



# Universal Retirement Fund

Offering Units of



**UNIT TRUST**  
CORPORATION

# PROSPECTUS

The 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 offense.



# Contents

<b>THE PROSPECTUS</b>	2
<b>THE CORPORATION</b>	2
<b>THE URF'S OBJECTIVE</b>	2
<b>THE INVESTMENT OBJECTIVE</b>	2
<b>ELIGIBILITY</b>	3
<b>INVESTMENTS IN THE URF</b>	3
<b>HOW UNITS ARE VALUED</b>	3
<b>INITIAL PRICE OF UNITS</b>	3
<b>INVESTMENTS RESTRICTION AND PRACTICES</b>	3
<b>RISK FACTORS</b>	4
<b>MANAGEMENT OF THE FUND</b>	4
<i>Board of Directors</i>	
<i>Executive Management</i>	
<b>EXPENSES OF THE URF</b>	5
<b>PURCHASING UNITS OF THE URF</b>	5
<b>PORTFOLIO VALUATION</b>	6
<b>REGULAR INVESTMENTS</b>	6
<b>DIVIDEND REINVESTMENT</b>	6
<b>SECURITY FOR LOANS</b>	6
<b>WITHDRAWALS FROM THE URF</b>	7
<b>OPTIONS AT RETIREMENT AGE</b>	7
<b>TAXATION CONSIDERATION</b>	7
<b>REPORTING REQUIREMENTS</b>	7
<b>TRUSTEE AND CUSTODIAL SERVICES</b>	8
<b>OTHER FUNDS OF THE CORPORATION</b>	8
<b>STATEMENT PURSUANT TO SECTION 69 OF THE SECURITIES INDUSTRIES ACT</b>	8
<b>AUDITORS</b>	8
<b>INTERNAL AUDITORS</b>	8
<i>Coopers &amp; Lybrand</i>	
<b>BANKERS</b>	8
<i>Central Bank Of Trinidad &amp; Tobago</i>	
<i>The Royal Bank Of Trinidad &amp; Tobago Limited</i>	
<i>First Citizens Bank Limited</i>	
<i>Citibank (Trinidad &amp; Tobago) Limited</i>	
<i>Citibank N.A.</i>	
<b>ATTORNEYS</b>	9
<i>Fitzwilliam, Stone, Furness-Smith &amp; Morgan</i>	
<i>Reinhart, Boerner, Van Dueren, Norris &amp; Rieselbach, S.C.</i>	

## **THE PROSPECTUS**

This Prospectus is a concise outline of relevant information about the Universal Retirement Fund (URF), which you should know before making a decision to purchase units.

## **THE CORPORATION**

The Trinidad and Tobago Unit Trust Corporation was established by statute in 1981 to engage in the business of buying and selling of securities. Its powers were expanded by the Finance Act of 1997 which allowed the Corporation to engage in, business of a trust company, merchant banking business, credit card business and the business of providing financial services in respect of future and contingent liabilities relating to foreign exchange and commodities.

## **THE URF'S OBJECTIVE**

The investment objective of the Universal Retirement Fund is long-term capital growth, which it seeks to achieve through a flexible policy of investing primarily in common stock of stable companies and bonds with greater than average potential.

The Trinidad and Tobago Unit Trust Corporation seeks to identify issuers that are anticipated to provide the opportunity for capital appreciation. The approach to selecting equity and non-equity investments emphasizes both the fundamental and technical approaches to investment analysis.

Investments in foreign markets may involve additional considerations including the potential effects of changes in the rate of exchange on the valuation of the Universal Retirement Fund.

The Universal Retirement Fund will invest in domestic and international securities traded on stock exchanges together with other eligible securities as stipulated in the investment guidelines for the Universal Retirement Fund.

## **THE INVESTMENT OBJECTIVE**

The investment objective is specifically geared towards providing retirement income for all individuals.

## **ELIGIBILITY**

All individuals including self-employed individuals, employed individuals and corporate bodies are eligible to participate in the Universal Retirement Fund.

## **INVESTMENTS IN THE URF**

Individuals' investments in the Universal Retirement Fund, as evidenced by Units, represent the underlying securities of the portfolio. The units are not redeemable except upon satisfying conditions described under "Withdrawals from the URF".

The number of units that you receive when making an investment in the Universal Retirement Fund depends on the amount of your investment and the value of the unit at the time of the investment. Refer to "How Units Are Valued" and "Purchasing Units of the URF."

Units are denominated in Trinidad and Tobago dollars.

## **HOW UNITS ARE VALUED**

In general terms, the value of units in the Universal Retirement Fund is related to the market value of the investments made by the URF. The net asset value of units in the URF is determined by dividing the total value of the URF's assets, less its liabilities, by the number of units outstanding at that time. The securities held by the URF are valued at prices determined by the markets in which they trade. The Trinidad and Tobago dollar equivalent of foreign investments is determined by the current day's exchange rate.

## **INITIAL PRICE OF UNITS**

The initial price of units in the Universal Retirement Fund shall be \$10. Thereafter, the price of units shall be based on its net asset value.

## **INVESTMENTS RESTRICTION AND PRACTICES**

The investment restriction and practices of the Universal Retirement Fund are stipulated in its enabling legislation,

the Unit Trust Corporation of Trinidad and Tobago Act, 1981 and the Finance Act 1997. A copy of these legislations can be obtained from the Government Printery.

The URF has imposed upon itself certain additional Investment Guidelines, which are fundamental policies of the URF. No changes can be made to these Guidelines without the approval of the Investment Committee appointed by the Board of Directors for that purpose.

## **RISK FACTORS**

The value of the Units of the URF is related to the market value of the investments made by the Fund and therefore the value of the units may go up or down. There is no guarantee against loss resulting from an investment in units in the Universal Retirement Fund, and there can be no assurance that the investment practices of the URF will be successful or that its investment objectives will be attained.

## **MANAGEMENT OF THE FUND**

The Board of Directors of the Corporation is responsible for managing the business and affairs of the Universal Retirement Fund, including the appointment of officers to administer the URF on a day-to-day basis. The Corporation's Board of Directors and its Executive Management are as follows:

### **Board of Directors**

Ms. Amoy Chang Fong - Chairman  
Ms. Eutrice Carrington - Executive Director  
Mrs. Michal Yvette Andrews  
Mr. Terrence Bharath  
Mr. Peter Clarke  
Mr. Dennis Gurley  
Ms. Sharon Mohammed  
Mr. Alan Fitzwilliam  
Ms. Joan John

### **Executive Management**

Ms. Eutrice Carrington - Executive Director

The Corporation furnishes the URF with investment research

and advice and is subject to the Investment Committee appointed by the Board for such purposes. The Corporation may receive certain research services from other parties consistent with its Investment Guidelines.

The Corporation is also responsible for arranging for the distribution of Units throughout Trinidad and Tobago and for meeting expenses related to printing copies of prospectuses and reports used for selling purposes.

## **EXPENSES OF THE URF**

The assets of the Universal Retirement Fund will be totally segregated from those of the Unit Trust Corporation and the Schemes of the Corporation. The only expenses to be incurred are the annual management charge not exceeding two (2) percent of Funds Under Management of the URF and any other direct fund expenses. The annual management charge is to meet the following:

- \* Administrative expenses including salaries, rent, insurance and annual meeting costs;
- \* Brokerage commissions, taxes and expenditure on related goods and services;
- \* The costs of shareholder reports, proxies and prospectuses; and
- \* Legal, audit, custodial, transfer agent, registration, interest charges and related expenses.

The expenses of the URF are to be reported in the Corporation's Annual Report.

## **PURCHASING UNITS OF THE URF**

Units of the URF are offered on a continuous basis throughout Trinidad and Tobago at a price equal to its net asset value. The Units have not been registered for sale in any jurisdiction outside Trinidad and Tobago.

The minimum initial investment is TT\$100 and the minimum amount of each subsequent investment shall not be less than the net asset value at the time of purchase. An investor may elect to acquire units in currencies other than the Trinidad and Tobago dollar at the discretion of the Trinidad and Tobago Unit Trust Corporation.

All purchases will be priced when the URF has received the order on a business day using the net asset value of that day.

The URF is a no load fund and as such, there are no charges associated with the acquisition of units.

An application form for the purchase of Units is attached.

## **PORTFOLIO VALUATION**

The URF shall be valued daily and its net asset value published daily. This is intended to enhance transparency and promote investors' confidence in the product during the period of investment.

## **REGULAR INVESTMENTS**

An Investor may choose to make regular purchases of Units through automatic withdrawal from a bank account, salary deduction or a cash purchase at any of the Corporation's branches. An Investor may choose the amount and frequency of each regular investment, subject to the initial minimum of \$100.

Periodic and/or lump sum purchases are also permitted.

At present, units purchased in the URF are not tax deductible. This provision will reflect existing tax laws at all times.

## **DIVIDEND REINVESTMENT**

Dividends and other earnings of the URF will be automatically reinvested in whole or fractional units of the Fund's net asset value.

## **SECURITY FOR LOANS**

In an effort to ensure that the full value of individuals' accumulation plus earnings is available upon retirement, contributions to the URF are not allowable as security for loans.

## **WITHDRAWALS FROM THE URF**

All withdrawals from the URF will be subject at all times to the laws of Trinidad and Tobago.

Withdrawals are permitted on satisfying any one of the following conditions:

- \* Death;
- \* Medically/Permanently disabled;
- \* Home Acquisition based on the following;
  - 5 years membership
  - 10 percent of purchase price but not to exceed 50 percent of member's accumulation
  - one application/member
- \* At any age 50 years and above or five years after entry whichever is greater.

## **OPTIONS AT RETIREMENT AGE**

Investors, upon attaining their retirement age are entitled to receive:

- \* Their full accumulation,
- \* lump sum plus periodic withdrawals
- \* and/or periodic withdrawals.

These options will continue to reflect current legislation.

Individuals' accumulation left in the URF after retirement will continue to earn the prevailing rate of return of the entire portfolio of the Universal Retirement Fund.

## **TAXATION CONSIDERATION**

Distributions made by the Fund will be subject to taxation at the prevailing rate.

## **REPORTING REQUIREMENTS**

The Universal Retirement Fund shall provide each unit holder with semi-annual statements detailing contributions made during the calendar year. Semi-annual statements shall be provided to companies detailing the contributions made by the employees and by the employer on behalf of the employee.

## **TRUSTEE AND CUSTODIAL SERVICES**

The Trinidad and Tobago Unit Trust Corporation shall perform trustee and custodial services in accordance with its parent legislation and Part XI of the Finance Act, 1997.

The Act defines the powers, duties and rules together with matters incidental there to.

## **OTHER FUNDS OF THE CORPORATION**

Information on the other Funds of the Corporation is included in its Annual Report. A copy of the Report is available upon request from the Corporation.

## **STATEMENT PURSUANT TO SECTION 69 OF THE SECURITIES INDUSTRIES ACT**

Pursuant to Section 69 of the Securities Industries Act (SIA), this Prospectus has been filed with the Securities and Exchange Commission (SEC), and a receipt thereof has been issued by the Commission, for the purpose of giving information to the public with regard to the Trinidad and Tobago Unit Trust Corporation (TTUTC).

## **AUDITORS**

The auditors of the Universal Retirement Fund are the Auditor General of Trinidad and Tobago or a duly qualified auditor nominated by the Auditor General in that behalf in accordance with Section 30 (1) of the Corporation's enabling legislation.

## **INTERNAL AUDITORS**

PriceWaterhouseCoopers  
Chartered Accountants  
11-13 Victoria Avenue, Port of Spain

## **BANKERS**

Central Bank Of Trinidad & Tobago  
Central Bank Building  
Eric Williams Plaza, Port of Spain

The Royal Bank Of Trinidad & Tobago Limited  
55 Independence Square, Port of Spain

First Citizens Bank Limited  
Lower Milford Road  
Scarborough, Tobago

Citibank (Trinidad & Tobago) Limited  
12 Queen's Park East, Port of Spain

Citibank N.A.  
11 Wall Street  
New York, N Y 10043, USA

## **ATTORNEYS**

Fitzwilliam, Stone, Furness-Smith & Morgan  
36 Pembroke Street, Port of Spain

Reinhart, Boerner, Van Dueren, Norris &  
Rieselbach, S.C.  
1000 North Water Street, Suite 2100  
Milwaukee, Wisconsin 53202-0900 USA

YES I'D LIKE TO RECEIVE MORE  
INFORMATION ON THE **UNIVERSAL  
RETIREMENT FUND**

Your Name: \_\_\_\_\_

\_\_\_\_\_

Company's Name: \_\_\_\_\_

\_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Number Of Employees: \_\_\_\_\_

SEND OR FAX TO:

**UNIT TRUST CORPORATION  
MARKETING DEPARTMENT  
82 INDEPENDENCE SQUARE  
PORT OF SPAIN**

TEL: 625-8648      FAX: 627-6810



**UTC Financial Centre:**

82 Independence Square.  
tel: 625-UNIT (8648)  
fax: 623-0092

**San Fernando:**

23 High Street.  
tel: 657- UNIT (8648)  
fax: 652-0620

**Couva:**

32 Southern Main Road.  
tel: 636-9871  
tel/fax: 636-4750

**Sangre Grande:**

Sinanan Building,  
2 Eastern Main Road.  
tel: 668-6475  
fax: 668-3872

**Arima:**

40-40a Green Street.  
tel: 667-UNIT (8648)  
fax: 667-2586

**Chaguanas:**

Endeavour Road.  
tel: 671-UNIT (8648)  
tel/fax: 671-6581

**Point Fortin:**

13 Handel Road.  
tel: 648-6836/2997  
fax: 648-2997

**Westmoorings:**

Guardian Building,  
#1 Guardian Drive.  
tel: 632-9222  
fax: 632-7221

**Tobago:**

Cor. Main & Castries Streets  
Scarborough  
tel: 639-5096  
fax: 660-7730



**UNIT TRUST**  
C O R P O R A T I O N