

UNIT TRUST THIRD UNIT SCHEME REGULATIONS, 2014

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LEGAL NOTICE NO. 267

REPUBLIC OF TRINIDAD AND TOBAGO

THE UNIT TRUST CORPORATION OF TRINIDAD AND TOBAGO ACT,
CHAP. 83:03

REGULATIONS

MADE BY THE BOARD WITH THE APPROVAL OF THE CENTRAL BANK
UNDER SECTION 14(1) OF THE UNIT TRUST CORPORATION OF
TRINIDAD AND TOBAGO ACT

THE UNIT TRUST CORPORATION THIRD UNIT SCHEME
REGULATIONS, 2014

1. These Regulations may be cited as the Unit Trust Corporation Citation
Third Unit Scheme Regulations, 2014.

2. In these Regulations—

Interpretation

“Corporation” means the Trinidad and Tobago Unit Trust
Corporation established by the Unit Trust Corporation of
Trinidad and Tobago Act set out therein and published in Chap. 83:03
the *Gazette*;

“UTC Corporate Fund” or “UCF” means the name under which
the Third Unit Scheme is marketed.

3. The UTC Corporate Fund is denominated in Trinidad and
Tobago dollars. Denomination
of Fund

4. The UTC Corporate Fund seeks to provide current income,
preservation of capital and liquidity. Purpose of
Fund

5. The minimum initial investment in the Third Unit Scheme shall
not be less than one million dollars. Minimum
initial
investment

6. (1) An application for units in the Third Unit Scheme shall be
made by— Application
for units

- (a) a person who is not a minor; or
- (b) a body corporate.

(2) An applicant under subregulation (1) may apply for units on
behalf of a minor.

(3) An application for units shall be made in the form approved
by the Corporation.

(4) The total number of applicants on a form shall not exceed
five.

Payment method	7. An applicant shall pay for units by electronic transfer or any other method acceptable to the Corporation.
Sale of units	8. (1) The Corporation shall, on the sale of units, issue a receipt to the purchaser and the Corporation shall evidence the increase in holdings in the next quarterly statement generated. (2) Where a unitholder requests a unit certificate representing the units sold to him, the Corporation shall issue same within one business day after payment of a fee of one hundred dollars.
Delivery of certificate	9. (1) A unit certificate shall be in the form approved by the Corporation. (2) Where a unit certificate is to be sent by post, it shall be posted to the postal address appearing on the register of unitholders and where the account is a joint account, to the address of the person whose name first appears on that register. (3) A unit certificate shall be delivered only against honoured payment for the units represented by the unit certificate in such form as the Corporation may determine. (4) Where a unit certificate is to be transferred, the unit certificate shall only be delivered against payment of the approved transfer fee.
Exchange of unit certificates	10. (1) Subject to the approval of the Corporation, a unitholder is entitled to exchange any or all of his unit certificates for one or more unit certificates as he may require representing the same aggregate number of units. (2) The unitholder under subregulation (1), prior to the exchange of a unit certificate, shall surrender the unit certificate to the Corporation before it is exchanged.
Replacement of mutilated certificate	11. (1) Where a unit certificate becomes mutilated or defaced, the Corporation may issue to the unitholder a new certificate representing the same aggregate number of units in exchange for and upon surrender to the Corporation of the mutilated or defaced unit certificate.
Lost certificate	12. Where a unit certificate becomes lost, stolen or destroyed, the Corporation may issue to the unitholder a new unit certificate in replacement thereof but the applicant shall furnish to the Corporation satisfactory evidence of the loss, stolen or destroyed original certificate and such letter of indemnity as the Corporation may require.

13. (1) Upon the initial purchase of units by joint holders, the joint holders shall opt to have either— Signing authority

(a) all joint holders; or

(b) one or any number of them on behalf of all,

sign to authorize any repurchase or transfer of units from the joint account.

(2) Where the option under subregulation (1)(b) is exercised, all the joint holders shall sign a declaration stating that they agree to the authorization given.

(3) Any changes in authorization in respect of a joint account shall be evidenced by the signatures of all joint holders and a declaration stating that they agree to the change in authorization.

14. (1) The Corporation may at any time during the operation of the Third Unit Scheme repurchase units from unitholders. Repurchase of units

(2) A unitholder shall present proper identification and complete a renunciation form duly signed in order to initiate a repurchase.

(3) The Corporation may make the repurchase payment by cheque or electronic transfer at the request of the unitholder.

(4) Where a repurchase of units takes place, the Corporation shall evidence the reduction in holdings in the next statement generated.

15. The Corporation shall acknowledge an application for repurchase of units in writing. Acknowledge application for repurchase

16. (1) The price at which each unit shall be sold and repurchased shall be one hundred dollars up to such date as the Corporation may determine, subject to notice published in at least two daily newspapers of wide circulation prior to such change and thereafter the units shall trade at the Net Asset Value. Price of units

(2) The determination of the Net Asset Value of the units will be based on the value of the portfolio securities, less account fees, commissions and withholding tax, if any, and any other expenses as the Corporation may deem appropriate.

17. (1) The Corporation shall invest the funds paid into the Third Unit Scheme in available cash, near cash instruments, bonds and other fixed income securities. Investment policy

(2) The Corporation may at any time invest up to one hundred per cent in cash, near cash instruments, bonds and other fixed income securities issued by the Government of the Republic of Trinidad and Tobago or the Central Bank of Trinidad and Tobago.

Distribution 18. (1) The distribution to the unitholders shall be income earned by the Third Unit Scheme net of fees and expenses.

(2) In each calendar quarter, in every given year, the Corporation shall declare the performance of the Third Unit Scheme and make an income distribution in accordance with the declaration.

(3) The Corporation shall reinvest such distribution payments into the Third Unit Scheme.

(4) The Corporation shall, on each distribution date, credit the accounts of unitholders with their distribution entitlement, and calculate the number of units to be allocated to the relevant account by dividing the said distribution by the unit price.

(5) The Board may amend the distribution methodology of the Third Unit Scheme by notice published in at least two daily newspapers of wide circulation thirty days prior to such change.

Reserve 19. The Corporation may establish a reserve out of income as the Board determines from time to time.

Issue of statements 20. The Corporation shall as soon as practicable after the distribution date, furnish unitholders with a statement of their unit holdings with appropriate details of the unitholders' earnings in respect of any said distribution and the allocation of units to the respective account.

Publication 21. The Corporation shall publish in a daily newspaper of wide circulation the price, and any other information which the Corporation deems relevant for the trading of units issued within the Third Unit Scheme.

Annual charge 22. The Corporation shall impose a regular annual management charge of no more than two per cent of funds under management in the Third Unit Scheme.

Custody of securities 23. Securities acquired by the Corporation for the Third Unit Scheme shall be deposited for custody as the Board may determine.

24. (1) The Register of unitholders shall be kept under the control and supervision of the Corporation and shall contain—
Register of unitholders

- (a) the name, address, date of birth where applicable and the account number of a unitholder;
- (b) any foreign immigration status or incorporation or foreign registration of the unitholder;
- (c) the number and purchase price of units held by a unitholder;
- (d) the name and address of any nominee or beneficiary up to a maximum of four;
- (e) the date on which the unitholder was entered on that register;
- (f) sufficient reference to identify whether the units were acquired by purchase from the Corporation or by transfer or otherwise; and
- (g) the documentation of power of attorney, Grant of Probate, Letters of Administration, other legal notices and bank mandate instructions.

25. Where there is a change to the name, address, or other pertinent information on the part of any unitholder, the unitholder shall forthwith notify the Corporation by completing the approved Registration Change Form and the Corporation shall then alter the register of unitholders.
Change of name or address

26. (1) A person vested with the legal interest in the units in a unitholder's account in consequence of a court order or the death or bankruptcy of the unitholder may apply to the Corporation to repurchase the units or to register the transfer of the units to another person.
Court order, death or bankruptcy

(2) A person vested with the legal interest in the units in consequence of a court order or the death or bankruptcy of a unitholder is not entitled to receive notices of, or to attend an Annual General Meeting until he is registered as a unitholder.

27. Where a unitholder dies, the beneficiary, or if there is no beneficiary, the legal personal representatives of the deceased unitholder, are the only persons recognized by the Corporation as having any right to deal with the units in the account.
Personal representatives

28. (1) Where any one of the joint holders of a unit account dies, the survivor or survivors shall be the only person or persons recognized by the Corporation as having any right to deal with the units in the account.
Death of joint holder

(2) A person entitled to a unit in consequence of the death of the survivor or survivors of joint unitholders upon producing such evidence as to his title to the unit as the Corporation shall consider sufficient, may be registered as the unitholder upon giving to the Corporation notice in writing of his desire to this effect.

Transfer of
unit

29. (1) The Corporation shall approve the form for the transfer of a unit.

(2) An application for transfer of units by a unitholder shall be made in a manner specified by the Corporation and the transferor is deemed to remain the unitholder until the name of the transferee is entered on the register of unitholders.

(3) A joint holder who is duly authorized pursuant to regulation 13 may apply to transfer a unit.

Death or
bankruptcy of
unitholder

30. The limitations, restrictions and provisions contained in these Regulations relating to transfers are applicable to any transfer on the death or bankruptcy of the unitholder as if the death or bankruptcy had not occurred and the transfer was a transfer executed by the unitholder.

Evidence of
ownership

31. (1) Subject to conclusive evidence to the contrary, the appearance of a person's name on the Register of unitholders shall be conclusive evidence of ownership of a unit.

(2) A unitholder may use his unit holding as collateral and in order for the security holder to enforce his rights to the units, the Corporation shall have had previously acknowledged those rights in writing.

Impermissible
repurchase or
account
incorrectly
credited

32. Where the Corporation has determined that a unitholder has made a repurchase in circumstances where such a repurchase is impermissible or his account has been incorrectly credited, and the unitholder has another account, whether or not in Trinidad and Tobago dollars, from which the Corporation may reasonably debit monies in order to offset the amount, the Corporation may exercise that right and advise the unitholder.

Closure of
accounts

33. Where the Corporation has reasonable grounds for believing that a unitholder—

- (a) has been involved in fraudulent activity whether against the Corporation or any other financial institution;
- (b) contravenes any anti-money laundering, terrorist financing or the proceeds of crime legislation; or

- (c) acts in a manner that is abusive or threatening to a person in the Corporation's investment centres or agencies for the purpose of doing business or to any of its employees,

the Corporation may close all the accounts of that unitholder, including those held jointly, and pay the value of the unit holding by cheque sent or posted to the last registered address, remove the name or names of the unitholders and make any other consequential changes to the register of unitholders.

34. The Corporation may, with the approval of the Central Bank, in the interest of the Third Unit Scheme amend its terms and conditions ^{Amendment of terms and conditions} including for the purpose of closing and where appropriate, reopening it.

35. Fees for the following listed services shall be payable to the ^{Fees} Corporation in amounts determined by the Board upon approval by the Central Bank:

- (a) exchange of a unit certificate;
- (b) replacement of a mutilated or defaced unit certificate;
- (c) replacement of a lost unit certificate;
- (d) transfer of a unit certificate;
- (e) letter of statement of unit holding; and
- (f) cheque payable to a third party.

Dated this 3rd day of September, 2014.

W. MOTTLEY
Chairman,
Trinidad and Tobago
Unit Trust Corporation

Approved by the Central Bank this 3rd day of September, 2014.

J. RAMBARRAN
Governor,
Central Bank of Trinidad and Tobago