

Trinidad and Tobago Securities and Exchange Commission

**“Remarks at One Woodbrook Place UTC Customer Service
Centre Opening”**



Address by the Chairman- Ms. Deborah Thomas-Felix

UTC Customer Service Centre- One Woodbrook Place

October 4th, 2010

ADDRESS

- His Worship, the Mayor of Port-of-Spain, Mr. Louis Lee-Sing.
- Miss Amoy Chang Fong, Chairman of the Unit Trust Corporation.
- Miss Eutrice Carrington, Chief Executive Officer (Ag) of the Unit Trust Corporation.
- Canon Knolly Clarke, representing the International Religious Organisation.
- Ms Simone Downer, Manager of One Woodbrook Place Customer Service Centre.
- Members of staff of the Unit Trust Corporation
- Specially invited guests
- Ladies and gentlemen

It is with pleasure that I accept the invitation to be part of today's grand occasion as we celebrate the opening of the Unit Trust Corporation's Customer Service Centre at One Woodbrook Place. On behalf of the Trinidad and Tobago Securities and Exchange Commission I would like to sincerely thank the Board of Directors, as well as the Management and staff of the UTC for including us among your invitees. Your invitation to the SEC for us to participate in the opening of this new centre is testimony to the fact that the stakeholder relationship, which we share, continues to remain a positive experience for both organizations.

The UTC welcomed its first client in the early 1980s as she entrusted her financial future in its hands. More than 2 decades later the UTC boasts of having approximately 520,000 customers and before today 10 Customer Service Centers across Trinidad and Tobago. This centre at One Woodbrook Place is the 11th such

Centre. This is truly an outstanding accomplishment for any organisation in the country and I daresay in the region.

The Unit Trust Corporation is widely recognized and respected as "the leading mutual fund company in the Caribbean". Our records at the SEC show that the UTC dominates the mutual fund market in Trinidad and Tobago.

As at April 2010 our statistics show that the UTC has:

- 10 funds registered with the Commission.
- the total value of UTC's assets under management for these 10 funds was TT\$19.1 billion which is almost *half* (46.57%) of the total mutual fund market and is equal to approximately 14.32% of the value of Trinidad and Tobago's GDP for fiscal 2009 (GDP for fiscal 2009 based on the Central Bank of Trinidad and Tobago's Annual Economic Survey for 2009 was TT\$133.5 billion).
- the total market value of funds under management was approximately \$41.1 billion. This was equal to approximately 30.74% of the value of Trinidad and Tobago's GDP for fiscal 2009.

This success did not happen by chance, but it appears to me that its genesis is in the UTC's vision to be the preferred financial services provider in the region. This vision in my view is coupled with an excellent marketing strategy and a very sound product offering. Part of UTC's strategy is to meet the needs of its very diverse clientele throughout the country by providing information and guidance on wealth creation and management to its customers, while at the same time ensuring that its branches are conveniently located, like this centre here at One Woodbrook Place.

At present the UTC provides a very diverse list of services which include Mutual Fund, Asset Management and Merchant Banking activities.

As you continue to diversify your services to your membership, we at the SEC look forward to new products and the continued transparency of offerings from the Corporation.

The SEC is committed to the collaborative relationship with your Corporation, as together we strive to educate investors, potential investors and citizens in general on the principles of sound investment - the SEC through its Investor Education Programme and the UTC through its financial management seminars. We at the SEC extend the invitation to you to explore with us the synergies that can be created if we collaborate to educate investors and the public in general about sound, and prudential financial decisions.

If nothing, the last two years have taught us that we are one global village interconnected and subject to the same systemic risks, despite the size and location of our respective markets. The SEC is fully cognizant of this and of the current challenges in the domestic market as we strive to improve the legal framework in the Securities Industry to have more comprehensive inspection, investigatory and surveillance powers;

We welcome the Securities Bill, 2010, which is expected to enhance the work and oversight of the SEC in a number of areas as we seek to promote conditions for the orderly growth and development of the capital markets. The market now stands at \$214.6 billion as at March 2010 and therefore, the work of the Commission is critical for treating with the challenges of systemic risk, to facilitate fair and transparent markets and provide protection for investors. The new legal framework would speak to these challenges. In the area of registration, regulation and supervision of our stock exchange and registrants of the SEC (brokers, investment advisers et al) the Bill proposes the following:

- Improved fit and proper requirements for registration of market actors;
- Senior officers of a market actor would be required to register (in their own right) as registered representatives, they will therefore be unable to hide behind the market actor for breach of the law;
- The number of securities that fall within the purview of the Commission will be increased (“the offer to the public definition” will be replaced by the term “distribution”) and form part of the regulatory framework.

In the area of monitoring and surveillance, the Bill proposes:

- The implementation of an on-site regime for routine and ad hoc inspections and examinations of our stock exchange and the market actors
- Enhanced reporting requirements for the reporting issuers (issuers of securities) from half-yearly and yearly reporting to quarterly reporting the requirement for a separate management discussion and analysis report to accompany the annual report to ensure greater transparency/clarity into the operations of the issuer;
- The implementation of a reporting regime by insiders/connected persons in an effort to more effectively monitor the trades by these persons to assist in determining whether insiders are using unpublished material or price sensitive information to the disadvantage of others in the market space;
- The Increased by-law making power of the Commission to be more responsive to the market, investors and all market participants.
- The strengthening of the enforcement power and capability of the Commission

The new legislation will, to a great measure, enhance the transparency and disclosure standards, and establish a stronger enforcement framework for the industry, which will ultimately enhance investor confidence.

At the SEC, we are advocates of sturdy corporate governance policies and practices for institutions such as the UTC, whose clientele literally involves about 50% of our population.

The Commission will continue its collaborative efforts with the UTC and with all Market Actors as we strive to maintain a fair, efficient and transparent market in which the investors can have confidence.

I wish to encourage you in all your dealings to maintain the UTC's core values of :

- Integrity, excellence and efficiency
- Caring and service oriented attitude
- Mutual respect and trust
- A learning and empowering environment
- Encouragement and recognition of outstanding performance
- Corporate responsibility
- Visionary leadership

Congratulations to the Board and staff of the UTC on behalf of the Trinidad and Tobago Securities and Exchange Commission on this, your latest initiative and best wishes.