



**Securities and Exchange Commission
COMMUNICATIONS UNIT
57-59 Dundonald Street
Port of Spain**

MEDIA RELEASE

July 18, 2006

**Trinidad and Tobago Securities and Exchange Commission meets with
stakeholders in the Financial services industry**

The Trinidad and Tobago Securities and Exchange Commission (the Commission) met with stakeholders in the financial services industry at Crowne Plaza on July 18, 2006 to discuss **“Guidelines on Capital Requirements for Underwriters and Issuers of Securitized Instruments under the Securities Industry Act, 1995”**

A major function of the Securities and Exchange Commission is to maintain surveillance over the securities market and to ensure open, fair and equitable dealings in securities. Mr. Terrence Clarke ,the General Manager of the Commission highlighted the fact that within recent times the adequacy of the capital held by underwriters registered under the Securities Industry Act, 1995 (the SIA) became a matter of concern to the Commission. Further with a capital requirement of five million dollars, underwriters registered under the SIA are not subject to the same requirements as those registered under the Financial Institutions Act, 1993 (the FIA).

The Commission reviewed the requirements of both Acts and paid particular attention to:

- the potential risks to the market that can result from underwriting being undertaken by persons with inadequate capital ; and
- the inequity in the financial market of Trinidad and Tobago resulting from the different capital requirements applied to persons conducting the business of underwriting as registrants under the SIA and licensees under the FIA.

As a result the Commission has decided to implement Guidelines for the regulation of underwriters. Further these guidelines are intended upon their publication to be actively used by participants to guide the industry. The Commission provided all affected

market actors with the opportunity to provide by July 3rd 2006, written comments on the guidelines which were the focus of discussion at the breakfast meeting.

The stakeholders have agreed to hold further discussions amongst themselves with a view to determining a common position for presentation to the Commission. Discussions will also take place regarding a proposal for market actors to establish a self regulatory organization that will define standards for such market actors, and represent them in discussions with the Commission on the regulation of the securities industry.

END OF RELEASE

Contact Arlene Stephen

Manager, Communications Securities and Exchange Commission

FOR FURTHER INFORMATION @ 627-4861(Phone) 624-2995 (Fax)