Noel | Cheryl Cameron

Missing:
Janine Carrera | Laura Ferrier | Seeram James

II: PROMOTING EFFICIENT AND ORDERLY MARKETS

The Commission seeks to promote the existence of efficient, orderly and fair markets through its monitoring and surveillance activities and through initiating enforcement action where it determines that contraventions of the Act may have occurred.

In addition, the Commission has been developing its capacity to conduct compliance and prudential review of the activities of securities companies and market actors. Finally, the Commission has participated actively in regional and international fora to achieve greater regulatory collaboration and cooperation as well as to combat financial crime.

(a) Surveillance of Market Trading

(i) Surveillance

Utilizing the Horizon Trading system and the Securities Market Watch, the Commission maintains continuous surveillance over the trading patterns exhibited by each security listed and traded on the Trinidad and Tobago Stock Exchange. This surveillance is designed to detect trading activity and patterns that may be in breach of Part VII (Manipulation) and Part IX (Insider Trading) of the Securities Industry Act as well as the Rules of the Stock Exchange.

Where suspicious activity may be detected, the Commission's method involves the conduct of detailed analyses of trades including the

identification of the parties involved, the times of the trades, volumes, prices and other relevant data. Such enquiries may be escalated into requests for additional data from brokers, the Stock Exchange or the Trinidad and Tobago Central Depository and based on the evidence gathered, may lead to the conduct of a full scale formal investigation.

At least 12 matters have come under review in the past year and are still under active review with a view to further action being taken.

(ii) Monitoring the behavior of Market Actors

The Commission actively monitors the activity of registered and unregistered market actors to ensure that their conduct conforms to the requirements of the Act. During the year, this resulted in the identification of a case of misrepresentation, which was curtailed by the issuance of a cease and desist letter.

(iii) On-site Examination of Brokers

The Commission conducted a voluntary examination of the registered brokers operating on the Trinidad and Tobago Stock Exchange. This exercise was voluntary in nature and geared toward the development

of skills and procedures for the proper regulation of this aspect of the industry. Among the concerns that were revealed was the need for brokerage firms to guard against the potential for conflicts of interests to arise between their staff and the investing public. The Commission wishes to record its appreciation to the brokerage firms in facilitating and participating in this voluntary exercise.

(b) Enforcement

In the last year, the Commission imposed penalties amounting to approximately TT\$1.2 million on some 82 delinquent registrants by reason of their failure to file comparative financial statements, annual reports and interim statements with the stipulated time period. The Commission is currently preparing enforcement action that could result in the imposition of similar penalties against more than 60 registrants.

The Commission continues to be concerned about the high incidence of late filing by registrants and wishes to urge registrants to ensure that they fully discharge their filing obligations in accordance with the statutory requirements. To assist in this, the staff has developed a system of issuing reminders to registrants of impending filing deadlines.

In addition to the late filing of financial statements and reports, there have also been a number of cases related to the late filing of material changes. The Commission is currently pursuing examination and potential enforcement action in one case.

The Commission's active programme of surveillance, monitoring and the institution of enforcement action is both slow and extremely demanding of resources, but is a critical element of its commitment to ensuring the fairness and transparency of the market.

(c) Financial Crime

Further to the Commission's action in March 2005 to obtain an injunction against an entity which operated a suspected pyramid scheme, the High Court appointed a Receiver at the Commission's request and in January 2006, investors received a payment of fifty percent (50%) of their funds invested. The Commission expects that this matter will be completed in 2007.

(d) Work within the international arena

The Commission continues to play its role as part of the regional and global efforts to ensure that securities markets remain safe and sound. Consequently, it maintains its voice at a number of regulatory organizations, subscribing, as it does to the view that improved regulation is best achieved by cooperation through regional and international networks, as well as by identifying carefully whether, and if so where, new measures are needed to achieve this.

STRENGTHENING THE FINANCIAL ARCHITECTURE GLOBALLY

The Securities and Exchange Commission is fully engaged with developments in the international arena, participating in three major international and regional forums on the development and regulation of the securities markets.

I. International Organization of Securities Commissions (IOSCO) Annual Conference and Technical Committee Meetings

IOSCO is recognized as the international standard setter for the regulation of securities markets. The Organization's wide membership of more than one hundred (100) jurisdictions, regulates more than ninety (90%) of the world's securities markets and IOSCO is the world's most important international cooperative forum for securities regulatory agencies.

In 2002, IOSCO adopted a Multilateral Memorandum of Understanding (MMOU) as the international benchmark for enforcement-related cooperation and exchange of information. The MMOU is considered as primary instrument to facilitate cross-border cooperation, reduce global systemic risk, protect investors and ensure fair and efficient securities markets.

In April 2005, IOSCO agreed that all its members will be required to become full signatories of the MMOU by 1st January 2010. IOSCO has also established a similar 2010 deadline for the review by all jurisdictions of their regulatory environments to ensure that

these conform to the 30 Principles and Objectives of Securities Regulation that were developed in 2002.

The Commission subscribes fully to the moves to improve the quality of securities regulation and has started work to ensure that it meets both deadlines by 2010.

2. Council of Securities Regulators of the Americas (COSRA)

The Commission is also a member of the regional Council of Securities Regulators of the Americas (COSRA). COSRA is broadly equivalent to the Inter American sub committee of IOSCO but includes membership by jurisdictions that are not members of IOSCO.

COSRA has made a significant impact on the cooperative efforts of securities regulators throughout the region and provides a forum for mutual cooperation and communication that helps to foster the growth of sound securities markets that are fair to all investors.

3. Caribbean Group of Securities Regulators

The Trinidad and Tobago Securities and Exchange Commission was instrumental in establishing the Caribbean Group of Securities Regulators (CGSR). CGSR, which held its first conference in Trinidad and Tobago in 2004, was established to facilitate information sharing, promote regulatory capacity-building, cooperation and training within the region. The Group also seeks to harmonize regulatory policies and legislation, as well as give the region a unified voice in international forums.

This is achieved by an annual conference, the sharing of training and development opportunities and maintaining a network of shared experiences. This approach to cooperation has yielded benefits in areas such as legislative improvements, the development of a regional stock exchange and the approval of the acquisition of a majority interest in a widely dispersed

regional financial institution.

Building on the alliances formed through the CGSR, the Commission recently had the opportunity to work together with other regional regulators on the take-over bid by CIBC Investments (Cayman) Limited of the shares of FirstCaribbean International Bank Limited held by Barclays

Bank plc. The Commission worked in cooperation with the securities regulators of Barbados, Jamaica and the Eastern Caribbean to ensure a coordinated approach among these jurisdictions in which FirstCaribbean International Bank is listed, with the Securities Commission of Barbados acting as coordinating regulator for the transaction.

III: IMPROVING THE BUSINESS CAPABILITY OF THE COMMISSION

Over the past year, the Commission undertook several initiatives designed to improve its internal efficiency and capability. Apart from the move these initiatives included a continuing programme of management and staff development as well as the increasing use of technology to simplify and reinforce the efficiency of our business processes.

MANAGEMENT AND STAFF DEVELOPMENT

(a) Staffing

During the last year, the Commission hired eight new individuals, but also saw four persons leave to pursue other interests. As at the end of fiscal 2005 -2006, the current staff complement stood at 40 persons. Table 3 lists the staff stratification.

(b) Management

During the period January to December 2005, the Chairman was engaged with the Commission in a full time capacity as Chief Executive Officer, while efforts continued to recruit a General Manager. In addition,

the Commission sought to fill all other management positions with only one key position - that of the General Counsel - remaining difficult to fill.

The Commission has implemented group-based management development programmes to enhance the managerial skills and teamwork of its management team, as well as facilitated their participation in a number of training workshops and conferences. These programmes have continued with the recruitment of the General Manager and have begun to show results in improved management processes.

(c) Training

The Commission's training priorities are primarily focused on Regulatory Policy, Regulatory Issues (Law, Policy Development), Capital Market Development and General Management training. However, in the past year, training initiatives included areas such as Facilities Management, OSH Training and First Aid

& CPR. In the past year, 40 members of staff participated in 19 local training programmes, with exposure to such areas as identified in Table 4 below; and six foreign programmes as identified in Table 5.

(d) Facilities

One of the Commission's major efforts towards increasing its efficiency was the relocation of the Commission's offices to 57-59 Dundonald Street, Port of Spain after having been at the Central Bank of Trinidad and Tobago's building since 2000. This move was a significant one for the organization as it not only highlighted our presence as an independent regulator, but also now provides adequate facilities in support of our efforts to more effectively regulate the market.

The new offices provide extended facilities for in-house meetings and hearings, along with the latest technology in security and surveillance systems to protect not only our human capital but our intellectual information as well.

Through the relocation to a single building with the Commission as its sole occupant, the issues surrounding the provision of a safe work environment, not only for our employees, but contractors and service providers came to the fore. In this regard, the Commission is working on achieving full compliance with the provisions of the Occupational Health and Safety Act (2004) and has retained qualified advisors to assist it in meeting the governance requirements required of employers.

HARNESSING TECHNOLOGY MORE EFFECTIVELY

In addition to its investment in the SMW and CIS Monitor systems that have been described elsewhere in this report, the Commission has made other investments in technology with a view to improving its

administrative and analytical capabilities.

The Commission utilized the move to Dundonald Street to invest in much needed improvements to its information technology infrastructure, including the provision of wireless access throughout the building. Other information technology based improvements include the telecommunications system and a modernized electronic access and CCTV security systems.

At the information management level, work has continued on the development, integration and sharing of its different databases, strengthened by statistical and analytical tools that are accessible from the SMW system. On-going projects include the development of knowledge management and other electronic management systems, as well as systems to facilitate the electronic delivery of financial reports from market participants.

Position	Number of Employees
Executive	2
Management	6
Senior Professional	3
Professional/Administrative	12
Vocational/Senior Clerical	5
Clerical	8
Support/Manipulative	4
Total	40

 **Table 3**

Staff complement at the Trinidad and Tobago Securities and Exchange Commission as at September 30th, 2006

Name of Programme	No. of Attendees
Corporate Governance	3
Mergers & Acquisitions	2
Commercial Lending & Financial Analysis	2
International Accounting Standards	1
International Bond Debt	2
Supervisory Skills	8
Project Management	6
Occupational Health and Safety Act (OSHA)	3
Facilities Management	2
First Aid & CPR	28
Total	57

▲ **Table 4**

Locally domiciled courses attended by staff of the Trinidad and Tobago Securities and Exchange Commission during the period October 1st, 2005 and September 30th, 2006

Name of Programme	No. of Attendees
United States Securities and Exchange Commission's Fall 2005 Institute in Securities Enforcement & Market Oversight	2
Financial Services Authority 2005 International Seminar	1
United States Securities and Exchange Commission's Spring 2006 Institute in Securities Market Development	1
US SEC & SCE Latin American & Caribbean Securities Enforcement & Market Oversight 2006 Training Program	1
Toronto Centre: Securities Supervision Program	1
World Bank & the International Monetary Fund's program on Supervisory Structures	1
Total	7

▲ **Table 5**

Foreign domiciled courses attended by staff of The Trinidad and Tobago Securities and Exchange Commission during the period October 1st, 2005 and September 30th, 2006

■ APPENDIX I

Securities Market Actors registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Brokers

1	Akan, Myrnelle	AIC Securities Limited
2	Balram, Kisraj	West Indies Stockbrokers Limited
3	Clarke, Peter	Independent
4	Dhannyram, Kathleen	Republic Securities Limited
5	James, Vernon	Dehring, Bunting & Golding Limited
6	Johnson, Alvin	Caribbean Stockbrokers Limited
7	Manmohan, Adrian	West Indies Stockbrokers Limited
8	Mayers, Robert	CMMB Securities Limited
9	Mohammed, Sita	Independent
10	Mullings, Donovan	Bourse Brokers Limited
11	Nam, Justin Kyle	Dehring, Bunting & Golding Limited
12	Narine, Ian Saleem	Republic Securities Limited
13	Padmore, Winston	Independent
14	Pariagh, Edgar	CMMB Securities Limited
15	Ramkhelawan, Subhas	Bourse Securities Limited
16	Salvary, Brent	Caribbean Money Market Brokers Limited
17	St. Louis, Leslie	CMMB Securities Limited

Dealers

1	RBTT Merchant Bank Limited
2	Trinidad and Tobago Unit Trust Corporation

Securities Market Actors registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Investment Advisers

1	AIC Advisory Limited	16	Husain, Syed Samie
2	AIC Securities Limited	17	IFAS Limited
3	Alpha Savings & Trust Limited	18	Intelligent Investment Services Limited
4	Bourse Securities Limited	19	International Wealth and Investment Network Limited
5	Caribbean Stockbrokers Limited	20	ISCI Global Limited
6	Colonial Life Insurance Company (Trinidad) Limited	21	Marquis Portfolio Managers Limited
7	Douglas, George Robert	22	Mondial (Trinidad) Limited
8	Dynamic Equity Limited	23	RBTT Asset Management Limited
9	Financial Concepts Limited	24	RBTT Financial Advisors Limited
10	First Caribbean International Banking & Financial Corporation	25	Republic Securities Limited
11	Funds International Limited	26	The Beacon Asset Management Limited
12	Global Financial Brokers Limited	27	Trinidad & Tobago Unit Trust Corporation Limited
13	Golding Consulting	28	Vega Capital Management Limited
14	Guardian Asset Management Limited	29	Welthecon Investment Managers Limited
15	Guardian Life of the Caribbean Limited	30	West Indies Stockbrokers Limited

Reporting Issuers registered by the Commission for the period
October 1st, 2005 to September 30th, 2006

Reporting Issuers

1	AddVenture Capital Fund Limited	21	Empresa Generadora de Electricidad Haina, S.A. (EGE Haina)
2	Agostini's Limited	22	First Caribbean International Bank Limited
3	Airports Authority of Trinidad and Tobago	23	First Citizens Bank Limited
4	Alstons Limited	24	First Citizens Trust and Asset Management Limited
5	Angostura (Barbados) Limited	25	Flavorite Foods Limited
6	Angostura Holdings Limited	26	FNCU Venture Capital Company Limited
7	Angostura Limited	27	Fortress Caribbean Property Fund Limited
8	ANSA McAL Limited	28	Furness Trinidad Limited
9	Ansa Merchant Bank Limited	29	GraceKennedy Limited
10	Berger Paints Trinidad Limited	30	Guardian Holdings Limited
11	BWIA West Indies Airways Limited	31	Intercommercial Bank Limited
12	Capital & Credit Merchant Bank Limited	32	Jamaica Money Market Brokers Limited
13	Caroni (1975) Limited	33	Jamaica Public Service Company
14	Citibank (Trinidad and Tobago) Limited	34	L.J. Williams Limited
15	Citicorp Merchant Bank Limited	35	La Brea Industrial Development Company Limited
16	CLICO Investment Bank Limited	36	Mega Insurance Company Limited
17	Courts (Trinidad) Limited	37	Mora Ven Holdings Limited
18	Dehring, Bunting and Golding Limited	38	National Commercial Bank Jamaica Limited
19	Development Finance Limited	39	National Enterprises Limited
20	Dynamic Equity Venture Fund Limited	40	National Flour Mills Limited

Reporting Issuers registered by the Commission for the period
October 1st, 2005 to September 30th, 2006

Reporting Issuers continued

41	National Insurance Property Development Company Limited	62	Scotiabank Trinidad and Tobago Limited
42	National Maintenance Training and Security Company Limited	63	St. Christopher Air and Sea Ports Authority
43	Neal & Massy Holdings Limited	64	St. Kitts Urban Development Corporation Ltd
44	Nestlé Trinidad and Tobago Limited	65	TCL Leasing Limited
45	One Caribbean Media Limited	66	TCL Service Limited
46	Phoenix Park Gas Processors Limited	67	Telecommunications Services of Trinidad and Tobago Limited
47	Point Lisas Industrial Port Development Corporation Limited	68	The Barbados Shipping & Trading Company Limited
48	Port Authority of Trinidad and Tobago	69	The Home Mortgage Bank
49	Prestige Holdings Limited	70	The National Football Stadium Company Limited
50	Public Transport Service Corporation	71	The Vehicle Management Corporation of Trinidad & Tobago Limited
51	RBTT Bank (Barbados) Limited	72	The West Indian Tobacco Company Limited
52	RBTT Bank Limited	73	Tourism & Industrial Development Company of T&T Limited
53	RBTT Finance Limited	74	Transjamaican Highway Limited
54	RBTT Financial Holdings Limited	75	Trinidad & Tobago Housing Development Corporation
55	RBTT Merchant Bank Limited	76	Trinidad & Tobago Unit Trust Corporation
56	Readymix (West Indies) Limited	77	Trinidad Cement Limited
57	Republic Bank Limited	78	Trinidad Publishing Company Limited
58	Republic Finance and Merchant Bank Limited	79	Unilever Caribbean Limited
59	Royal Skandia Life Assurance Limited	80	Urban Development Corporation of Trinidad & Tobago Limited
60	Sagicor Financial Corporation	81	Valpark Shopping Plaza Limited
61	Sagicor Funds Incorporated	82	Water & Sewerage Authority

Securities Market Actors registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Securities Companies (with classes of business indicated)

1	AIC Capital Market Brokers Limited	Dealer, Underwriter, Investment Adviser	15	Guardian Asset Management Limited	Dealer, Underwriter, Investment Adviser
2	AIC Securities Limited	Broker	16	General Finance Corporation Limited	Dealer, Underwriter, Investment Adviser
3	Ansa Merchant Bank Limited	Dealer, Underwriter, Investment Adviser	17	Intercommercial Bank Limited	Dealer, Underwriter, Investment Adviser
4	Bourse Brokers Limited	Broker, Dealer	18	Intercommercial Trust & Merchant Bank Limited	Dealer, Underwriter, Investment Adviser
5	Bourse Securities Limited	Broker, Dealer, Underwriter, Investment Adviser	19	OneI Financial Limited	Dealer, Underwriter, Investment Adviser
6	Caribbean Money Market Brokers Limited	Broker, Dealer, Underwriter, Investment Adviser	20	RBTT Merchant Bank Limited	Dealer, Underwriter
7	Caribbean Stockbrokers Limited	Broker	21	Republic Bank Limited	Dealer, Underwriter, Investment Adviser
8	CLICO Investment Bank Limited	Underwriter, Investment Adviser	22	Republic Finance and Merchant Bank Limited	Underwriter
9	CMMB Securities Limited	Broker, Dealer, Underwriter, Investment Adviser	22	Republic Securities Limited	Broker
10	Dehring, Bunting & Golding Limited	Broker, Dealer, Underwriter, Investment Adviser	23	Sagicor Life Inc.	Dealer, Underwriter, Investment Adviser
11	Development Finance Limited	Dealer, Underwriter, Investment Adviser	24	Sagicor Merchant Limited	Dealer, Underwriter, Investment Adviser
12	First Citizens Securities Trading Limited	Dealer, Underwriter, Investment Adviser	25	Scotiabank Trinidad and Tobago Limited	Underwriter
13	First Citizens Trust and Asset Management Limited	Dealer, Underwriter, Investment Adviser	27	Scotiabank and Merchant Bank Trinidad and Tobago Limited	Dealer, Underwriter, Investment Adviser
14	Firstline Securities Limited	Dealer, Underwriter, Investment Adviser	28	West Indies Stockbrokers Limited	Broker

Self-Regulatory Organizations

1	The Trinidad and Tobago Stock Exchange Limited
2	The Trinidad and Tobago Central Depository Limited

Securities Market Actors registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Traders

1	Ali, Salma	West Indies Stockbrokers Limited
2	Alleyne, Harold	Caribbean Stockbrokers Limited
3	Basdeo, Roshan	Bourse Securities Limited
4	Inniss-Bernard, Judy	Republic Securities Limited
5	Elias, Lauren	CMMB Securities Limited
6	Eve, Patricia	Republic Securities Limited
7	Fadahunsi, Osu Olayiwola	AIC Securities Limited
8	Fletcher, Claire Rose	West Indies Stockbrokers Limited
9	Gajadar, Kerry	Caribbean Stockbrokers Limited
10	Lackan, Rajesh	Republic Securities Limited
11	Lamy, Lorin Shereece	AIC Securities Limited
12	Lee, Sean	Caribbean Stockbrokers Limited
13	Ramnath-Singh, Gail	Caribbean Stockbrokers Limited
14	Savary, Hilary	AIC Securities Limited
15	Seebaran, Madree	Bourse Securities Limited
16	Vieira, Lisa Ann	AIC Securities Limited
17	Youssef, Daniel George	West Indies Stockbrokers Limited

Underwriters

1	Citibank (Trinidad and Tobago) Limited	5	First Citizens Bank Limited
2	Citicorp Merchant Bank Limited	6	RBTT Merchant Bank Limited
3	FirstCaribbean International Bank (Bahamas) Limited	7	Sagicor Life Incorporated
4	First Caribbean International Banking & Financial Corporation	8	Trinidad and Tobago Unit Trust Corporation

APPENDIX 2

Estimated Value of Equity Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Issuer	Type of Security	Description	Number of Units	Registration Date	Total Value
Scotiabank Trinidad & Tobago Limited	BONUS - Ordinary Common	Scotiabank Trinidad & Tobago Limited 58,751,250 shares pursuant to a 1 for 2 Bonus Issue	58,751,250	21-Sep-06	\$150,000,000.00
Sub Total	BONUS - Ordinary Common Total		58,751,250		\$150,000,000.00
Dehring, Bunting and Golding Limited	ESOP - Ordinary Common Shares	Ordinary Stock Units (pursuant to Executive Stock Compensation Plan)	12,809,013	10-Nov-05	\$122,154.64
GraceKennedy Limited	ESOP - Ordinary Common Shares	Grace Kennedy Limited 105,713 ordinary shares	105,713	10-Nov-05	\$275,626.64
The Barbados Shipping & Trading Company Limited	ESOP - Ordinary Common Shares	The Barbados Shipping & Trading Company Limited 47,000 shares pursuant to ESOP	47,000	5-Dec-05	\$434,558.25
Guardian Holdings Limited	ESOP - Ordinary Common Shares	Guardian Holdings Limited 87,515 shares pursuant to Executive Share Option Plan	87,515	8-Dec-05	\$1,872,821.00
Republic Bank Limited	ESOP - Ordinary Common Shares	Republic Bank Limited 450,000 shares pursuant to Executive Stock Option Plan	450,000	12-Jan-06	\$19,530,000.00
GraceKennedy Limited	ESOP - Ordinary Common Shares	Grace Kennedy Limited 71,750 shares pursuant to Employee Share Scheme	71,750	16-Feb-06	\$503,062.21
The Barbados Shipping & Trading Company Limited	ESOP - Ordinary Common Shares	The Barbados Shipping & Trading Company Limited 71,000 ordinary shares pursuant to Executive Stock Option Plan	71,000	16-Feb-06	\$823,063.50
The Barbados Shipping & Trading Company Limited	ESOP - Ordinary Common Shares	The Barbados Shipping & Trading Company Limited 90,315 shares pursuant to Bonus Scheme	90,315	16-Feb-06	\$1,934,547.30
GraceKennedy Limited	ESOP - Ordinary Common Shares	GraceKennedy Limited 1500 Ordinary Shares pursuant to Employee Share Scheme	1,500	4-Apr-06	\$10,516.98
The Barbados Shipping & Trading Company Limited	ESOP - Ordinary Common Shares	The Barbados Shipping & Trading Company Limited 350 shares pursuant to Employee Share Purchase Plan	350	4-Apr-06	\$7,000.88

Estimated Value of Equity Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006 (Continued)

Issuer	Type of Security	Description	Number of Units	Registration Date	Total Value
GraceKennedy Limited	ESOP - Ordinary Common Shares	GraceKennedy Limited 1,750 shares pursuant to its Stock Option Plan for Managers	1,750	5-May-06	\$12,269.81
Agostini's Limited	ESOP - Ordinary Common Shares	Shares registered with the commission as at May 15, 2006 pursuant to Executive Stock option Plan	8,250	15-May-06	\$53,625.00
Sagcor Financial Corporation	ESOP - Ordinary Common Shares	Sagcor Financial Corporation 1,342,027 Series A Common Shares pursuant to Long Term Incentive Plan for Executives	1,342,027	15-May-06	\$15,768,817.25
Sagcor Financial Corporation	ESOP - Ordinary Common Shares	Sagcor Financial Corporation 90,561 Series A Common Shares pursuant to Long Term Incentive Plan for Executives	90,561	30-Jun-06	\$3,568,692.05
RBTT Financial Holdings Limited	ESOP - Ordinary Common Shares	RBTT Financial Holdings Limited 37,400 shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	37,400	4-Jul-06	\$649,380.84
RBTT Financial Holdings Limited	ESOP - Ordinary Common Shares	RBTT Financial Holdings Limited 11,496 Shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	11,496	26-Sep-06	\$233,718.48
The Barbados Shipping & Trading Company Limited	ESOP - Ordinary Common Shares	The Barbados Shipping & Trading Company Limited 10,000 ordinary shares pursuant to Employee Share Purchase Plan	10,000	27-Sep-06	\$157,273.92
Sub Total	ESOP - Ordinary Common Shares Total		15,235,640		\$45,957,128.74
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 13,193 ordinary shares pursuant to Share Option plan for Non-Executive Directors and Executive Management	13,193	13-Oct-05	\$192,749.73
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 33,858 ordinary shares pursuant to Share Option plan for Non-Executive Directors and Executive Management	33,858	13-Oct-05	\$563,824.65

Estimated Value of Equity Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006 (Continued)

Issuer	Type of Security	Description	Number of Units	Registration Date	Total Value
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 97,012 shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	97,012	13-Oct-05	\$1,262,570.70
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy Limited 301,014 shares pursuant to Stock Option Plan for Managers	301,014	10-Nov-05	\$1,203,378.53
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy Limited 15,102 ordinary shares	15,102	11-Nov-05	\$60,374.01
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy Limited 168,604 ordinary shares	168,604	5-Dec-05	\$674,036.53
GraceKennedy Limited	MSOP - Ordinary Common Shares	Registration of Grace Kennedy Limited 108,584 Shares	108,584	12-Jan-06	\$434,091.62
One Caribbean Media Limited	MSOP - Ordinary Common Shares	Caribbean Communications Network Limited 1,039,844 shares pursuant to Management Share Option Plan	1,039,844	12-Jan-06	\$7,538,869.00
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 5000 Ordinary Shares pursuant to share option plan for Non-Executive Directors and Executive Management	5,000	12-Jan-06	\$108,000.00
GraceKennedy Limited	MSOP - Ordinary Common Shares	Grace Kennedy Limited 146,722 shares pursuant to MSOP	146,722	16-Feb-06	\$586,557.78
One Caribbean Media Limited	MSOP - Ordinary Common Shares	One Caribbean Media Limited 249,000 Ordinary Shares pursuant to Management Share Option Plan	249,000	16-Mar-06	\$1,805,250.00
Prestige Holdings Limited	MSOP - Ordinary Common Shares	Prestige Holdings Limited 600,000 shares pursuant to Management Stock Option Plan	600,000	16-Mar-06	\$6,600,000.00
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 10,913 shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	10,923	16-Mar-06	\$131,076.00

Estimated Value of Equity Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006 (Continued)

Issuer	Type of Security	Description	Number of Units	Registration Date	Total Value
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy Limited 13,051 shares pursuant to Stock Option Plan for Managers	13,051	4-Apr-06	\$52,174.63
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 7,000 Shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	7,000	4-Apr-06	\$102,270.00
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 22,300 shares pursuant to Stock Option Plan for Non-Executive Directors and Executive Management	22,300	5-May-06	\$324,000.00
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 42,946 shares pursuant to Share Option plan for Non-Executive Directors and Executive Management	42,946	8-May-06	\$802,463.67
One Caribbean Media Limited	MSOP - Ordinary Common Shares	One Caribbean Media Limited 250,000 shares pursuant to Management Share Option Plan	250,000	29-May-06	\$1,812,500.00
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 55,440 shares pursuant to Share Option Plan for Non-Executive Directors and Executive Management	55,440	4-Jul-06	\$1,031,100.06
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	RBTT Financial Holdings Limited 26,510 Ordinary Shares pursuant to the Share Option Plan for Non-Executive Directors and Executive Management	26,510	12-Jul-06	\$334,964.80
Dehring, Bunting and Golding Limited	MSOP - Ordinary Common Shares	Ordinary Stock Units (pursuant to Executive Stock Compensation Plan)	6,063,895	10-Aug-06	N/A
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy & Company Limited 31,198 Ordinary Stock Units	31,198	17-Aug-06	\$124,721.78
Agostini's Limited	MSOP - Ordinary Common Shares	Ordinary stock units of Agostini's Limited pursuant to its Executive Stock Option Plan	35,000	14-Sep-06	\$227,500.00

Estimated Value of Equity Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006 (Continued)

Issuer	Type of Security	Description	Number of Units	Registration Date	Total Value
GraceKennedy Limited	MSOP - Ordinary Common Shares	GraceKennedy Limited 38,363 Ordinary Shares pursuant to MSOP	38,363	14-Sep-06	\$153,365.66
RBTT Financial Holdings Limited	MSOP - Ordinary Common Shares	Ordinary Shares of RBTT Financial Holdings Limited pursuant to its Share Option Plan for Non Executive Directors and Executive Management	37,500	18-Sep-06	\$522,558.87
Sub Total	MSOP - Ordinary Common Shares Total		9,412,059		\$26,648,398.02
FirstCaribbean International Bank Limited	ORD - Ordinary Common Shares	Pursuant to Reconciliation exercise	3,240,154	13-Oct-05	N/A
One Caribbean Media Limited	ORD - Ordinary Common Shares	Caribbean Communication Network Limited 27,680,682 ordinary shares pursuant to merger with the Nation Corporation of Barbados	27,680,682	8-Feb-06	N/A
One Caribbean Media Limited	ORD - Ordinary Common Shares	One Caribbean Media Limited 3,000,000 ordinary shares pursuant to the merger of CCN and The Nation Corporation	3,000,000	3-Aug-06	\$60,000,000.00
Sub Total	ORD - Ordinary Common Shares Total		33,920,836		\$60,000,000.00
The Barbados Shipping & Trading Company Limited	OTH - Other	The Barbados Shipping & Trading Company Limited 615 Ordinary Stock Units pursuant to Employee Share Purchase Plan	615	16-Feb-06	\$12,554.80
Sub Total	OTH - Other Total		615		\$12,554.80
Fortress Caribbean Property Fund	RIGHTS - Ordinary Common Shares	Fortress Caribbean Property Fund 22,326,840 shares pursuant to a 2 for 3 Rights Issue	22,326,840	13-Oct-05	\$98,461,364.40
Sub Total	RIGHTS - Ordinary Common Shares Total		22,326,840		\$98,461,364.40
Grand Total			139,647,240		\$381,079,445.95

■ APPENDIX 3

Prospectuses received by the Commission for the period
October 1st, 2005 to September 30th, 2006

Company	Sponsor	Country of Origin	Registration Date
Guardian Asset Management Limited International Series of Mutual Funds	Guardian Asset Management Limited	Trinidad and Tobago	17-Oct-05
Guardian Asset Management Limited Caribbean Series of Mutual Funds	Guardian Asset Management Limited	Trinidad and Tobago	17-Oct-05
Colonial Life US\$ Energy Fund	Colonial Life Insurance Company (Trinidad) Limited	Trinidad and Tobago	08-Dec-05
Colonial Life TT\$ Energy Fund	Colonial Life Insurance Company (Trinidad) Limited	Trinidad and Tobago	08-Dec-05
Man AHL Diversified plc	Man AHL Diversified plc	Ireland	08-May-06

■ APPENDIX 4

Collective Investment Schemes registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Currency	Sponsor	Fund Name	Fund Type	Country of Origin	Registration Date
TTD	Guardian Asset Management Limited	Guardian Asset Management Limited Asia-Pacific Rim Equity Fund	Equity Fund	Trinidad and Tobago	17-Oct-05
TTD	Guardian Asset Management Limited	Guardian Asset Management Limited European Equity Fund	Equity Fund	Trinidad and Tobago	17-Oct-05
TTD	Guardian Asset Management Limited	Guardian Asset Management Limited North American Equity Fund	Equity Fund	Trinidad and Tobago	17-Oct-05
TTD	Guardian Asset Management Limited	Guardian Asset Management Limited Caribbean Growth Fund	Growth Fund	Trinidad and Tobago	17-Oct-05
USD	Guardian Asset Management Limited	Guardian Asset Management Limited USD Monthly Income Fund	Income Fund	Trinidad and Tobago	17-Oct-05
TTD	Guardian Asset Management Limited	Guardian Asset Management Limited TTD Monthly Income Fund	Income Fund	Trinidad and Tobago	17-Oct-05
TTD	Colonial Life Insurance Company (Trinidad) Limited	Colonial Life TT\$ Energy Fund	Energy Fund	Trinidad and Tobago	08-Dec-05
USD	Colonial Life Insurance Company (Trinidad) Limited	Colonial Life US\$ Energy Fund	Energy Fund	Trinidad and Tobago	08-Dec-05
USD	Man AHL Diversified plc	Man AHL Diversified plc Fund	Other	Ireland	08-May-06

APPENDIX 5

Fixed Income Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006

Currency	Company	Name of Security	Face Value	Registration Date
TTD	Trinidad Cement Limited	Trinidad Cement Limited TT\$315,000,000 Secured 6.71% Fixed Rate Bonds 2005-2017	\$315,000,000.00	13-Oct-05
TTD	National Insurance Property Development Company Limited	National Insurance Property Development Company Limited TT\$200,000,000 Fixed Rate Bond Series B TT\$150,000,000 Fixed Rate Bond Due 2017	\$150,000,000.00	25-Oct-05
TTD	National Insurance Property Development Company Limited	National Insurance Property Development Company Limited TT\$200,000,000 Fixed Rate Bond Series A TT\$50,000,000 5.45% Due 2008	\$50,000,000.00	25-Oct-05
TTD	Courts (Trinidad) Limited	Courts (Trinidad) Limited TT\$150,000,000 7.35% Secured Fixed Rate Bond due 2008	\$150,000,000.00	10-Nov-05
TTD	Urban Development Corporation of Trinidad & Tobago Limited	Urban Development Corporation of Trinidad & Tobago TT\$1,200,000,000 Fixed Rate Bond 2009-2024 with Participation Certificates and Interim Bonds 2005-2009	\$1,200,000,000.00	08-Dec-05
TTD	Ansa Merchant Bank Limited	ANSA Merchant Bank Limited TT\$200,000,000 - Series D (TT\$75,000,000) Floating Rate Medium Term Loan Note due 2011	\$75,000,000.00	08-Dec-05
TTD	Trinidad & Tobago Housing Development Corporation	Trinidad & Tobago Housing Development Corporation TT\$1,390,000,000 Fixed Rate Bond - Tranche II: TT\$600,000,000 7.75% Fixed Rate Bond Issue due 2030	\$600,000,000.00	12-Dec-05
TTD	Urban Development Corporation of Trinidad & Tobago Limited	Urban Development Corporation of Trinidad & Tobago Limited TT\$192,000,000 7% Guaranteed Fixed Rate Bond due 2018	\$192,000,000.00	11-Jan-06
TTD	Guardian Holdings Limited	Guardian Holdings Limited TT\$128,275,000 Secured Commercial Paper to be arranged by RBTT Merchant Bank Limited Tranche 2 – TT\$50,000,000 360-day Secured Commercial Paper	\$50,000,000.00	16-Mar-06
TTD	The Home Mortgage Bank	The Home Mortgage Bank TT\$126,815,000 6.75% Secured Fixed Rate (Tax Free & Taxable) Bonds Due 2013 (63rd Issue): Tranche A TT\$46,815,000 6.75% Secured Fixed Rate Tax Free Bond Due 2013	\$46,815,000.00	16-Mar-06
TTD	Prestige Holdings Limited	Prestige Holdings Limited TT\$91,714,725 7.75% Secured Callable Fixed Rate Bond due 2016	\$91,714,725.00	16-Mar-06

Fixed Income Securities registered by the Commission for the period October 1st, 2005 to September 30th, 2006 (Continued)

Currency	Company	Name of Security	Face Value	Registration Date
TTD	Guardian Holdings Limited	Guardian Holdings Limited TT\$128,275,000 Secured Commercial Paper to be arranged by RBTT Merchant Bank Limited Tranche 1 – TT\$30,000,000 90-day Secured Commercial Paper	\$30,000,000.00	16-Mar-06
TTD	Guardian Holdings Limited	Guardian Holdings Limited TT\$128,275,000 Secured Commercial Paper to be arranged by RBTT Merchant Bank Limited Tranche 3 – TT\$48,275,000 180-day Secured Commercial Paper	\$48,275,000.00	16-Mar-06
TTD	The Home Mortgage Bank	The Home Mortgage Bank TT\$126,815,000 6.75% Secured Fixed Rate (Tax Free & Taxable) Bonds Due 2013 (63rd Issue): Tranche B TT\$80,000,000 6.75% Secured Fixed Rate Taxable Bond Due 2013	\$80,000,000.00	16-Mar-06
TTD	Water and Sewerage Authority	Water and Sewerage Authority TT\$360,000,000 Guaranteed 7.50% Fixed Rate Bond due 2016	\$360,000,000.00	06-Jun-06
TTD Total			\$3,438,804,725.00	
USD	Air Jamaica Limited	Air Jamaica Limited US\$125,000,000 Non-Callable Rate Bond Due 2015	\$125,000,000.00	10-Nov-05
USD	Guardian Holdings Limited	Guardian Holdings Limited US\$27,000,000 Floating Rate Note due 2010	\$27,000,000.00	05-Dec-05
USD	RBTT Finance Limited	RBTT Finance Limited US\$100,000,000 6.60% Senior Notes due 2015	\$100,000,000.00	05-Dec-05
USD	RBTT Bank Jamaica Limited	Registration of RBTT Bank Jamaica Limited (RBTTBJL) US\$40,000,000 6.75% Floating Rate Bond Issue 2004-2009	\$40,000,000.00	08-May-06
USD Total			\$292,000,000.00	
TTD Equivalent			\$1,839,570,800.00	
Grand Total			\$5,278,375,525.00	

■ APPENDIX 6

Derivative Securities registered by the Commission for the period
October 1st, 2005 to September 30th, 2006

Currency	Company	Description	Face Value	Registration Date
TTD	Republic Finance and Merchant Bank Limited	Republic Finance and Merchant Bank Limited TT\$478,807,875 Certificates of Participation in Trinidad Cement Limited TT\$315,000,000 Secured 6.71% Fixed Rate Bonds 2005-2017	\$478,807,875.00	10-Nov-05
TTD	Total		\$478,807,875.00	
USD	RBTT Merchant Bank Limited	RBTT Merchant Bank Limited US\$125,000,000 Certificates of Participation in Air Jamaica US\$125,000,000 Non-Callable Floating Rate Bond due 2015	\$125,000,000.00	10-Nov-05
USD	RBTT Merchant Bank Limited	RBTT Merchant Bank Limited US\$40,000,000 Certificates of Participation in RBTT Finance Limited US\$100,000,000 6.60% Senior Notes due 2015	\$40,000,000.00	08-Dec-05
USD	RBTT Merchant Bank Limited	RBTT Merchant Bank Limited US\$50,075,000 Certificates of Interest in RBTT Bank (Jamaica) Limited US\$40,000,000 Floating Rate Bond Issue 2004-2009	\$50,075,000.00	08-May-06
USD	Total		\$215,075,000.00	
TTD	Equivalent		\$1,354,950,992.50	
	Grand Total		\$1,833,758,867.50	

■ AUDITORS' REPORT



To the members of
The Trinidad and Tobago Securities and Exchange Commission

We have audited the accompanying balance sheet of The Trinidad and Tobago Securities and Exchange Commission as at 30 September 2006, and the related income and expenditure account, changes in government subvention and cash flow statement for the year then ended, as set out on pages 46 to 54. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with international standards on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at 30 September 2006 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in cursive script that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers
Port of Spain
Trinidad, West Indies
20 December 2006

BALANCE SHEET

ASSETS

Non-Current Assets

Leasehold improvements and equipment

Current Assets

Cash at bank
Fixed deposits
Other assets

Total Assets

GOVERNMENT SUBVENTION AND LIABILITIES

Government subvention

Current Liabilities

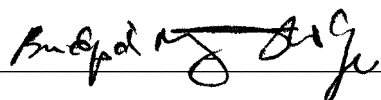
Accrued charges and other liabilities

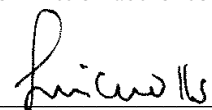
Total Government Subvention and Liabilities


Notes	30 September	
	2006 \$	2005 \$
3	<u>8,176,482</u>	<u>1,530,479</u>
	2,831,524	6,632,586
	4,715,166	4,519,781
	<u>305,626</u>	<u>1,158,607</u>
	<u>7,853,316</u>	<u>12,310,974</u>
	<u>16,028,798</u>	<u>13,841,453</u>
	<u>15,986,366</u>	<u>13,444,554</u>
4	<u>42,432</u>	<u>396,899</u>
	<u>16,028,798</u>	<u>13,841,453</u>

The notes on pages 49 to 54 form an integral part of these financial statements.

On 20 December 2006, the Commissioners of The Trinidad and Tobago Securities and Exchange Commission authorised these financial statements for issue.

 Commissioner

 Commissioner

 Chairman

INCOME AND EXPENDITURE ACCOUNT

	Note	Year Ended 30 September	
		2006 \$	2005 \$
Income			
Registration fees		2,173,905	2,522,917
Interest		209,330	192,975
Other income		20,218	2,622
		<u>2,403,453</u>	<u>2,718,514</u>
Expenses			
Administration		(1,311,566)	(1,085,708)
Finance		(5,686)	(5,262)
Operating		(16,333,651)	(10,445,625)
		<u>(17,650,903)</u>	<u>(11,536,595)</u>
Deficit Before Taxation		(15,247,450)	(8,818,081)
Taxation	6	<u>(10,738)</u>	<u>(9,514)</u>
Net Deficit		<u>(15,258,188)</u>	<u>(8,827,595)</u>

STATEMENT OF CHANGES IN GOVERNMENT SUBVENTION

Balance at beginning of year	13,444,554	8,272,149
Net deficit for the year	(15,258,188)	(8,827,595)
Subvention receipts from Government of Trinidad and Tobago	<u>17,800,000</u>	<u>14,000,000</u>
Balance at end of year	<u>15,986,366</u>	<u>13,444,554</u>

The notes on pages 49 to 54 form an integral part of these financial statements.

CASH FLOW STATEMENT

Operating Activities

Deficit before taxation	
Adjustment to reconcile deficit to net cash from operating activities:	
Depreciation	
Gain on disposal of leasehold improvements and equipment	
Loss / (gain) on foreign exchange	
Net change in operating assets and liabilities	
Taxation paid net of tax refund	

Net Cash Outflow From Operating Activities

Investing Activities

Purchase of leasehold improvements and equipment	
Proceeds from disposal of leasehold improvements and equipment	

Net Cash Outflow From Investing Activities

Financing Activity

Proceeds from Government subvention	
-------------------------------------	--

(Decrease) / Increase In Cash And Cash Equivalents

Cash And Cash Equivalents

At beginning of year	
(Decrease) / Increase	

End of year

Represented By:

Cash	
Fixed deposits	

	Year Ended 30 September	
	2006	2005
	\$	\$
	(15,247,702)	(8,818,081)
	1,055,359	366,163
	--	(3,836)
	252	(143)
	498,571	(1,734,512)
	<u>(13,693,520)</u>	<u>(10,190,409)</u>
	<u>(10,795)</u>	<u>(4,292)</u>
	<u>(13,704,315)</u>	<u>(10,194,701)</u>
	(7,701,362)	(529,991)
	<u>--</u>	<u>11,986</u>
	<u>(7,701,362)</u>	<u>(518,005)</u>
	<u>17,800,000</u>	<u>14,000,000</u>
	<u>(3,605,677)</u>	<u>3,287,294</u>
	11,152,367	7,865,073
	<u>(3,605,677)</u>	<u>3,287,294</u>
	<u>7,546,690</u>	<u>11,152,367</u>
	2,831,524	6,632,586
	<u>4,715,166</u>	<u>4,519,781</u>
	<u>7,546,690</u>	<u>11,152,367</u>

The notes on pages 49 to 54 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 September 2006

I General Information

The Trinidad and Tobago Securities and Exchange Commission is a body corporate and was established by an Act of Parliament known as the Securities Industries Act 1995. The Act provides for the regulation of the securities market and connected matters in Trinidad and Tobago. It also provides for the funds received from government, the fees earned and any other income earned from operations to be applied in defraying expenditure authorized by the Commission.

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 a Basis of Preparation

The financial statements of The Trinidad and Tobago Securities and Exchange Commission have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

b Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using currency of the primary economic environment in which the

Company operates (the functional currency). The financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

2.2 Financial Instruments

Financial instruments carried on the balance sheet include cash and bank balances, other assets and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.3 Leasehold Improvements and Equipment

All equipment is stated at historical cost less depreciation. Depreciation is calculated on the reducing balance basis to write off the cost of each asset to their residual values over their estimated useful life as follows:

Office equipment	- 10% - 25%
Leasehold improvements	- 20% - (Straight line)
Computer equipment	- 25%
Artwork and fixtures and fittings	- 10%
Motor vehicles	- 25%

Gains and losses on disposal of equipment are determined by comparing proceeds with carrying amounts and are included in operating profit.

■ NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 September 2006

2.4 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash and fixed deposits held at banks.

2.5 Pension

The Commission has established a defined contribution plan effective March 2005. Contributions are recognised as an expense when due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payments is available.

2.6 Deferred Income Taxes

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax.

The principal temporary differences arise from depreciation on equipment and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.7 Revenue Recognition

Income is recognised upon receipt of fees. Interest income is recognised as it accrues to the Commission

2.8 Provisions

Provisions are recognised when the Commission has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle

the obligation, and a reliable estimate of the amount of the obligation can be made.

2.9 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement over the period of the lease.

2.10 Government Subventions

Government subventions that are intended to subsidize costs of the Commission are credited to equity in accordance with International Accounting Standard No. 20, Accounting for Government Grants and Disclosure of Accounting Assistance using the capital approach.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 September 2006

3 Leasehold improvements and equipment

	Leasehold Improvements \$	Office Equipment \$	Computer Equipment \$	Artwork and Fixtures and Fittings \$	Motor Vehicle \$	Total \$
At 30 September, 2006						
Opening net book amount	--	387,530	806,634	241,318	94,997	1,530,479
Additions	2,101,350	3,309,525	1,302,153	252,738	735,596	7,701,362
Depreciation	<u>(188,479)</u>	<u>(492,368)</u>	<u>(295,980)</u>	<u>(35,071)</u>	<u>(43,461)</u>	<u>(1,055,359)</u>
Closing Net book amount	<u>1,912,871</u>	<u>3,204,687</u>	<u>1,812,807</u>	<u>458,985</u>	<u>787,132</u>	<u>8,176,482</u>
At 30 September, 2006						
Cost	2,101,350	4,182,428	3,758,616	702,433	862,258	11,607,085
Accumulated Depreciation	<u>(188,479)</u>	<u>(977,741)</u>	<u>(1,945,809)</u>	<u>(243,448)</u>	<u>(75,126)</u>	<u>(3,430,603)</u>
Net book amount	<u>1,912,871</u>	<u>3,204,687</u>	<u>1,812,807</u>	<u>458,985</u>	<u>787,132</u>	<u>8,176,482</u>
At 30 September, 2005						
Opening net book amount	--	394,941	712,567	267,293	--	1,374,801
Additions	--	61,646	338,290	3,393	126,662	529,991
Disposals	--	--	(8,150)	--	--	(8,150)
Depreciation	<u>--</u>	<u>(69,057)</u>	<u>(236,073)</u>	<u>(29,368)</u>	<u>(31,665)</u>	<u>(366,163)</u>
Closing Net book amount	<u>--</u>	<u>387,530</u>	<u>806,634</u>	<u>241,318</u>	<u>94,997</u>	<u>1,530,479</u>
At 30 September, 2005						
Cost	--	872,903	2,456,463	449,695	126,662	3,905,723
Accumulated Depreciation	<u>--</u>	<u>(485,373)</u>	<u>(1,649,829)</u>	<u>(208,377)</u>	<u>(31,665)</u>	<u>(2,375,244)</u>
Net book amount	<u>--</u>	<u>387,530</u>	<u>806,634</u>	<u>241,318</u>	<u>94,997</u>	<u>1,530,479</u>

■ NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 September 2006

4 Accrued Charges And Other Liabilities

Provision for gratuity
Other accrued charges

	2006 \$	2005 \$
	--	60,000
	<u>42,432</u>	<u>336,899</u>
	<u>42,432</u>	<u>396,899</u>

5 Deferred Tax Asset

Tax losses of approximately \$653,000 (2005 - \$403,900) have not been recognised for the purpose of deferred taxation because of the uncertain timing of their recoverability.

6 Taxation

Prior year underprovision - business levy
Business levy
Green fund levy

	57	--
	(7,173)	(6,796)
	<u>(3,622)</u>	<u>(2,718)</u>
	<u>(10,738)</u>	<u>(9,514)</u>

a) The Commission's effective tax rate varies from the statutory rate as a result of the differences shown below:

Loss before taxation

Corporation tax at the statutory rate of 25% (2005 - 30%)
Expenses not deductible for tax purposes
Expenses reimbursed by the government
Other allowances
Business levy
Tax losses not recognised
Prior year over provision
Green fund levy

Current tax charge

	<u>(15,247,450)</u>	<u>(8,818,081)</u>
	(3,811,863)	(2,645,424)
	4,102	2,483
	3,807,761	2,648,279
	--	(63,556)
	(7,173)	(6,796)
	--	58,218
	57	--
	<u>(3,622)</u>	<u>(2,718)</u>
	<u>(10,738)</u>	<u>(9,514)</u>

■ NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 September 2006

b) The Commission is required to pay Business Levy at 0.20% of total revenue if it exceeds \$200,000 in the year of income. Business Levy only takes effect when it exceeds the current corporation tax liability.

c) The Commission has tax losses of approximately \$1,500,000 (2005 - \$1,300,000) available for set off against future taxable profits. These losses have not yet been approved by the Board of Inland Revenue.

7 Expenses By Nature

	2006 \$	2005 \$
Advertising	388,989	125,530
Consultancy	470,525	524,869
Employee benefit expense (Note 8)	5,825,502	5,199,285
Depreciation	1,055,359	366,163
Legal fees	672,372	418,159
Investigation	849,036	1,103,708
Rent	2,353,265	534,463
Relocation	1,955,532	806,572
Seminars	798,594	406,414
Other expenses	<u>3,281,172</u>	<u>2,051,432</u>
Total administrative, finance and operating expenses	<u>17,650,903</u>	<u>11,536,595</u>

8 Employee Benefit Expense

Salaries and national insurance	5,344,182	5,146,303
Pension costs	<u>481,320</u>	<u>52,982</u>
	<u>5,825,502</u>	<u>5,199,285</u>
Average number of employees	<u>44</u>	<u>38</u>

9 Key management compensation

Salaries and other benefits	<u>1,612,656</u>	<u>1,658,728</u>
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■ NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 September 2006

10 Operating lease commitments

The future minimum lease payments relating to rental of premises and vehicles are as follows:

Not later than 1 year	3,286,097	2,957,064
Later than 1 year and not later than 5 years	8,630,910	11,828,256

11 Financial Instruments

(i) Credit risk

The Commission has no significant concentration of credit risk.

(ii) Fair values

The carrying amount of the following financial assets and liabilities approximate to their fair value: cash at bank, fixed deposits, other assets and accrued charges and other liabilities.

■ ADDITIONAL INFORMATION – not covered by Audit Report

	2006 \$	2005 \$
Administrative Expenses		
Audit fee	33,159	22,586
Commissioners' fee	135,511	120,094
Consultancy	470,524	524,869
Legal and professional fees	<u>672,372</u>	<u>418,159</u>
	<u>1,311,566</u>	<u>1,085,708</u>
Finance Expenses		
Gain on foreign exchange	252	(143)
Bank service charges	<u>5,434</u>	<u>5,405</u>
	<u>5,686</u>	<u>5,262</u>
Operating Expenses		
Advertising	388,989	125,530
Computer	255,359	181,992
Depreciation	1,055,359	366,163
Entertainment	65,636	33,110
Gain on disposal	--	(3,836)
Gratuity	60,000	(475,367)
Investigation	849,036	1,103,708
Insurance	140,157	56,425
Investor education	--	55,900
Library	133,709	145,137
Meetings	40,212	130,912
Mutual fund study	90,985	212,765
Motor vehicle expenses	39,543	20,432
Motor vehicle lease payments	321,880	179,074
Rent / Property Expenses	2,353,265	534,463
Other rental/storage	205,885	92,991
Utilities	133,407	--
Office repairs	--	5,348
Office supplies	238,868	144,939
Pension contributions	481,320	52,982

■ ADDITIONAL INFORMATION — (Continued) not covered by Audit Report

Postage and delivery	7,982	9,693
Printing and reproduction	303,072	88,656
Recruiting	24,145	8,726
Relocation Expenses	1,486,712	806,527
Repairs	290,717	25,953
Salaries and national insurance	5,344,182	5,146,830
Seminars	798,594	406,414
Staff retreat	78,429	56,547
Subscription	78,035	69,210
Sundries	337,189	91,937
Telephone	289,605	255,675
Training	412,635	424,476
Website Redesign	--	69,891
Withholding tax	28,744	22,422
	<u>16,333,651</u>	<u>10,445,625</u>

For additional copies of this report, write to:

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To enquire about or lodge a complaint on any matter concerning either a registrant, a security registered with the Commission, any other security or any person engaged in securities transactions, please contact the Commission's Division of Market Regulation and Surveillance by mail, facsimile or telephone.



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