

**TRINIDAD AND TOBAGO
SECURITIES AND EXCHANGE COMMISSION**



INFORMATION MEMORANDUM GUIDELINES

(FOR PUBLIC COMMENT)

*Disclosure Registration & Corporate Finance
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Section 1

General Matters

1. These Guidelines are issued pursuant to Section 6(b) of the Securities Industry Act, 1995. They outline the information that the Trinidad and Tobago Securities and Exchange Commission (TTSEC) considers necessary for inclusion in a rights issue or a cross listing information memorandum.
2. These Guidelines do not change the liability provisions of the securities legislation of Trinidad and Tobago and the securities requirement, or the discretionary authority of the TTSEC, including the authority to refuse to issue a receipt for an information memorandum. The Guidelines are general in nature and shall not be viewed as the sole criteria for disclosure in the information memorandum.
3. Directors, advisers and experts have a primary obligation and liability with respect to the contents of the information memorandum. They shall therefore ensure that all material information about the issuer and the securities covered by the information memorandum are disclosed.

In this document, the term “material” shall mean any information, the disclosure of which is reasonably expected to affect the value of the company’s securities or to influence investors’ decisions.

4. The TTSEC will not consider an application for registration to be duly filed unless the registration form and information memorandum are completed properly and are accompanied by all the relevant material or documents.
5. The information memorandum shall be legible and its pages numbered. Any blank or partially blank pages shall contain the words “this page has been intentionally left blank”.
6. The TTSEC may require disclosure of such additional information as may be considered appropriate in any particular case.
7. The consideration and subsequent issuance of a receipt for an Information Memorandum covering a cross listing or rights issue is done pursuant to the following:

That, for the period beginning on the date on which an application is made for approval to list with the Trinidad and Tobago Stock Exchange to the date of listing, no shares will be issued pursuant to the exercise of options through any share option plan or any such compensation plan for the benefit of senior management and/or directors.



Section 2

Cover Page

The Outside Cover Page of the Information Memorandum shall contain the following:

1. The full name of the Issuer.
2. The details of the Rights Issue or Cross Listing:
 - (a) The Number and Value of the shares covered by the Information Memorandum;
 - (b) The type and price of the rights issue, if applicable (e.g. 27 for 1 at TT\$0.20 per share).
3. The name of the Lead Broker/s, where applicable.
4. The following statements shall appear at the bottom of the page:

“The Trinidad and Tobago Securities and Exchange Commission has not in any way evaluated the merits of the securities offered hereunder and any representation to the contrary is an offence.”

“This Information Memorandum is an important, valuable and negotiable document that requires the immediate attention of shareholders. Shareholders shall read this memorandum carefully and retain it for future reference. If any shareholder is in doubt as to its contents, or the action that shall be taken such shareholder shall immediately consult with his/her stockbroker or other professional adviser.”

Section 3

First Page

The First Page shall contain the following Responsibility Statements which shall be signed by each member of the company’s Board of Directors:

“THE ISSUANCE OF THIS DOCUMENT HAS RECEIVED THE APPROVAL OF THE TRINIDAD AND TOBAGO SECURITIES AND EXCHANGE COMMISSION.”



“At a Meeting of the Board of Directors of [state name of company] held on [state date of meeting], it was resolved to offer for subscription an issue of [number of shares to be issued] unissued shares of the Company at [price per share], to existing shareholders, in the proportion to which they hold shares at the Record Date of the Offer.

This document contains particulars given in compliance with the requirements of the Securities Industry Act, 1995 and the Securities Industry By-Laws, 1997 and with the Listing Requirements of the Securities Market of Trinidad and Tobago issued by the authority of the Trinidad and Tobago Stock Exchange, for the purposes of giving information to shareholders with regard to the Company.

The Directors, collectively and individually, accept full responsibility for the accuracy of the information herein and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.”

Section 4

Definitions

A glossary of abbreviations and technical terms shall be stated in the document.

Purpose

Introduction: This section shall summarize the reasons for the offer or cross-listing.

The Offer and Use of Proceeds

1. The document shall disclose the estimated net amount of the proceeds broken down into each principal intended use thereof. If the anticipated proceeds are insufficient to fund all the proposed purposes, the order of priority of such purposes shall be given, as well as the amount and sources of other funds needed. If the company has no specific plans for the proceeds, it shall discuss the principal reasons for the offering.
2. If the proceeds are being used directly or indirectly to acquire assets, other than in the ordinary course of business, briefly describe the assets and their cost. If the assets will be acquired from affiliates of the company or their associates, disclose the persons from whom they will be acquired and how the cost to the company will be determined.



3. If the proceeds may or will be used to finance acquisitions of other businesses, give a brief description of such businesses and information on the status of the acquisitions.
4. If any material part of the proceeds is to be used to discharge, reduce or retire indebtedness, describe the interest rate and maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds of such indebtedness were put.
5. For Cross Listings, this reason shall refer to the fact that the listing does not signify an intention to raise new equity at this time.

Section 5

Time Table

Introduction: This section shall identify important dates related to the issue.

Expected Timetable

For all offerings, and separately for each group of targeted potential investors, the document shall state the dates of the following to the extent applicable to the offering procedure:

1. The Record Date for the Rights Issue;
2. Opening Date of the Offer;
3. Commencement Date for Dealing in Rights i.e. subscription for new shares;
4. Latest time and date for Lodgment of Renunciation;
5. Latest time and date for Acceptance and Payment in Full;
6. Dispatching of Certificates for New Shares;
7. Commencement Date for Dealings in New Shares.

Section 6

Share Information

Purpose: This section shall stipulate the authorized and issued capital of the company, inclusive of preference shares.

Share Capital

The following information shall be given as at the date of the most recent balance sheet included in the financial statements and as at the latest practicable date:



1. The amount of issued capital and, for each class of share capital:
 - (a) the number of shares authorized;
 - (b) the number of shares issued and fully paid and issued, but not fully paid;
 - (c) the par value per share, or that the shares have no par value; and
 - (d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10% of the capital has been paid for using assets other than cash within the past five years, this fact shall be stated.
2. If there are shares not representing capital, the number and main characteristics of such shares shall be stated.
3. Indicate the number, book value and face value of shares in the company held by or on behalf of the company itself or by subsidiaries of the company.
4. Where there is authorized but unissued capital or an undertaking to increase the capital, for example, in connection with warrants, convertible obligations or other outstanding equity-linked securities, or subscription rights granted, indicate:
 - (a) the amount of outstanding equity-linked securities and of such authorized capital or capital increase and, where appropriate, the duration of the authorization;
 - (b) the categories of persons having preferential subscription rights for such additional portions of capital; and
 - (c) the terms, arrangements and procedures for the share issue corresponding to such portions.
5. Indicate the persons to whom any capital of any member of the group is under option or agreed conditionally or unconditionally to be put under option, including the title and amount of securities covered by the options; the exercise price; the purchase price, if any; and the expiration date of the options, or an appropriate negative statement. Where options have been granted or agreed to be granted to all the holders of shares or debt securities, or of any class thereof, or to employees under an employees' share scheme, it will be sufficient so far as the names are concerned, to record that fact without giving names.
6. A history of share capital for the last three years identifying the events during such period which have changed the amount of the issued capital and / or the number and classes of shares of which it was composed, together with a description of changes in voting rights attached to the various classes of shares during that time. Details shall be given concerning the price and terms of any issue, including particulars of consideration where this was other than cash (including information regarding discounts, special terms or installment payments). If there are no such issues, an appropriate negative statement must be made. The reason for any reduction of the amount of capital and the ratio of capital reductions shall also be given.
7. An indication of the resolutions, authorizations and approvals by virtue of which the shares have been or will be created and / or issued, the nature of the issue and amount thereof and the number of shares which have been or will be created and / or issued, if predetermined.



8. A statement indicating whether the constitutive documents of the company provide for the existence of any restrictive covenants on the number or percentage of shares that may be held by any one company or individual.

Section 7

Corporate Information

Purpose: This section shall identify the company representatives and other individuals involved in the company's listing or registration.

Corporate Information

Corporation Information shall include, but is not limited to the following information on the company:

1. The Name of the Chairman;
2. The Name of the Company Secretary;
3. The Address of its Registered Office;
4. The Name of its Auditors;
5. The Name of its Bankers;
6. The Name of its Attorneys-at-law;
7. The Name of its Registrar and Transfer Agent;
8. The Name of the Lead Broker;
9. The Name of its Authorised Brokers;
10. The Name of the Company's agent in the host country;
11. The Address of the Agent's Registered Office.

Section 8

Directors, Senior Management and Employees

Purpose: This section is to provide information concerning the company's directors and managers that will allow investors to assess such individuals' experience, qualifications, levels of compensation and their relationships with the company.



I. Directors and Senior Management

The following information shall be disclosed with respect to the company's directors and senior management, and any employees such as scientists or designers upon whose work the company is dependent:

1. Name, business experience, functions and areas of experience in the company;
2. Principal business activities performed outside the issuing company (including, in the case of directors, other principal directorships);
3. The nature of any familial relationship between any of the persons named above;
4. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to above was selected as a director or member of senior management;
5. Each director's tenure on the board.

II. Compensation

Provide the following information for the last full financial year for the company's directors and members of its administrative, supervisory or management bodies:

1. The amount of compensation paid, and benefits in kind granted, to such persons by the company and its subsidiaries for services in all capacities to the company and its subsidiaries by any person. Disclosure of compensation is required on an individual basis unless individual disclosure is not required in the company's home country and is not otherwise publicly disclosed by the company. This shall also cover any contingent or deferred compensation accrued for the year, even if the compensation is payable at a later date.
2. If any portion of the compensation was paid **(a)** pursuant to a bonus or profit-sharing plan, provide a brief description of the plan and the basis upon which such persons participate in the plan; or **(b)** in the form of stock options, provide the title and amount of securities covered by the options, the exercise price, the purchase price (if any), and the expiration date of the options.
3. The total amounts set aside or accrued by the company or its subsidiaries to provide pension, retirement or similar benefits.

III. Board Practices

The following information for the company's last completed financial year shall be given with respect to, unless otherwise specified, the company's directors, and members of its administrative, supervisory or management bodies.

1. Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.



2. Details of directors' service contracts with the company or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.
3. Details relating to the company's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.

IV. Corporate Governance

This section shall describe the policies and controls in place to ensure the long term success of the company. Policies should include, but are not limited to, the following:

1. The number of board meetings per annum to assess the company's performance and make changes to policies as appropriate;
2. The number of Audit Committee meetings per year to address adherence to established policies and procedures. The person who chairs this committee shall also be named;
3. The elements of any policy which addresses human resource and cultural matters that are of significance to the company's long term success;
4. A report on the state of the company's internal controls.

V. Employees

State the number of employees at the end of the period, or the average number for the period for each of the past three financial years (and changes in such numbers, if material) and, if possible, a breakdown of persons employed by main category of activity and geographic location. Also disclose any significant change in the number of employees, and information regarding the relationship between management and labor unions. If the company employs a significant number of temporary employees, include disclosure of the number of temporary employees, on average, during the most recent financial year.

VI. Share Ownership

1. With respect to the persons listed in subsection I, above, provide information as to their share ownership in the company, as of the most recent practicable date, (including disclosure on an individual basis of the number of shares and percent of shares outstanding of that class, and whether they have different voting rights) held by the persons listed and options granted to them on the company's shares. Information regarding options shall include: the title and amount of securities called for by the options; the exercise price; the purchase price, if any, and the expiration date of the options.



2. Describe any arrangements that involve employee participation in the capital of the company, including any arrangement that involves the issue, purchase or grant of options or shares or securities of the company.

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Section 9

The Rights Issue/The Offer and Listing

Purpose: To provide information regarding the offer or listing of securities, the plan for distribution of the securities and related matters.

I. Offer Statistics

For each method of offering, e.g., rights offering, general offering, etc., state the total expected amount of the issue, including the expected issue price or the method of determining the price and the number of securities expected to be issued. It shall include, but is not limited to the following:

1. the number of New Shares offered to existing shareholders at the record date;
2. the bonus ratio;
3. the amount that is expected to be raised (net of expenses);
4. the expected price at which the securities will be offered and the amount of any expenses specifically charged to the subscriber or purchaser.

II. Method/Plan of Distribution

For all offerings, and separately for each group of targeted potential investors, the document shall state the following information to the extent applicable to the offering procedure:

1. The time period during which the offer will be open, and where and to whom purchase or subscription applications shall be addressed. Describe whether the purchase period may be extended or shortened, and the manner and duration of possible extensions or possible early closure or shortening of this period. Describe the manner in which the latter shall be made public. If the exact dates are not known when the document is first filed or distributed to the public, describe arrangements for announcing the final or definitive date or period.
2. Method and time limits for paying up securities; where payment is partial, the manner and dates on which amounts due are to be paid.
3. Method and time limits for delivery of equity securities (including provisional certificates, if applicable) to subscribers or purchasers.
4. In the case of pre-emptive purchase rights, the procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.



5. A full description of the manner in which results of the distribution of securities are to be made public, and when appropriate, the manner for refunding excess amounts paid by applicants, including whether interest will be paid.
6. With respect to the securities to be listed or offered, outline the rights attaching to a category and among categories of securities (*pari passu*).
7. If any underwriter or other financial adviser has a material relationship with the company, describe the nature and terms of such relationship.
8. This section shall also describe the procedure for Fractional Entitlements, the period in which the Rights may be traded and the expected date on which dealings in the shares will commence on the stock exchange.

Section 10

Company/Group History and Profile

Purpose: To provide information about the company's operations, the products it makes or services it provides and the factors which affect the business.

I. History and Development of the Company

The following information shall be provided:

1. The legal and commercial name of the company;
2. The date of incorporation and the length of life of the company, except where indefinite;
3. The domicile and legal form of the company, the legislation under which the company operates, its country of incorporation and the address and telephone number of its registered office (or principal place of business if different from its registered office). Provide the name and address of the company's agent in the host country, if any;
4. The important events in the development of the company's business, e.g. information concerning the nature and results of any material reclassification, merger or consolidation of the company or any of its significant subsidiaries; acquisitions or dispositions of material assets other than in the ordinary course of business; any material changes in the mode of conducting the business; material changes in the types of products produced or services rendered; name changes; or the nature and results of any bankruptcy, receivership or similar proceedings with respect to the company or significant subsidiaries;
5. A description, including the amount invested, of the company's principal capital expenditures and divestitures (including interests in other companies), since the beginning of the company's last three financial years to the date of the offering or listing document;



6. Information concerning the principal capital expenditures and divestitures currently in progress, including the distribution of these investments geographically (home and abroad) and the method of financing (internal or external);
7. An indication of any public takeover offers by third parties in respect of the company's shares or by the company in respect of other companies' shares which have occurred during the last and current financial year. The price or exchange terms attaching to such offers and the outcome thereof are to be stated;
8. Information on the number and the location of branches, if applicable;
9. Information on any subsidiaries, associated companies or joint ventures undertaken by the company. The information on the subsidiaries, associated companies or joint ventures information shall include:
 - (a) Their legal name.
 - (b) Their country of incorporation.
 - (c) The percentage of shares held by the company.
 - (d) Their principal activities

II. Business Overview

The information required by this item may be presented on the same basis as that used to determine the company's business segments under the body of accounting principles used in preparing the financial statements. The following information shall be provided:

1. A description of the nature of the company's operations and its principal activities, stating the main categories of products sold and/or services performed for each of the last three financial years. Indicate any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of development;
2. A description of the principal markets in which the company competes, including a breakdown of total revenues by category of activity and geographic market for each of the last three financial years;
3. A description of the seasonality of the company's main business, where applicable;
4. A description of the sources and availability of raw materials, including a description of whether prices of principal raw materials are volatile;
5. A description of the marketing channels used by the company, including an explanation of any special sales methods, such as installment sales;
6. Summary information regarding the extent to which the company is dependent, if at all, on patents or licenses, industrial, commercial or financial contracts (including contracts with customers or suppliers) or new manufacturing processes, where such factors are material to the company's business or profitability;
7. The basis for any statements made by the company regarding its competitive position;



8. A description of the material effects of government regulations on the company's business, identifying the regulatory body;
9. A description of any existing or future changes that may significantly or materially affect the company's competitive position or operating environment. These changes may include any technological breakthroughs or the expiration of patents crucial to the business.

III. Organizational Structure

If the company is part of a group, include a brief description of the group and the company's position within the group. Whether the company is part of a group or not, provide a listing of the company's significant subsidiaries, including name, country of incorporation or residence, proportion of ownership interest and, if different, proportion of voting power held.

IV. Markets

The company shall disclose all stock exchanges and other regulated markets on which the securities to be offered or listed are traded.

When an application for admission to any exchange and/or regulated market is being or will be sought, this must be mentioned, without creating the impression that the listing will necessarily be approved. If known, the dates on which the shares will be listed and dealt in shall be given.

V. Material Litigation

This section shall describe any litigation for or against the company. Provide information on any legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings and those involving any third party, which may have, or have had in the recent past, significant effects on the company's financial position or profitability. This includes governmental proceedings pending or known to be contemplated.

VI. Dividend Policy

Describe the company's policy on dividend distributions.



VII. Risk Factors

1. The document shall prominently disclose risk factors that are specific to the company or its industry and make an offering speculative or one of high risk. Such factors may include, for example: the nature of the business in which it is engaged or proposes to engage; factors relating to the countries in which it operates; the absence of profitable operations in recent periods; the financial position of the company; the possible absence of a liquid trading market for the company's securities; reliance on the expertise of management; potential dilution; unusual competitive conditions; pending expiration of material patents, trademarks or contracts and dependence on a limited number of customers or suppliers.
2. This section shall also disclose the person who is responsible for the management of the risks faced by the company.

Section 11

Major Shareholders and Directors' Interest

Purpose: To provide information regarding the major shareholders and directors that control or may control the company. It shall be noted that the directors' interest can either be direct or beneficial, that is, held through another company.

The information provided shall be as of the most recent practicable date.

I. Major Shareholders

1. The following information shall be provided regarding the company's major shareholders, which means shareholders that are the beneficial owners of 10% or more of each class of the company's voting securities:
 - (a) The names of the major shareholders, the number of shares and the percentage of outstanding shares of each class owned by each of them as of the most recent practicable date, or an appropriate negative statement if there are no major shareholders.
 - (b) Any significant change in the percentage ownership held by any major shareholders during the past three years.
 - (c) Whether the company's major shareholders have different voting rights, or an appropriate negative statement.



2. Information shall be provided as to the portion of each class of securities held in the host country and the number of record holders in the host country.
3. To the extent known to the company, state whether the company is directly or indirectly owned or controlled by another corporation(s), by any foreign government or by any other natural or legal person(s) severally or jointly, and, if so, give the name(s) of such controlling corporation(s), government or other person(s), and briefly describe the nature of such control, including the amount and proportion of capital held giving a right to vote.

II. Directors' Interest

The following information shall be provided regarding the company's directors:

1. Provide the names of the directors, the number of shares and the percentage of outstanding shares of each class owned by each of them, as of the most recent practicable date, or an appropriate negative statement if there is no directors' interest.
2. Indicate whether the company's directors have different voting rights, or an appropriate negative statement.

Section 12

Related Party Transactions

Purpose: To provide information regarding transactions the company has entered into with persons affiliated with the company and whether the terms of such transactions are fair to the company. This section may require disclosure of related party transactions not required to be disclosed under the body of accounting principles used in preparing the financial statements.

I. Related Party Transactions

Provide the information detailed in items 1 and 2 below for the period since the start of the company's preceding three financial years up to the date of the document, with respect to transactions or loans between the company and the following:

- (a) enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the company;
- (b) associates;



- (c) individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the company, and close members of any such individual's family;
- (d) key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the company, including directors and senior management of companies and close members of such individuals' families; and;
- (e) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the company and enterprises that have a member of key management in common with the company.

Close members of an individual's family are those that may be expected to influence, or be influenced by, that person in their dealings with the company.

In this section, the term "associate" is understood to mean an unconsolidated enterprise in which the company has a substantial shareholding. In accordance with Section 181 of the Companies Act, 1995, a substantial shareholding exists where a person or company holds, directly or indirectly, shares in a company which entitle him to cast at least 10% of the total votes entitled to be cast at any general meeting of the company.

1. The nature and extent of any transactions or presently proposed transactions which are material to the company or the related party, or any transactions that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets, to which the company or any of its parent or subsidiaries was a party.
2. The amount of outstanding loans (including guarantees of any kind) made by the company or any of its parent or subsidiaries to or for the benefit of any of the persons listed above. The information given shall include the largest amount outstanding during the period covered, the amount outstanding as of the latest practicable date, the nature of the loan and the transaction in which it was incurred, and the interest rate on the loan.

II. Interests of Experts and Counsel

If any of the named experts, external auditors or counselors was employed on a contingent basis, owns an amount of shares in the company or its subsidiaries which is material to that person, or has a material, direct or indirect economic interest in the company or that depends on the success of the offering, provide a brief description of the nature and terms of such contingency or interest.



Section 13

Licenses & Regulatory Framework

Purpose: This section shall indicate the licenses and approvals required for the company to carry out its functions.

Licenses and Regulatory Approvals

1. Include all licenses and regulatory approvals required in the home country and any other jurisdiction in which it operates.
2. Include any licenses or regulatory approvals necessary to commence operations in the host country.

Consents

Purpose: To disclose that the inclusion of any reports or statements have been approved by the expert/writer of the report or statement.

Consents

1. A statement to the effect that an expert/writer of a report or statement has given and has not withdrawn their written consent to the issue of this Information Memorandum with the inclusion of a copy of their report and letter in the form and context in which they are included.
2. A statement that the directors, by signing this Information Memorandum, have given and not withdrawn their written consent to the issue of this Information Memorandum.

Section 14

Appointment of Sub-Registrar, where applicable

This section shall state the name and address of the sub-registrar in the host jurisdiction.



Documents Available for Inspection

The documents that are available for inspection shall be listed in this section. The name and location of the company where the documents can be viewed, in addition to the time period in which the documents may be viewed must be indicated here.

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Section 15

Financial History/Statement of Financial Position

Purpose: The purpose of this standard is to specify which financial statements must be included in the document, as well as the periods to be covered, the age of the financial statements and any other relevant financial information.

Financial Statements

All Financial reports shall be certified by management and the board of directors which will signify that the management and board of directors collectively and individually accept full responsibility for the accuracy of the information given.

I. Historical Financial Information

1. An Information Memorandum shall contain;
 - (a) An audited **Income Statement** of the issuer for:
 - (i) Each of its past 5 financial years or such other period as the Commission may determine;
 - (ii) Any part of a subsequent financial year to the date at which the balance sheet required at paragraph (d) below is made up;
 - (b) An audited **Statement of Surplus** of the issuer for each financial year and the part of a financial year referred to at (a) above;
 - (c) Subject to paragraph (3) below, **A Statement of Changes in the Financial Position** of the issuer for each financial year and part of a financial year covered by the income statement referred to at (a) above;
 - (d) **A Balance Sheet** of the issuer –
 - (i) As at a date not more than one hundred and twenty days before a receipt is issued for the information memorandum by the Commission;
 - (ii) Subject to paragraph (2) below, as at the corresponding date of the previous financial year.
 - (e) The Statements listed in 1(a) to 1(d) above must be accompanied by a certificate from an independent auditor.

2. Where the balance sheet required by paragraph (1)(d)(i) is at a date other than a financial year end, the balance sheet required by paragraph (1)(d)(ii) may be omitted if the information memorandum contains an audited balance sheet as at-
 - (i) The most recent financial year end; and
 - (ii) The financial year end immediately preceding the most recent year end.



3. Every information memorandum of an issuer engaged primarily in the business of investing shall include a statement of changes in net assets instead of the statement of changes in financial position as required by paragraph (1)(c) above.
4. Where the securities to which the information memorandum relates are debt securities and the payment of principal or interest is guaranteed, the information memorandum shall contain the financial statements required by paragraph (1) above with respect to the guarantor.
5. Where the financial statements required by paragraph (1) above relate to part of a financial year, the information memorandum shall also contain an income statement, a statement of surplus and a statement of changes in financial position for the comparable period in the preceding financial year.

II. Pro forma Consolidated Balance Sheet and Reporting Accountant's/Auditor's Letter

1. A pro forma consolidated balance sheet at the last date to which the accounts are made up (where applicable), adjusted for the following:

- (a) Any restructurings or acquisitions connected with the proposed public offering ; and
- (b) Proceeds of the proposed public offering exercise and proposed utilization of funds.

The information memorandum shall also set out the details of such adjustments. Such a pro forma will assist investors or analysts in determining the financial effects of the restructuring and the notional financial position of the corporation they are being invited to invest in.

2. The pro forma must also include information on the following: -
 - (a) Current net tangible asset (NTA) per share; and
 - (b) Pro forma NTA per share.
3. The pro forma consolidated balance sheet must be accompanied by a Reporting Accountants'/Auditors' Letter reporting on the manner on which the statements are compiled.

III. Accountant's Report

1. Where the information memorandum contains a forecast, that forecast must be reviewed and reported on by an accountant who is qualified to conduct such a review.
2. The report must state that it has been prepared by an accountant who is a member, in good standing, of the Institute of Chartered Accountants of Trinidad and Tobago.



3. The report must be signed and dated by the reviewing accountant. There shall also be a statement as to whether the report was prepared for incorporation in the information memorandum.
4. In making the accountant's report, the reporting accountant shall, by way of note, state any adjustments in respect of any items in the income statement or balance sheet which have been dealt with in the report.
5. The report must state the following:
 - (a) The basis of accounting policies adopted in preparation of the report;
 - (b) That the report has been prepared in accordance with ICATT/IAS standards. There shall also be adequate disclosure on any changes in the accounting policy adopted and the reasons for such changes.

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Section 16

Selected References

Government of the Republic of Trinidad and Tobago, *Trinidad and Tobago Securities Industry Act, 1995*.

Government of the Republic of Trinidad and Tobago, *Trinidad and Tobago Securities Industry By-laws, 1997*.

Stikeman Elliot LLP, “The Proposed Prospectus By-Laws” excerpted from the *Review and Revision of the Trinidad and Tobago Securities Industry Act*, Trinidad and Tobago Securities Exchange Commission, 1995.

Trinidad and Tobago Securities and Exchange Commission, *Prospectus Guidelines for Public Offerings*, Trinidad and Tobago Securities and Exchange Commission, 2002.

The International Organisation of Securities Commissions (IOSCO), *The International Disclosure Standard for Cross Border Listings and Initial Listings by Foreign Issuers*.