



# US\$ Money Market 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>	<b>2</b>
<b>THE FUND</b>	<b>2</b>
<b>THE CORPORATION</b>	<b>2</b>
<b>THE INVESTMENT OBJECTIVE</b>	<b>3</b>
<b>INVESTMENT POLICIES</b>	<b>3</b>
<b>INVESTMENT LIMITATIONS</b>	<b>3</b>
<b>ELIGIBILITY</b>	<b>4</b>
<b>INVESTMENTS IN THE FUND</b>	<b>4</b>
<b>PRICE OF UNITS</b>	<b>4</b>
<b>VALUATION OF THE FUND</b>	<b>4</b>
<b>RISK FACTORS</b>	<b>5</b>
<b>MANAGEMENT OF THE FUND</b>	<b>5</b>
<i>Board of Directors</i>	
<i>Executive Management</i>	
<b>THE INVESTMENT COMMITTEE</b>	<b>6</b>
<b>TRUSTEE AND CUSTODIAL SERVICES</b>	<b>6</b>
<b>THE REGISTRAR</b>	<b>6</b>
<b>EXPENSES OF THE FUND</b>	<b>6</b>
<b>PURCHASING UNITS OF THE FUND</b>	<b>7</b>
<b>REGULAR AUTOMATIC INVESTMENTS</b>	<b>7</b>
<b>DIVIDEND DISTRIBUTION PERIODS</b>	<b>7</b>
<b>DIVIDEND DISTRIBUTION RATES</b>	<b>8</b>
<b>DIVIDEND REINVESTMENT</b>	<b>8</b>
<b>SECURITY FOR LOANS</b>	<b>8</b>
<b>WITHDRAWALS</b>	<b>8</b>
<b>TAXATION</b>	<b>8</b>
<b>REPORTING REQUIREMENTS</b>	<b>8</b>
<b>WINDING UP OF THE FUND</b>	<b>9</b>
<b>OTHER FUNDS OF THE CORPORATION</b>	<b>9</b>
<b>STATEMENT PURSUANT TO SECTION 69 OF THE SECURITIES INDUSTRIES ACT</b>	<b>9</b>
<b>AUDITORS</b>	<b>9</b>
<b>INTERNAL AUDITORS</b>	<b>10</b>
<i>PriceWaterhouseCoopers</i>	
<b>BANKERS</b>	<b>10</b>
<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>	<b>10</b>
<i>Fitzwilliam, Stone, Furness-Smith &amp; Morgan</i>	
<i>Foley &amp; Lardner</i>	
<i>Mair &amp; Company</i>	

## **THE PROSPECTUS**

This Prospectus is a concise outline of relevant information about the US Dollar Money Market Fund, which you should know before making a decision to purchase units.

## **THE FUND**

The US Dollar Money Market Fund, hereinafter called the Fund, is an open-ended, no-load, United States Dollar denominated, mutual Fund offered for sale by the Trinidad & Tobago Unit Trust Corporation.

## **THE CORPORATION**

The Trinidad and Tobago Unit Trust Corporation, hereinafter called the Corporation, is an institution established by statute in 1981 for the purpose of providing facilities for participation by members of the public in the income, profits and gains that may be derived from the acquisition, holding, management or disposal of securities or any other property whatever, and may in particular carry on and transact any of the following kinds of business: -

- a) investing in, acquiring, holding, or disposing of securities, and exercising and enforcing all powers and rights incidental thereto;
- b) selling, purchasing and repurchasing of units;
- c) formulating in relation to any unit scheme plan or plans under which a person may acquire an interest in units;
- d) generally doing all such things as may promote the acquisition, holding and sale of securities or units, or as may be incidental to or consequential upon the discharge of its functions.

The Corporation's 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 INVESTMENT OBJECTIVE**

The investment objective of the Fund is to provide investors with a high level of current income consistent with the maintenance of principal and liquidity.

The Fund seeks to achieve its objective by investing in a diversified range of US Dollar denominated, fixed income securities. These securities include a wide range of government, corporate and money market instruments of investment grade and non-investment grade quality.

## **INVESTMENT POLICIES**

The Fund may invest its assets in any of the following US Dollar denominated fixed-income securities:

- 1) Short-term, intermediate-term and long-term corporate debt securities;
- 2) US Treasury and US Government agency obligations;
- 3) Obligations issued by US state and US municipal governments and their agencies and instrumentalities;
- 4) Securities of foreign issuers provided such securities are denominated in US dollars;
- 5) Securities issued in Trinidad & Tobago provided such securities are denominated in US dollars;
- 6) Bank obligations, including certificates of deposit and bankers acceptances;
- 7) Commercial paper;
- 8) Repurchase agreements;
- 9) Money market securities issued in regional and international money markets;
- 10) Zero coupon bonds, which pay interest only at maturity.

## **INVESTMENT LIMITATIONS**

The Fund will invest no more than 95% of its assets in long-term securities. Also no more than 65% of the fund's assets will be invested in short-term securities. Not more than 10% of the fund's assets may be invested in securities of any one corporate issuer. In addition, the Fund may not hold more than 10% of the securities issued by any one company or corporation. The Fund may borrow to fund receivables associated with income earned.

## **ELIGIBILITY**

The Fund is available to both individuals over the age of eighteen and to any legal Corporate body. Investments in the Fund are eligible for inclusion in the statutory funds of insurance companies and the asset portfolios of pension funds as stipulated in the Second Schedule of the Insurance Act.

## **INVESTMENTS IN THE FUND**

Investments in the US Dollar Money Market Fund, are evidenced by Units, which represent an undivided interest in the underlying assets of the Fund's portfolio.

## **PRICE OF UNITS**

The price of a unit in the Fund is fixed at US\$20.00 per unit. As such, units are purchased and sold at a price of US\$20.00 per unit.

## **VALUATION OF THE FUND**

The unit price per unit is determined by dividing the total market value of the fund's portfolio of investments and other assets, less any liabilities, by the total outstanding units of such portfolio. The price is determined each business day by 4:00 p.m.

Bonds and other fixed-income securities may be valued on the basis of prices provided by a pricing service when such prices are believed to reflect the fair market value of such securities. Securities not priced in this manner are valued at the most recent quoted bid price. Short-term instruments maturing within 90 days of the valuation date may be valued at cost, plus or minus any amortized discount or premium. Assets and securities for which no quotations are readily available will be valued in good faith at fair market value using methods determined by the Board of Directors.

The Corporation will establish a capital guarantee reserve fund, which will be funded by realised capital gains. This reserve fund will be used to maintain a unit price of \$20.00 per unit.

The unit price can be found daily in the major newspapers under the heading of Unit Trust.

## **RISK FACTORS**

All investments, including mutual funds, have risk and no investment is suitable for all investors. The US Dollar Money Market Fund seeks to minimize risk, however there is no guarantee against loss resulting from an investment in units in the US Dollar Money Market Fund. The value of the United States Dollar may fall in relation to the Trinidad & Tobago Dollar and there be no assurance that the investment practices of the Fund will be successful or that its investment objectives will be attained.

## **MANAGEMENT OF THE FUND**

The Trinidad & Tobago Unit Trust Corporation is responsible for managing the business and affairs of the US Dollar Money Market Fund, including the appointment of officers to administer the Fund on a day-to-day basis. The Directors of the Trinidad and Tobago Unit Trust Corporation are responsible for the information contained in this Prospectus. 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 Fund with investment management services, 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 the sale and distribution of Units throughout Trinidad and Tobago and the region.

## **THE INVESTMENT COMMITTEE**

The Board shall appoint an Investment Committee comprising:-

- a) the Chairman who shall be Chairman of the Investment Committee;
- b) the Executive Director;
- c) no less than two and no more than three other directors

## **TRUSTEE AND CUSTODIAL SERVICES**

The Trinidad and Tobago Unit Trust Corporation shall perform trustee and custodial services for the Fund 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 thereto.

## **THE REGISTRAR**

The Corporation will maintain the register of unit-holders and perform all functions of transfer, dividend disbursing, redemption and custodian agent for the portfolio securities and cash of the Fund.

## **EXPENSES OF THE FUND**

The assets of the US Dollar Money Market Fund will be totally segregated from those of the Unit Trust Corporation, its other Funds and Schemes. The only expenses to be incurred by the Fund are the annual management charge not exceeding two (2) percent of the average Funds Under Management of the Fund and any other direct fund expenses.

The annual management charge is paid to the Corporation. The expenses of the Fund are reported in the Corporation's Annual Report.

## **PURCHASING UNITS OF THE FUND**

Units of the Fund are offered on a continuous basis throughout Trinidad and Tobago at a price of US\$20.00. The Units have not been registered for sale in any jurisdiction outside Trinidad and Tobago.

The minimum initial investment is US\$100 and the minimum amount of each subsequent investment shall not be less than US\$20.00 except in the case of regular automatic investments.

The Fund is a no load fund therefore, there are no charges associated with the acquisition or disposal of units.

An application form for the purchase of Units is attached.

## **REGULAR AUTOMATIC INVESTMENTS**

An investor can choose to make regular purchases of Units through automatic withdrawal from a bank account, or through salary deduction at any of the Corporation's branches. An investor may also choose the amount and frequency of each regular investment, subject to the initial minimum purchase of US\$100. Subsequent regular investments may be for any amount under this plan.

## **DIVIDEND DISTRIBUTION PERIODS**

Dividend income is earned and compounded daily, and is credited to each account on a quarterly basis. The Fund's distribution quarters/periods are as follows:

January 1 to March 31;  
April 1 to June 30th;  
July 1 to September 30; and  
October 1 to December 31.

## **DIVIDEND DISTRIBUTION RATES**

An estimated yield is quoted at the beginning of each month. The estimated quoted yield is largely a function of income to be earned for any distribution period and will be affected by expenses incurred by the fund in any distribution period. This quote reflects the return a unit is expected to earn for the period. However, in the event the portfolio earns more, it will pay more. The quoted yield, which is not necessarily indicative of future results, will fluctuate from time to time and there is no guarantee that the quoted yield will be realised.

## **DIVIDEND REINVESTMENT**

Dividends and other earnings of the Fund are automatically reinvested unless the Corporation is otherwise notified by the unitholder.

## **SECURITY FOR LOANS**

Units in the Fund are transferable and may be used as collateral for loans.

## **WITHDRAWALS**

Withdrawals from the Fund may be made at any time at the set price of US\$20.00 per unit.

## **TAXATION**

Dividend distributions made by the Fund are subject to taxation at the prevailing rate.

## **REPORTING REQUIREMENTS**

The US Dollar Money Market Fund provides each unit holder with quarterly statements detailing contributions made during the period, the distribution rate for the period and the amount of distribution paid. This report will be made via statements to be mailed to unitholders at the end of every distribution period.

In addition, financial information of the Fund will be published

in the Corporation's Annual Reports and Interim Reports and will be made available to all unitholders.

## **WINDING UP OF THE FUND**

The Fund may not be wound up unless and until the Unit Trust Corporation is wound up upon a special resolution being passed by the Board at a meeting summoned for that purpose after consultation with the Central Bank. The Board, with the approval of the Minister appoints a liquidator for the purpose of winding up the affairs of the Trust as provided for under the Unit Trust Corporation of Trinidad and Tobago Act No. 26 of 1981, under Part VI "Winding-up of Trust".

## **OTHER FUNDS OF THE CORPORATION**

Information on the other Funds of the Corporation is included in its Annual Report, copies of which are 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 US Dollar Money Market Fund are the Auditor General of Trinidad and Tobago or a duly qualified auditor nominated by the Auditor General on their behalf in accordance with Section 30 (1) of the Corporation's enabling legislation.

## **INTERNAL AUDITORS**

PriceWaterhouseCoopers  
16 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  
NY 10043  
USA

## **ATTORNEYS**

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

Foley & Lardner  
Firststar Center  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202  
USA

Mair & Company  
Attorneys at Law  
50 Richmond Street  
Port Of Spain

# Application for Units

Surname: \_\_\_\_\_

Other Name (S): \_\_\_\_\_

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

Identification No.: \_\_\_\_\_

Date Of Birth: \_\_\_\_\_

Tel: \_\_\_\_\_ Sex: \_\_\_\_\_

Resident/non-resident: \_\_\_\_\_

Joint Holders: \_\_\_\_\_

Beneficiaries: \_\_\_\_\_

Minors: \_\_\_\_\_

I/we Wish To Invest

US\$ \_\_\_\_\_ and/or TT\$ \_\_\_\_\_

**In The US Dollar Money Market Fund**

USMMF Account No.: \_\_\_\_\_

\_\_\_\_\_  
Signature (1)

\_\_\_\_\_  
Signature (2)

\_\_\_\_\_  
Signature (3)

\_\_\_\_\_  
Signature (4)

MAKE ALL CHEQUES PAYABLE TO THE  
**Trinidad & Tobago Unit Trust Corporation**



**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