
Fourth Session Tenth Parliament Republic of
Trinidad and Tobago



REPUBLIC OF TRINIDAD AND TOBAGO

Act No. 9 of 2014

[L.S.]

AN ACT to amend the Securities Act, 2012

[Assented to 10th September, 2014]

ENACTED by the Parliament of Trinidad and Tobago as Enactment
follows:

1. This Act may be cited as the Securities Short title
(Amendment) Act, 2014.

2. In this Act, "the Act" means the Securities Act, Interpretation Act
2012. No. 12 of 2012

Section 4
amended

3. Section 4 of the Act is amended—

(a) in subsection (1)—

(i) in the definition of “approved foreign issuer”—

(A) in paragraph (a), by deleting the words “relevant date” and substituting the words “on the date of its application to be a reporting issuer under section 61(1) or at the date of its filing of a revised registration statement under section 61(2)”;

(B) by inserting the words “; and” at the end of paragraph (b);

(C) by deleting the words “; and” at the end of paragraph (c); and

(D) by deleting paragraph (d);

(ii) in the definition of “associate” in paragraph (a), by deleting the words “more than twenty per cent” and substituting the words “twenty per cent or more”;

(iii) by inserting after the definition of “blocked account” the following definition:

“branch office” means an office or place of business, whether in Trinidad and Tobago or elsewhere, where a registrant registered under section 51(1) conducts all or any part of its business for which registration is required under this Act, other than its principal place of business in Trinidad and Tobago, but

does not include an office established solely for the purpose of—

(a) promoting the services of the registrant; or

(b) performing functions which are solely administrative in nature;

(iv) in the definition of “control”—

(A) in paragraph (a), by deleting the words “more than fifty per cent” and substituting the words “fifty per cent or more”; and

(B) in paragraph (b), by deleting the words “more than thirty per cent” and substituting the words “thirty per cent or more”;

(v) in the definition of “distribution”—

(A) by deleting paragraph (c) and substituting the following paragraph:

“(c) by an underwriter, acting as underwriter, in previously issued securities where such securities—

(i) were not registered pursuant to this Act; and

(ii) were purchased from the issuer by

such underwriter
less than six
months prior to
such trade; or”;
and

(B) in paragraph (d)(ii), by
deleting the words “exceeds
thirty per cent” and
substituting the words “thirty
per cent or more”;

(vi) by deleting the definition of “filing”;

(vii) by deleting the definition of “limited
offering” and substituting the
following definition:

“ “limited offering” means a
distribution by a government
entity or private issuer
where—

(a) following the
completion of such
distribution, the
number of security
holders of the
issue is thirty-five or
less persons not
including senior
officers and
employees or former
senior officers and
employees of the
issuer and its
affiliates;

(b) the constituent
documents of the
distribution contain
p r o v i s i o n s
restricting the
aggregate number of
security holders of
the issue to

thirty-five persons or less not including senior officers and employees or former senior officers and employees of the issuer and its affiliates;

(c) no selling or promotional expenses are paid or incurred in connection with the distribution except for professional services or services provided by a registrant under section 51(1), (2) or (5); and

(d) no general solicitation or advertising to market the securities is used;”;

(viii) in the definition of “market actor”, by—

(A) deleting paragraph (d) and substituting the following paragraph:

“(d) a custodian, trustee, sponsor, manager, administrator or such other persons performing similar functions for a collective investment scheme;”;

(B) deleting the word “or” at the end of paragraph (m);

- (C) renumbering paragraph (n) as paragraph (p);
- (D) inserting after paragraph (m) the following paragraphs:
 - “(n) an auditor of a registrant or self-regulatory organization;
 - (o) a substantial shareholder of an entity registered under section 51(1); or”;
- (ix) in the definition of “Minister” by inserting after the word “assigned” the words “and “Ministry” shall be construed accordingly”;
- (x) in the definition of “private issuer”, in paragraph (c), by deleting the words “engage in the business of trading in securities or raising money” and substituting the words “distribute securities”;
- (xi) in the definition of “self-regulatory organization”, by deleting paragraph (d) and substituting the following paragraph:
 - “(d) such other entity, that sets standards for, or monitors the conduct of its members or participants relating to, trading in, or advising on securities;”;
- (xii) in the definition of “sponsored broker dealer” by inserting after the words “(or the equivalent or similar)” the words “who is registered”; and
- (xiii) in the definition of “sponsored investment adviser” by inserting

after the words “(or the equivalent or similar)” the words “who is registered”;

(b) in subsection (2)(d)(ii), by deleting the words “more than fifty per cent” and substituting the words “fifty per cent or more”;

(c) in subsection (3)—

(i) in paragraph (c), by deleting the words “more than ten per cent” and substituting the words “ten per cent or more”; and

(ii) by deleting paragraphs (g), (h) and (i) and substituting the following paragraph:

“(g) is an entity that is controlled by—

(i) a person referred to in paragraph (a) or (b); or

(ii) a relative of a senior officer of the reporting issuer.”;

(ca) in subsection (4)(a), by inserting before the words “six months” the words “up to”;

(d) by deleting subsections (5) and (6) and substituting the following sections:

“ (5) For the purposes of this Act, a person carries on an activity regulated under this Act in Trinidad and Tobago if such person is—

(a) an entity which is incorporated, established or registered under any law in Trinidad and Tobago and is carrying on an activity regulated under this Act; or

(b) an individual who carries on the regulated activity from within Trinidad and Tobago.

(6) For the purposes of this Act, an activity regulated under this Act shall be presumed to occur in Trinidad and Tobago in the absence of evidence to the contrary where, in the case of a distribution or an act, advertisement, conduct or negotiation in furtherance of a purchase or sale of a security, whether direct or indirect, such act, advertisement, distribution, conduct or negotiation is not solicited and—

(a) is made by mail or courier, telephone or facsimile transmission, with or to a person in Trinidad and Tobago or by electronic transmission where the sender knew or should have known that the recipient was a national of Trinidad and Tobago ordinarily resident in the jurisdiction; or

(b) in the case of distributions made available on the Internet, the web pages and documents in respect of that distribution, may be accessed by persons resident in Trinidad and Tobago, unless the document or web page contains a prominent disclaimer that expressly identifies the jurisdictions in which the distribution is

qualified to be made, and reasonable precautions are taken to ensure that no sales occur to persons in Trinidad and Tobago unless done in compliance with this Act.”; and

- (e) by inserting after subsection (6) the following new subsection:

“ (6A) Notwithstanding subsections (5) and (6), a broker-dealer, investment adviser, underwriter or its equivalent registered under the securities laws of a designated foreign jurisdiction may solicit from and effect transactions with or on behalf of—

(a) a registrant registered under section 51(1) of this Act; or

(b) a foreign person where—

(i) in the case of an individual, the individual is temporarily present in Trinidad and Tobago;

(ii) in the case of an entity, the

entity has a branch office located in Trinidad and Tobago;

- (iii) the foreign broker-dealer, investment adviser or underwriter has a pre-existing relationship with the foreign person before the person entered Trinidad and Tobago; and
- (iv) any advice provided or transactions effected are in relation to foreign securities.”.

Section 6
amended

4. Section 6 of the Act is amended—

- (a) in paragraph (e), by inserting after the word “inspections” the words “, reviews”;
- (b) in paragraph (j), by deleting the word “and” at the end of the paragraph;
- (c) in paragraph (k), by deleting the fullstop at the end of the paragraph and substituting the words “; and”; and
- (d) by inserting after paragraph (k), the following paragraph:

“(l) assess, measure and evaluate risk exposure in the securities industry.”.

5. Section 7(1) of the Act is amended—

Section 7
amended

(a) in paragraph (d), by inserting after the word “registrants” the words “that are entities”; and

(b) by inserting after paragraph (k), the following paragraph:

“(l) monitor the risk exposure of registrants and self-regulatory organizations and take measures to protect the interest of investors, clients, members and the securities industry;”;

(c) by renumbering paragraphs (l) and (m) as paragraphs (m) and (n) respectively.

6. Section 8 of the Act is amended by repealing subsection (7) and substituting the following subsection:

Section 8
amended

“(7) Subject to section 160, a person aggrieved by a decision of a delegatee may, within fourteen days of the decision, apply to the Commission for a review of that decision.”.

7. Section 10 of the Act is amended—

Section 10
amended

(a) in subsection (1)—

(i) by inserting after the word “individuals” the words “(hereinafter referred to as “Commissioners”)”; and

(ii) by deleting paragraph (b) and substituting the following paragraph:

“(b) a senior officer from the Ministry.”;

(b) in subsection (2), by inserting after the word “Chairman” the words “and another

Commissioner to be its Deputy Chairman”;

(c) in subsection (3), by deleting the words “, other than those referred to in subsection (1)(a) and (b),”; and

(d) by repealing subsection (3A).

8. Section 11 of the Act is amended—

(a) in subsection (1)—

(i) in paragraph (a), by inserting before the words “an employee” the words “a registrant,”;

(ii) by repealing paragraph (g) and substituting the following paragraphs:

“(g) has been a senior officer of a company in the ten years immediately preceding—

(i) the making of a winding-up order being made by a court in respect of that company; or

(ii) the date that the company has been placed in receivership;

(h) has been a senior officer of a former registrant or self-regulatory organization whose registration has been revoked, unless such revocation was due to its—

Section 11
amended

- (i) amalgamation with another registrant; or
 - (ii) voluntary winding-up; or
- (i) has contravened this Act.”;
- and
- (b) by repealing subsection (2)(b) and substituting the following paragraph:
 - “(b) the person has beneficial ownership of, or control or direction over—
 - (i) ten per cent or more of the outstanding equity or voting securities of a registrant registered under section 51(1); or
 - (ii) five per cent or more of the outstanding equity or voting securities of a reporting issuer,
 - except as a trustee of a trust.”;
- (c) in subsection (3), by deleting the words “gift or will or succession” and substituting the words “gift, will, succession or in any other manner”; and
- (d) in subsection (4), by deleting the words “subsection (3) is liable on conviction on indictment” and substituting the words “subsection (3)(a) is liable on summary conviction”.

8A. Section 14(5) of the Act is amended by deleting the words “on conviction on indictment to a fine of five hundred thousand dollars” and substituting the words “on summary conviction to a fine of six hundred thousand dollars”.

Section 14
amended

Section 18
amended

9. Section 18 of the Act is amended—

(a) in subsection (1), by deleting the words “declaration of interests” and substituting the word “interest”;

(b) by repealing subsection (2) and substituting the following subsection:

“ (2) The Commission shall, in the absence of the Commissioner or other person whose interest is being considered, determine whether the interest declared in subsection (1) is sufficiently material so as to constitute a conflict of interest.”;

(c) by repealing subsection (3) and substituting the following subsections:

“ (3) In the event that the Commission finds that the interest of a Commissioner or any other person in a matter is such as to constitute a conflict of interest, the Commissioner or the other person shall not take part in any deliberations or vote on that matter, and shall absent himself during such deliberations.

(3A) Where a conflict of interest is discovered after a matter has been determined, the Commissioner or other person shall declare the conflict of interest to the Commission at the earliest opportunity.

(3B) Where the Commission determines that the involvement of the Commissioner or other person influenced the deliberations or vote

on the matter referred to in subsection (3A)—

- (a) the matter shall be re-examined; and
- (b) the decision in which the Commissioner or other person participated may be rescinded, varied or confirmed.”.
- (d) in subsection (4), by deleting the words “having an interest or being involved in a matter” and substituting the words “that is directly or indirectly involved in that matter”; and
- (e) in subsection (5), by deleting the words “conviction on indictment” and substituting the words “summary conviction”.

10. Section 20(1) of the Act is amended by inserting Section 20 amended after the word “Parliament” the words “within three months of receipt of the report”.

10A. Section 22(2) of the Act is amended by deleting Section 22 amended the word “cheif” and substituting the word “chief”.

11. The Act is amended by repealing section 33 and Section 33 amended substituting the following section:

“Public
availability
of filed
documents

33. (1) Subject to subsection (2), the Commission shall make all documents or instruments which are expressly required to be filed with it under this Act available for public inspection during the normal business hours of the Commission, subject to such conditions as the Commission may require.

(2) The Commission shall not make any information in a document or instrument available for public inspection under subsection (1) if—

- (a) the Commission determines that the disclosure of the information would not be in the public interest;
- (b) the court so directs; or
- (c) the Commission determines that—
 - (i) a person whose information appears in the document or instrument would be unduly prejudiced by disclosure of the information; and
 - (ii) the privacy interest on the person outweighs the public interest in having the information disclosed.

(3) Subject to subsections (1) and (2), the Commission may also make all documents or instruments which are expressly required to be filed with it available to the public by posting such documents or such instruments to the Commission's website.”.

Section 36
amended

12. Section 36(2) of the Act is amended by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”.

Section 43
amended

13. Section 43 of the Act is amended by repealing subsection (6) and substituting the following subsection:

“ (6) A self-regulatory organization shall publish in two daily newspapers of general circulation in Trinidad and Tobago or by any other means a notice of any disciplinary action taken against a member or an employee of a member within thirty days of any decision to take such disciplinary action unless the Commission directs otherwise.”.

14. Section 44 of the Act is amended—Section 44
amended

- (a) by deleting the marginal note and substituting the following new marginal note “Application for review”;
- (b) by repealing subsection (2) and substituting the following subsection:
 - “ (2) Subject to section 160, a person aggrieved by an order of a self-regulatory organization made under section 43(2), (3) or (4) may apply to the Commission for a review of that decision within fourteen days of receipt of the decision.”;
- (c) in subsection (3), by deleting the words “an appeal or review” and substituting the words “a review”;
- (d) in subsection (5), by deleting the words “an appeal or review” and substituting the words “a review”;
- (e) in subsection (6), by deleting the words “an appeal or review” and substituting the words “a review”; and
- (f) in subsection (7)—
 - (i) by deleting the words “An order” and substituting the words “A decision”; and
 - (ii) by deleting the word “order” and substituting the word “decision”.

15. Section 45 of the Act is amended—Section 45
amended

- (a) in subsection (1), by inserting after the words “unless it” the words “pays the prescribed fee and”; and
- (b) by inserting after subsection (1), the following subsection:

“ (1A) Where a securities exchange proposes to delist a security, it shall file with the Commission a concise statement of the substance and purpose of the proposal.”;

- (c) in subsection (2), by deleting the words “self-regulatory organization” wherever they occur and substituting the words “securities exchange”.

Section 49
amended

16. Section 49 of the Act is amended—

- (a) in subsection (1), by deleting the words “market actor” and substituting the words “person required to be registered pursuant to this Act”; and
- (b) in subsection (4), by deleting the words “the market actor” and substituting the words “person required to be registered pursuant to this Act”.

Section 50
amended

17. Section 50(4) of the Act is amended by deleting the word “filed” and substituting the word “submitted”.

Section 51
amended

18. Section 51 of the Act is amended—

- (a) in subsection (1), by deleting the words “or deemed to be registered, as such,” and substituting the words “deemed to be registered as such, or otherwise exempted”;
- (b) in subsection (2), by inserting after the words “senior officer” the words “, agent”;
- (c) in subsection (5), by deleting the words “thirty days” and substituting the words “an aggregate of ninety days”; and
- (d) by repealing subsections (6) and (7) and substituting the following subsections:

“ (6) Subject to section 56, the registration of a person under subsection (1) shall be valid for a period of one year from the date of

registration or such other period as the Commission may determine.

(7) Subject to section 56, the registration of a person under subsection (2) shall be valid for a period of two years from the date of registration or such other period as the Commission may determine.”.

19. Section 52 of the Act is amended by—

Section 52
amended

(a) in subsection (1), by—

(i) deleting the words “section 51(1)” and substituting the words “section 51”; and

(ii) deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and

(b) in subsection (6), by deleting paragraphs (e) and (f) and substituting the following paragraphs:

“(e) the character, financial integrity and reliability of the person;

(f) the fit and proper status of its senior officers; and

(g) additional requirements as may be prescribed.”.

20. Section 53 of the Act is amended—

Section 53
amended

(a) in subsection (1), by deleting the words “one year” and substituting the words “two years”; and

(b) in subsection (2)—

(i) by deleting the words “twelve months” and substituting the words “two years”; and

- (ii) by deleting the words “twelve month” and substituting the words “two year”.

Section 54
amended

21. Section 54 of the Act is amended—

- (a) in subsection (1), by deleting the words “subsection (2)” and substituting the words “subsections (2) and (3)”;
- (ab) in subsection (2), by deleting the words “will or by intestacy” and substituting the words “will, by intestacy or in any other manner”;
- (b) by repealing subsection (3) and substituting the following subsection:
 - “ (3) A financial institution or a registrant under section 51(1)—
 - (a) is deemed approved by the Commission for the purposes of subsection (1); and
 - (b) shall notify the Commission in writing within one month upon its becoming a substantial shareholder.”;
- (c) in subsection (6)(b), by deleting the words “more than ten per cent” and substituting the words “ten per cent or more”;
- (ca) by inserting after subsection (6) the following subsections:
 - “ (6A) Where the Commission notifies a person that he is no longer fit and proper or where a person under subsection (2) is not granted approval to be a substantial shareholder the

person may within the period of fourteen days commencing the day after which the notice is given, make written representations to the Commission.

(6B) Where the Commission notifies a person that he is no longer fit and proper or where a person under subsection (2) is not granted approval to be a substantial shareholder, the shares held by that person in the registrant registered under section 51(1) shall be subject to disposal in accordance with subsection (6C) without prejudice to any other penalty which may be incurred by any party pursuant to this Act.

(6C) Where the circumstances so warrant, the Commission may apply to the Court for the disposal of the shares held by a person in a registrant registered under section 51(1), and to whom a notice is sent in accordance with subsection (6).

(6D) Where shares referred to in subsection (6C) are sold in accordance with an order of the Court, the proceeds of sale, less the costs of the sale, shall be paid into Court or into such fund as the Court may specify for the benefit of the persons beneficially interested in the disposed shares, and any such person may apply to the Court for the whole or part of the

proceeds to be paid to him in satisfaction of his beneficial interest.

(6E) A person who contravenes this section commits an offence and is liable on summary conviction to a fine of six hundred thousand dollars or to imprisonment for two years and in the case of a continuing offence, to a fine of sixty thousand dollars for each day that the offence continues.”;

(e) in subsection (7), by deleting the words “more than ten per cent” and substituting the words “ten per cent or more”;

(f) in subsection (8)—

(i) by deleting the words “A person who is a” and substituting the word “A”; and

(ii) by inserting after the words “by the Commission for” the word “the”; and

(g) by inserting after subsection (8), the following subsection:

“ (9) A substantial shareholder shall within one month of any change in its ownership of the issued capital of the registrant under section 51(1) notify the Commission in writing of the change, if the change is five per cent or more of the total issued capital of the registrant.”.

Section 55
amended

22. Section 55(1) of the Act is amended by deleting the words “on the prescribed form” and substituting the words “in such form as the Commission may determine”.

23. Section 56 of the Act is amended—Section 56
amended

- (a) in subsection (1), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and
- (b) in subsection (6), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”.

24. Section 57 of the Act is amended—Section 57
amended

- (a) in subsection (1)—
 - (i) by deleting the chapeau and substituting the following new chapeau:

“The Commission may issue a warning to a registrant registered under section 51(1), (2) or (5) if—”; and
 - (ii) in paragraph (b), by deleting the words “the concealment or misrepresentation of” and substituting the words “knowingly or recklessly concealing or misrepresenting”;
- (b) by inserting the following new subsection:

“ (1A) The Commission may, where it considers it to be in the public interest, issue an order to reprimand or suspend the registration of a registrant under section 51(1), (2) or (5) for any reason set out in subsection (1).”;
- (c) in subsection (2), by inserting after the words “the registrant” the words “, senior officers where applicable,”; and
- (d) in subsection (3), by deleting the words “the Act” and substituting the words “this Act”.

Section 58
amended

25 Section 58(1) of the Act is amended by inserting after the words “public interest,” the words “issue an order to”.

Section 60
amended

26. Section 60 of the Act is amended—

(a) in subsection (1)—

(i) by inserting after the words “A person who” the words “knowingly or recklessly”;

(ii) by deleting the word “filing”; and

(iii) by deleting the words “conviction on indictment” and substituting the words “summary conviction”; and

(b) by repealing subsection (2) and substituting the following subsection:

“ (2) A person who contravenes section 51(1) commits an offence and is liable on summary conviction to a fine of five million dollars and to imprisonment for five years.”.

Section 61
amended

27. Section 61 of the Act is amended—

(a) in subsection (1), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”;

(b) in subsection (2), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and

(c) by repealing subsection (4) and substituting the following subsections:

“ (4) Subsection (1) shall not apply where the distribution is—

(a) a limited offering and the issuer—

-
- (i) notifies the Commission in writing of the proposed commencement date of the distribution within ten days of the first distribution of securities; and
 - (ii) files a post distribution statement in accordance with section 84; or
- (b) a limited offering made to a person who—
- (i) is a senior officer or partner of the issuer;
 - (ii) is directly involved in the business of the issuer;
 - (iii) is an associate of the issuer within the meaning of paragraphs (a), (b) and (c) of the definition of “associate”;
 - (iv) is a relative of a person referred to in subparagraph (i);
 - (v) is a shareholder of the issuer; or

(vi) meets such other conditions as may be prescribed.

(4A) An issuer shall not be required to file a post distribution statement under section 84 with respect to a limited offering under subsection (4)(b)."

Section 62
amended

28. Section 62 of the Act is amended—

(a) by repealing subsection (1) and substituting the following subsection:

“ (1) No security shall be—

(a) distributed; or

(b) listed with any securities exchange,

unless it is registered with the Commission.”;

(b) in subsection (2)—

(i) in the chapeau, by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”;

(ii) in paragraph (a), by deleting the word “or” at the end of the paragraph;

(iii) by deleting the full stop at the end of paragraph (b) and substituting the words “; or”; and

(iv) by inserting after paragraph (b), the following paragraph:

“(c) in the case of a collective investment scheme

established as a trust, by the trustee or a person duly authorized by the trustee.”;

(c) by repealing subsection (6); and

(d) in subsection (9)—

(i) in the chapeau, delete the words “Subsection (1)” and substitute the words “Subsection (1)(a)”; and

(ii) by deleting paragraph (a) and substituting the following paragraph:

“(a) a limited offering where the issuer—

(i) notifies the Commission in writing of the proposed commencement date of the distribution within ten days prior to the first issuance of securities pursuant to the distribution; and

(ii) files a post distribution statement in accordance with section 84; or”;

(e) by inserting after subsection (10) the following subsections:

“ (11) For the purposes of subsection (1), debt securities issued by the Government shall be deemed to be registered by the Commission where—

- (a) the underwriter or designated agent pays the fees required under section 62(5); and
- (b) the underwriter or designated agent files a post-distribution statement as required by section 84.

(12) Notwithstanding subsection (11), subsection (1) shall not apply to Treasury Bills or Treasury Notes issued by the Government pursuant to the Treasury Bills Act and the Treasury Notes Act.”

Chap. 71:39

Chap. 71:40

Section 64
amended

29. Section 64 of the Act is amended—

(a) in subsection (1)—

(i) in paragraph (a), by deleting the word “prescribed” and substituting the word “required”; and

(ii) in paragraph (b)—

(A) by inserting after the words “a notice” the words “in such form as the Commission may require”; and

(B) by deleting the word “prescribed” and

substituting the words
“determined by the
Commission”;

(b) in subsection (1)(c), by deleting the words “subsection (1)” and substituting the words “paragraph (b)”;

(c) by repealing subsection (2) and substituting the following subsection:

“ (2) Subject to subsection (3), subsection (1) shall not apply where the reporting issuer is of the opinion that—

(a) the disclosure required by subsection (1)(b) would be unduly detrimental to its interests; or

(b) the disclosure required by subsection (1)(b) would be unwarranted,

and the reporting issuer shall forthwith comply with subsection (1)(a) and notify the Commission in writing of the material change and of the reasons why it is of the opinion that there should not be a notice as contemplated in subsection (1)(b).”;

and

(d) in subsection (3)(b), by deleting the word “order” and substituting the word “determine”.

30. Section 65 of the Act is amended—

Section 65
amended

(a) in subsection (6) by inserting after the word “ICATT” the words “or its equivalent in a designated foreign jurisdiction”;

(b) in subsection (7), by deleting the words “are not employees of the reporting issuer or any of its affiliates” and substituting the words “shall—

- (a) not be employees of the reporting issuer or any of its affiliates; or
- (b) meet other such requirements as the Commission may determine.”.

Section 67
amended

31. Section 67(2) of the Act is amended—

- (a) in paragraph (a), by deleting all the words appearing after the words “written consent” and substituting the following words “or a two-thirds majority of security holders of the reporting issuer has given consent at a meeting of the security holders and the reporting issuer posts the document, report or statement on its website”;
- (b) in paragraph (c)—
 - (i) by deleting the words “issuing a press release” and substituting the words “publishing a notice in two daily newspapers”; and
 - (ii) by deleting the word “or” at the end of the paragraph;
- (c) by deleting paragraph (d) and substituting the following paragraphs:
 - “(d) mailing the document, report or statement to the most recent address as shown on the securities register of the reporting issuer; or
 - (e) making the document, report or statement available in such other manner as the Commission may determine.”.

Section 68
amended

32. Section 68 of the Act is amended—

- (a) by deleting the word “dissident’s” wherever it occurs and substituting in each place the word “dissident”;
- (b) in subsection (1), by deleting the words “a prescribed form of proxy to each holder of

voting securities” and substituting the words “a proxy in such form as the Commission may determine to each holder of voting securities of the reporting issuer”;

- (c) in subsection (2)(a), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and
- (d) in subsection (2)(b), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”.

33. Section 69 of the Act is amended—

Section 69
amended

- (a) in subsection (1)(a), by deleting the words “the Act” and substituting the words “this Act”; and
- (b) by repealing subsection (2) and substituting the following subsection:

“ (2) Subsection (1) is not applicable to an approved foreign issuer if, as at the end of the last financial year of the approved foreign issuer, the number of voting securities of the issuer held beneficially and of record, directly or indirectly, by residents of Trinidad and Tobago is twenty per cent or more of the outstanding voting securities of the issuer on such date or such other per cent as may be prescribed.”.

34. Section 70 of the Act is amended—

Section 70
amended

- (a) in subsection (1)(b), by inserting before the word “makes” the words “knowingly or recklessly”; and
- (b) in subsection (4)—
 - (i) by deleting the words “if it is in the public interest” and substituting the words “under section 155”; and

- (ii) by deleting the words “five years” and substituting the words “ten years”.

Section 71
amended

35. Section 71 of the Act is amended by repealing subsection (1) and substituting the following subsection:

- “ (1) The Commission may—
- (a) on its own motion; or
 - (b) on application by a reporting issuer and payment of the prescribed fee,
- make an order declaring, subject to such conditions as it considers appropriate, that the issuer is no longer a reporting issuer.”

Section 72
amended

36. Section 72(2) of the Act is amended—

- (a) in the definition of the “accredited investor”—
 - (i) in paragraph (f), by deleting the words “net financial assets” and substituting the words “total net worth”; and
 - (ii) in paragraph (g), by deleting the words “net financial assets” and substituting the words “total net worth”; and
- (b) by deleting the definition of “financial assets” and substituting the following definitions:

“financial assets” means—

- (a) cash;
- (b) securities;
- (c) any contract of insurance; or
- (d) a certificate or document constituting evidence of

any interest in a deposit account with—

- (i) a financial institution;
- (ii) a credit union as defined under the Co-operative Societies Act; or Chap. 81:03
- (iii) an insurance company registered under the Insurance Act; Chap. 84:01

“non-financial assets” means the value of land, buildings or other property excluding the value of the primary residence of a person; and

- (c) by inserting after the definition of “offer to sell” the following definition:

“ “total net worth” means total financial assets and non-financial assets less total liabilities”.

37. Section 73 of the Act is amended—

Section 73
amended

- (a) in subsection (2), by deleting the words “except under an exemption provided for in section 79,”; and
- (b) by inserting after subsection (2), the following subsection:

“ (3) Subsection (2) does not apply to a trade in an asset-backed security distributed under an exemption provided for in section 79.”.

38. Section 74 of the Act is amended—

Section 74
amended

- (a) by renumbering section 74 as section 74(1);
- (b) in section 74(1)(c) as renumbered, by deleting the words “a document specified in

- paragraph (a)” and substituting the words “the prospectus offering the securities”; and
- (c) by inserting after section 74(1) as renumbered, the following subsection:

“ (2) Notwithstanding subsection (1), a person may solicit an expression of interest from an accredited investor with respect to a proposed distribution provided that the person—

(a) notifies the Commission in writing that he intends to do so and identifies the security proposed to be distributed; and

(b) notifies the accredited investor that—

(i) either the security is being distributed pursuant to a limited offering or a distribution statement related to the proposed distribution has been filed with the Commission but has not been made effective;

(ii) no offer to buy the securities can be accepted and no part of the purchase price can be recovered until the distribution statement for the proposed

distribution has become effective or the Commission has been notified of the date of the distribution under section 62(9)(a)(i); and

- (iii) any such expression of interest shall not be binding on either party.”.

39. Section 75 of the Act is amended—

Section 75
amended

- (a) in subsection (1), by deleting the words “expression of interest,” wherever they occur; and
- (b) in subsection (2), by inserting after the words “An agreement of purchase and sale” the words “in relation to an order or subscription referred to in subsection (1)”.

40. Section 79 of the Act is amended—

Section 79
amended

- (a) in subsection (1)(d), by inserting after the word “registrant” the words “registered under section 51(1)”;
- (b) in subsection (2), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”;
- (c) in subsection (3)—
- (i) by inserting after the words “The certificate” the words “or other proof of ownership”; and
- (ii) by deleting the words “a legend in the prescribed form” and substituting the words “the prescribed statement”; and

(d) in subsection (5), by deleting the words “For purposes” and substituting the words “For the purposes”.

Section 80
amended

41. Section 80 of the Act is amended—

(a) in subsection (1)(a)(i), by deleting the words “in the prescribed form”;

(b) in subsection (1)(a)(ii), by inserting after the words “securities has become final for” the word “the”;

(c) in subsection (1)(a)(v), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and

(d) in subsection (2), by deleting the words “exceed twenty per cent and substituting the words “amount to twenty per cent or more”.

Section 81
amended

42. Section 81(1)(e) of the Act is amended by deleting the words “the Act” and substituting the words “this Act”.

Section 83
amended

43. Section 83 of the Act is amended—

(a) by repealing subsection (1) and substituting the following subsection:

“ (1) For the purposes of this Part, a distribution commences on—

(a) the effective date of a distribution statement as determined by the Commission under section 62(7); or

(b) in the case of a limited offering, the date of first issuance of the security.”;

(b) in subsection (2), by deleting the words “less than twenty-five per cent” and substituting the words “twenty-five per cent or less”;

(c) by repealing subsection (4) and substituting the following subsection:

“ (4) Subject to subsection (5), a distribution shall not continue longer than one year and twenty days from—

(a) the effective date of the distribution statement relating to it unless the Commission issues a new effective date, in which case the period runs from the latter effective date; or

(b) in the case of a limited offering, the date of first issuance of the security.”; and

(d) in subsection (5), by deleting the word “order” and substituting the word “determine”.

44. Section 84 of the Act is amended—

Section 84
amended

(a) in subsection (1)—

(i) by deleting the words “ten days” and substituting the words “ten business days”; and

(ii) by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”;

(b) by repealing subsections (2) and (3), and substituting the following new subsection:

“ (2) A post-distribution statement shall be signed by—

(a) the chief executive officer or other duly authorized senior officer of the issuer and at

least two members of the board of directors of the issuer; or

- (b) in the case of a government entity or international agency, by the underwriter or designated agent of the government entity or international agency.”.

Section 86
amended

45. Section 86 of the Act is amended by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”.

Section 89
amended

46. Section 89 of the Act is amended by repealing subsection (1) and substituting the following subsection:

“ (1) In the performance of the functions of the Commission under this Act, the chief executive officer or any duly authorized employee or agent of the Commission so authorized in writing by the chief executive officer, shall be permitted to review the books, records or documents of a registrant or self-regulatory organization for the purpose of—

- (a) determining whether the provisions of this Act, the Proceeds of Crime Act, any other written law in relation to the prevention of money laundering and combatting the financing of terrorism or any other written law that is administered or supervised by the Commission are being complied with; and
- (b) assessing any risk in respect of the registrant or self-regulatory organization that could prejudice its

financial viability or the interests of its clients, members, investors or the securities industry.”.

46A. Section 90 of the Act is amended—

Section 90
amended

- (a) in subsection (1), by deleting the words “any other inspection” and substituting the words “any other review or inspection”;
- (b) in subsection (8), by deleting the words “conviction on indictment to a fine of five hundred thousand dollars and to imprisonment for two years” and substituting the words “summary conviction to a fine of five million dollars and to imprisonment for five years”; and
- (c) by inserting after subsection (8), the following new subsections:

“ (8A) If a person to whom a direction is issued fails to comply with the said direction the chief executive officer may, in addition to any other action that may be taken under this Act, apply to a Judge in Chambers for an order requiring that person to comply with the direction, cease the contravention or do anything that is required to be done and on such application the Judge may so order and make any other order as he thinks fit.

(8B) A decision of the chief executive officer to issue a direction under subsection (1) shall be deemed to be a decision of the Commission.”.

47. Section 98 of the Act is amended—

Section 98
amended

- (a) in subsection (1)(a), by inserting after the words “investment objectives,” the words “investment experience,”; and

(b) in subsection (2), by inserting after the words “Where a registrant” the words “registered under section 51”.

Section 99
amended

47A. Section 99 of the Act is amended by deleting the words “conviction on indictment” and substituting the words “summary conviction”.

Section 102
amended

47B. Section 102 of the Act is amended by deleting the words “conviction on indictment to a fine of five million dollars and to imprisonment for seven years” and substituting the words “summary conviction to a fine of ten million dollars and to imprisonment for ten years”.

Section 104
amended

48. Section 104(1)(b) of the Act is amended by deleting the word “and” at the end of subparagraph (i) and substituting the word “or”.

Section 107
amended

48A. Section 107(1) of the Act is amended in the chapeau—

(a) by deleting the words “in a financial institution”; and

(b) by deleting the words “may be prescribed” and substituting the words “the Commission may determine”.

Section 108
amended

49. Section 108 of the Act is amended by deleting the words “market actor” wherever they occur and substituting in each place the words “registrant registered under section 51(1)”.

Section 109
amended

50. Section 109(2) of the Act is amended by deleting the word “order” and substituting the word “determine”.

Section 112
amended

51. Section 112 of the Act is amended—

(a) in subsection (1), by deleting the word “order” and substituting the word “require”; and

(b) in subsection (2)—

(i) by deleting the word “order” and substituting the word “require”; and

- (ii) by deleting the words “that it be” and substitute the words “that the advertisement be”.

51A. Section 116 of the Act is amended—

Section 116
amended

- (a) in subsection (1), by inserting before the word “represent” the words “knowingly or recklessly”; and
- (b) by inserting after subsection (2), the following new subsection:

“ (3) A person who contravenes subsection (1) or (2) commits an offence and is liable on summary conviction in the case of a company, to a fine of ten million dollars and in the case of an individual, to a fine of ten million dollars and to imprisonment for ten years.”.

52. Section 120(3) of the Act is amended by inserting after the word “registrant” the words “registered under section 51(1)”. Section 120 amended

53. Section 121(4) of the Act is amended by inserting after the word “registrant” the words “registered under section 51(1)”. Section 121 amended

54. Section 135(3) of the Act is amended by deleting the word “inconsistent” and substituting the word “consistent”. Section 135 amended

55. Section 136 of the Act is amended—

Section 136
amended

- (a) in subsection (1), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”;
- (b) by repealing subsection (2) and substituting the following subsection:

“ (2) A person—

- (a) who is connected to a reporting issuer as a

result of section 4(3)(a) or (c); and

- (b) whose direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer by him changes,

shall within five business days from the day on which the change takes place, file in such form as the Commission may determine, a report of direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer by him as of the day on which the change took place.”;

- (c) in subsection (3), by deleting the words “in the prescribed form” and substituting the words “in such form as the Commission may determine”; and
- (d) in subsection (5), by deleting the words “For purposes” and substituting the words “For the purposes”.

Section 138
amended

55A. Section 138 of the Act is amended—

- (a) by deleting the words “any section in this Part” wherever they occur and substituting the words “sections 136(1), 136(2) or 136(3)”;
- (b) by inserting before the words “fails to supply” the words “knowingly or recklessly”; and
- (c) by deleting the words “conviction on indictment” and substituting the words “summary conviction”.

- 56.** Section 139(6) of the Act is amended by— Section 139
amended
- (a) inserting after the words “liable for more than the” the words “portion of the”; and
 - (b) deleting the words “the portion of”.
- 57.** Section 148 of the Act is amended— Section 148
amended
- (a) in subsection (1)—
 - (i) by deleting the words “the Act” wherever they occur and substituting the words “this Act”;
 - (ii) in paragraph (n), by deleting the words “for purposes” and substituting the words “for the purposes”;
 - (iii) in paragraph (w), by inserting after the words “financial reporting and auditing for” the word “the”;
 - (iv) in paragraph (ee), by inserting after the words “advisable for” the word “the”; and
 - (v) in paragraph (ff), by inserting after the word “investigations” the words “, reviews”; and
 - (b) by inserting after subsection (2), the following new subsection:
 - “ (2A) By-laws made under this Act may prescribe penalties not exceeding five hundred thousand dollars for breaches committed thereunder.”.
- 58.** Section 149 of the Act is amended— Section 149
amended
- (a) in subsection (1), by deleting the words “in the *Gazette*, two daily newspapers of general circulation in Trinidad and Tobago, or any regular periodical published by the

- Commission,” and substituting the words “in accordance with subsection (1A) and”;
- (b) by inserting after subsection (1) the following new subsection:
- “ (1A) The Commission shall satisfy the requirements of subsection (1) by publishing in the *Gazette* and—
- (a) publishing in two daily newspapers of general circulation in Trinidad and Tobago; or
- (b) posting on the website of the Commission and issuing a notice in two daily newspapers of general circulation in Trinidad and Tobago notifying the public of such posting.
- (c) in subsection (2)—
- (i) by deleting the words “subsection (1)” and substituting the words “subsection (1A)”; and
- (ii) by deleting the words “in writing”;
- (ca) by repealing subsection (3);
- (d) in subsection (4), by deleting the words “subsections (1) and (2)” wherever they occur and substituting in each place the words “subsections (1), (1A) and (2)”;
- (e) in subsection (6), by deleting the words “subsections (1) to (3)” wherever they occur

and substituting the words “subsections (1) and (2)”.

59. Section 150 of the Act is amended by inserting Section 150 amended after subsection (9), the following new subsection:

“ (10) Proceedings under subsections (3) and (4) shall be held *in camera*.”.

60. Section 151 of the Act is amended— Section 151 amended

(a) in subsection (1), by deleting the word “anyh” and substituting the word “any”; and

(b) in subsection (7), by deleting the words “this section” and substituting the words “subsection (4)”.

61. Section 152 of the Act is repealed and substituted Section 152 amended as follows:

“Restrictions on withholding or concealing **152.** A person who without reasonable excuse alters, suppresses, conceals, destroys or refuses to produce any document which he has been required to produce in accordance with this Act or any regulation thereunder, or which he is liable to be so required to produce, commits an offence and is liable on summary conviction to a fine of ten million dollars and to imprisonment for ten years.”.

61A. Section 154(6) of the Act is amended by deleting Section 154 amended the words “and shall include the text of the order in a regular periodical published by it, or in two daily newspapers of general circulation in Trinidad and Tobago” and substituting the words “and shall publish a summary of the order and the reasons therefor in accordance with section 159(12)”.

Section 155
amended

62. Section 155 of the Act is amended—

(a) in subsection (1), by deleting paragraphs (d), (e), (f), (g), (h), (i) and (j) and substituting the following paragraphs:

“(d) a registrant or senior officer of a registrant be reprimanded or that the registration of a registrant be suspended or revoked in accordance with section 57 or 58;

(e) a reprimand be issued to any person; or

(f) a person, security, trade, distribution or registration be classified under Part III, IV or VI, and the requirement appropriate to the class be applied.”;

(b) by inserting after subsection (1), the following new subsection:

“ (1A) Where the Commission on its own motion or on an application by an interested person considers it to be not contrary to the public interest it may make an order—

(a) that any exemption contained in this Act not apply to any person permanently or apply for such period as specified in the order;

(b) that a registrant registered under section 51(1) submit to a review of his practices and procedures and institute such changes as may be ordered by the Commission;

(c) that any person be exempted from any requirement of this Act;

(d) that any documents submitted to another government agency be submitted to the Commission; or

(e) respecting any other matter authorized by, or required to carry out the purposes of this Act.”;

(c) by repealing subsections (3) and (4).

62A. Section 156 of the Act is amended—

Section 156
amended

(a) in subsection (1), by inserting after the words “in breach of this Act” the words “, the By-laws”; and

(b) in subsection (2), by inserting after the words “required under this Act” the words “or the By-laws”.

62B. The Act is amended by inserting after section 156 the following new section:

Section 156A
inserted

“Administrative
fines may be
imposed for
certain
offences
Schedule

156A. (1) The Commission may issue to any person who, there is reasonable cause to believe, has committed an offence referred to in the Schedule, a notice offering the person the opportunity to discharge any liability to conviction in respect of that offence by payment of an administrative fine not exceeding five hundred thousand dollars for the offence in the Schedule.

(2) Where a person is given a Notice under this section, criminal proceedings shall not be taken against him for the offence specified in the Notice until the expiration of twenty-one days commencing from the day after which the Notice was served.

(3) Where a person fails to pay the administrative fine referred to in subsection (1) or where he continues to

commit the offence after the expiration of twenty-one days following the date of receipt of the Notice referred to in subsection (1) that person is liable on summary conviction for the original offence committed.

(4) Payment of an administrative fine under this section shall be made to the Comptroller of Accounts and in any criminal proceedings against an offender referred to in this section, a certificate that payment of the administrative fine was or was not made to the Comptroller by the specified date shall, if the certificate purports to be signed by the Comptroller, be admissible as evidence of the facts stated therein.

(5) A Notice under subsection (1) shall—

(a) specify the offence alleged;

(b) give such particulars of the offence as are necessary for giving reasonable information of the allegation; and

(c) state—

(i) that criminal proceedings shall not be laid until the expiration of twenty-one days from the date of receipt of the Notice where payment of the administrative fine is made and the commission of the offence is discontinued; and

(ii) the amount of the administrative fine and the fact that it is to be paid to the Comptroller of Accounts whose address is to be stated.

(6) In any proceedings for an offence to which this section applies, no

reference shall be made to the giving of any notice under this section or to the payment or non-payment of an administrative fine thereunder unless in the course of the proceedings or in some document which is before the court in connection with the proceedings, reference has been made by, or on behalf of the accused to the giving of such a Notice, or, as the case may be, to such payment.

(7) The Minister may, by Order, provide for any matter incidental to the operation of this section, and in particular, any such Order may prescribe—

- (a) the form of Notice under subsection (2);
- (b) the nature of the information to be furnished to the Comptroller of Accounts along with any payment; and
- (c) the arrangements for the Comptroller to furnish to the Commission, information with regard to any payment, non-payment pursuant to a Notice under this section.”.

62c. The Act is amended by inserting after section 156A the following new section: New section 156B inserted

“Jurisdiction
and
limitation

156B (1) Summary proceedings for an offence under this Act may, without prejudice to any jurisdiction exercisable apart from this subsection, be taken against an entity in any place at which it has a place of business, and against an individual in any place at which he is for the time being located.

(2) Notwithstanding anything in any other law to the contrary, any complaint relating to an offence under this Act which is triable by a Magistrate’s Court in Trinidad and Tobago may be so tried if it is laid at any time within seven

years after the commission of the offence or within eighteen months after the relevant date.

(3) In this section, the “relevant date” means the date on which evidence sufficient in the opinion of the Commission to justify the institution of summary proceedings comes to its knowledge.

(4) For the purpose of subsection (3), a certificate as to the date on which evidence referred to in subsection (3) came to the knowledge of the Commission shall be conclusive evidence of that fact.”.

Section 157
amended

63. Section 157 of the Act is amended—

(a) in subsection (1)—

(i) in the chapeau—

(A) by deleting the words “decision, finding or order provide a reasonable opportunity for each person or entity adversely affected” and substituting the words “decision or finding against a person provide a reasonable opportunity for that person”; and

(B) by deleting the words “each such person or entity” and substituting the words “that person”; and

(ii) by deleting the word “order” and substituting the words “decision or finding”; and

(b) by repealing subsections (2) and (3) and substituting the following subsection:

“ (2) A person who is entitled to an opportunity to be heard under

subsection (1) may be represented by an Attorney-at-law.”.

64. Section 158 of the Act is amended—

Section 158
amended

(a) in subsection (2), by deleting paragraphs (f) and (g) and substituting the following paragraphs:

“(f) knowingly or recklessly including a misrepresentation in a prospectus or the failure of a prospectus to comply with section 76(1);

(g) failure of a reporting issuer to comply with Part V, or knowingly or recklessly making a misrepresentation in any document filed or required to be filed under Part V, contrary to section 70; and”;

(b) in subsection (6)—

(i) by deleting the words “file with” and substituting the words “submit in writing to”; and

(ii) by inserting after the word “report” the words “referred to in subsection 150(6)”; and

(c) in subsection (7), by deleting the word “filed” and substituting the word “submitted”.

65. Section 159 of the Act is amended—

Section 159
amended

(a) in subsection (1), by deleting the words “The Commission” and substituting the words “Unless otherwise provided for in this Act, the Commission”;

(b) in subsection (9)—

(i) in the chapeau, delete the word “shall”;

(ii) in paragraph (a), insert the word “shall” before the word “make”;

(iii) in paragraph (b), insert the word “shall” before the word “send”; and

(iv) delete paragraph (c), and substitute the following paragraph:

“(c) may publish a summary of the order and reasons therefor in accordance with subsection (12).”;

(c) by inserting after subsection (10) the following subsections:

“(11) Notwithstanding subsection (9)(c), where an order is made pursuant to section 155(1), the Commission shall publish a summary of the order and reasons therefor.

(12) The Commission shall satisfy the publication requirement under subsection (9)(c) by publishing in the *Gazette* and—

(a) publishing in two daily newspapers of general circulation in Trinidad and Tobago; or

(b) posting on the website of the Commission and issuing a notice in two daily newspapers of general circulation in Trinidad and Tobago notifying the public of such posting.”.

Section 160
amended

66. The Act is amended by repealing section 160 and substituting the following new section:

“Appeals for
review

160.(1) The Commission may—

(a) on its own motion; or

(b) on an application under sections 8(7) or 44(2),

review any decision made pursuant to authority delegated under section 8 or

made by a self-regulatory organization under section 43 and shall provide a reasonable opportunity to make representations and give reasonable notice to each person directly affected by the decision.

(2) The Commission shall, within thirty days of a request for review under this section notify the parties of the date, time and venue of the hearing to review the decision.

(3) The Commission may set aside, vary or confirm the decision under review or make such decisions as it considers appropriate.

(4) In the case of a review of any decision of a self-regulatory organization made under section 43, a decision under subsection (2) shall be subject to section 44(3) to (7).

(5) A decision that is subject to review under this section takes effect immediately unless the Commission grants a stay pending the completion of a review under this section.”.

66A. Section 161(1) of the Act is amended—

Section 161
amended

- (a) in subsection (1), by inserting after the words “High Court” the words “within fifteen days of his receipt of the notification of the adverse decision, finding or order”; and
- (b) by inserting after subsection (4) the following subsection:
- “ (5) Notwithstanding subsection (4), the procedure for determining appeals shall be in accordance with the Civil Proceedings Rules of the Supreme Court of Judicature until such time as Rules are made by the Rules Committee.”.

Section 163
amended

67. Section 163(1) of the Act is amended—

- (a) in paragraph (a), by inserting after the words “a person” the word “who”; and
- (b) by deleting the word “organisation” wherever it occurs and substituting the word “organization”.

Section 164
amended

68. Section 164 of the Act is amended—

- (a) by repealing subsection (2) and substituting the following subsection:

“ (2) A petition under subsection (1) shall not be presented except with leave of the High Court.”; and

- (b) in subsection (3)—

- (i) paragraph (a), by inserting after the words “a person” the word “who”; and

- (ii) by deleting the word “organisation” wherever it occurs and substituting the word “organization”.

Section 165
amended

69. Section 165 of the Act is amended—

- (a) in subsection (1)—

- (i) in paragraph (a), by inserting before the word “makes” the words “knowingly or recklessly”; and

- (ii) by deleting paragraph (b) and substituting the following paragraph:

- “(b) knowingly or recklessly makes a misrepresentation to any person appointed to conduct an investigation, review or an examination under section 150 or 151;”;

- (iii) by deleting the words “conviction on indictment” and substituting the words “summary conviction”;

- (b) in subsection (4), by deleting the words “conviction on indictment to a fine of five hundred thousand dollars and imprisonment for two years” and substituting the words “summary conviction to a fine of five million dollars and imprisonment for five years”;
- (c) in subsection (2), by deleting the words “conviction on indictment” and substituting the words “summary conviction”; and
- (d) in subsection (5), by deleting the words “if it is in the public interest” and substituting the words “under section 155”.

70. Section 166 of the Act is amended by inserting Section 166 amended after subsection (4), the following subsections:

“(5) The directors of a broker-dealer, underwriter or a reporting issuer whose securities are listed on a securities exchange in Trinidad and Tobago, shall notify the Commission of any developments that pose material risks to the broker-dealer, underwriter or a reporting issuer.

(6) A director of a broker-dealer, underwriter or a reporting issuer whose securities are listed on a securities exchange in Trinidad and Tobago, who—

- (a) resigns;
- (b) receives a notice or otherwise learns of a meeting of shareholders called for the purpose of removing him from office; or
- (c) receives a notice or otherwise learns of a meeting of directors or shareholders at which another person is to be appointed or elected to fill the office upon his resignation or removal from office or because his term of office has expired or is about to expire,

may submit to the broker-dealer, underwriter or reporting issuer, and shall submit to the Commission, a written statement giving the reasons for his resignation or departure from office, or, where applicable, the reasons that he opposes any proposed action or resolution.”.

Section 169A inserted

71. The Act is amended by inserting after section 169 the following new section:

“ Freedom of Information Act to apply 169A. The Freedom of Information Act shall apply in relation to all documents or instruments which are expressly required to be filed with the Commission under this Act.”.

Schedule inserted

72. The Act is amended by inserting the following Schedule:

“SCHEDULE

Offences in respect of which criminal liability may be discharged by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
54(6E)	<p>Failure of a person to obtain approval to become a substantial shareholder of a market intermediary in accordance with section 54(1)</p> <p>Failure of a person to apply for approval to be a substantial shareholder within the specified timeframe</p> <p>Failure of a person to restrain exercising his voting rights in respect of his shareholding of a registrant</p>	<p>\$600,000 or imprisonment for two years</p> <p>Daily fine of \$60,000 for each day the offence continues</p>	Up to \$500,000
60(1)	Knowing or reckless misrepresentation in any application, notification or other document required to be		

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
60(1)	<p>filed, delivered or notified to the Commission in connection with—</p> <p>Registration, renewal or reinstatement as a broker-dealer, investment adviser, or underwriter in accordance with Sections 51(1) and 56(1) of the Act;</p> <p>Registration, renewal or reinstatement as a registered representative under sections 51(2) and 56(1) of the Act;</p> <p>Granting of a licence to a person by a SRO;</p> <p>Notification of a material change in the information contained in an applicant's application for registration in accordance with section 56(2) of the Act;</p> <p>Notification of changes in particular information of a registrant in accordance with section 56(4) of the Act;</p> <p>An application for the surrender of registration pursuant to section 59 of the Act;</p> <p>An application to become a substantial shareholder of a broker-dealer, investment adviser or underwriter;</p>	<p>\$1,000,000 and imprisonment for three (3) years</p>	<p>Up to \$500,000</p>

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
60(1)	Registration as a reporting issuer under section 61; Registration of securities under section 62.	\$1,000,000 and imprisonment for three (3) years	Up to \$500,000
60(2)	Carrying on business or course of conduct in connection with, or incidental to, the business activities of a broker-dealer, an investment adviser, or an underwriter without said person being registered, or deemed registered with the Commission as contained in section 51(1)	\$2,000,000 and imprisonment for five (5) years	Up to \$500,000
70(1)	Knowing or reckless— Failure of a reporting issuer to prepare, file and disseminate an annual report as contained in section 63; Failure of a reporting issuer to publish a notice describing the nature and substance of a material change within the prescribed time as contained in section 64(1)(a); Failure of a reporting issuer to file a material change report with the Commission within the prescribed time as contained in section 64(1)(b);	\$1,000,000 and imprisonment for three (3) years	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
70(1)	Misrepresentation by a reporting issuer in any document required to be filed with the Commission and delivered to security holders as required in Part V—Disclosure Obligations of Reporting Issuers.	and imprisonment for three (3) years	Up to \$500,000
70(2)	Any senior officer of a reporting issuer convicted of any of the following offences, who knowingly or recklessly authorized, permitted or acquiesced in the: Failure of a reporting issuer to prepare, file and disseminate an annual report as contained in section 63; Failure of a reporting issuer to publish a notice describing the nature and substance of a material change within the prescribed time as contained in section 64(1)(a); Failure of a reporting issuer to file a material change report with the Commission within the prescribed time as contained in section 64(1)(b); Failure of a reporting issuer to prepare and file audited annual comparative statements as contained in section 65(1);	\$500,000 and imprisonment for two (2) years	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
70(2)	<p>Failure of a reporting issuer to have an audit committee as contained in section 65(5);</p> <p>Failure of a reporting issuer to prepare, file and disseminate interim financial statements as contained in section 66;</p> <p>Failure of a reporting issuer to send a prescribed form of proxy to each holder of voting securities who is entitled to receive notice of the meeting concurrently with giving a notice of the meeting as contained in section 68(1);</p> <p>Failure of a reporting issuer to file a copy of a proxy circular or dissident's proxy circular concurrently with mailing as contained in section 68(3);</p> <p>Failure of a reporting issuer which is an approved foreign issuer to certify annually to the Commission in writing, concurrently with the filing of its annual comparative financial statements, that it is an approved foreign issuer as contained in section 69(3);</p> <p>Misrepresentation by a reporting issuer in any document required to be filed with the Commission and delivered to security</p>	\$500,000 and imprisonment for two (2) years	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
70(2)	holders as required in Part V—Disclosure Obligations of Reporting Issuers.	\$500,000 and imprisonment for two (2) years	Up to \$500,000
99	<p>Knowingly or recklessly conducting transactions to create a false or misleading appearance of trading activity as contained in section 91(1);</p> <p>Knowingly or recklessly conducting transactions to create an artificial price, or to maintain at a level that is an artificial price for a security as contained in sections 91(2) and 91(3);</p> <p>Knowingly or recklessly conducting a transaction that does not involve a change in the beneficial ownership of securities with the intention of maintaining, increasing, reducing, stabilizing, or causing fluctuations in the price of securities traded on a securities market as contained in section 92(a);</p> <p>Knowingly or recklessly conducting a fictitious or artificial transaction with the intention of maintaining, increasing, reducing, stabilizing, or causing fluctuations in the price of securities traded on a securities market as contained in section 92(b);</p>	\$2,000,000 and five (5) years imprisonment	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
99	<p>Knowingly or recklessly disclosing, circulating or disseminating information which contains a misrepresentation to induce another person to buy, sell or otherwise trade in securities as contained in section 93;</p> <p>Conducting transactions that will result in, or contribute to a misleading appearance of trading activity in, or an artificial price for a security as contained in section 94;</p> <p>Employing a device with intent to defraud or mislead in connection with trading in securities as contained in section 95;</p> <p>Employment of any device, scheme or artifice with the intent to defraud or deceive in connection with a trade in securities as contained in section 95(a);</p> <p>Engaging in an act, practice or course of business which is fraudulent or deceptive, or would operate as a fraud or deception in connection with trading in securities as contained in section 95(b);</p> <p>Making untrue statements of a material fact or omitting to state a material fact with intent to mislead</p>	\$2,000,000 and five (5) years imprisonment	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
99	<p>in connection with trading in securities as contained in section 95(c);</p> <p>Engaging in excessive trading as contained in section 96;</p> <p>Making unsuitable recommendations and failing to disclose conflicts or potential conflicts of interest as contained in section 98(1);</p> <p>Publishing a research report not intended for a specific client and which recommends a trade in security, without disclosing a conflict of interest, as contained in section 98(2).</p>	\$2,000,000 and five (5) years imprisonment	Up to \$500,000
107(4)	<p>Failure by a broker-dealer to establish proper client accounts on behalf of any person, other than another broker-dealer, for the purchase or sale of securities, as contained in section 107(1);</p> <p>Withdrawal from client accounts by a broker-dealer, except for the purpose of making payment on behalf of, or to the person for whom it was established, as contained in section 107(2).</p>	\$500,000 and imprisonment for two (2) years	Up to \$500,000
138	Failure of a person connected to a reporting issuer to disclose beneficial ownership of securities of	\$500,000 and imprisonment for two (2) years	Up to \$500,000

SCHEDULE—CONTINUED

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
138	<p>the reporting issuer, as contained in section 136(1);</p> <p>Failure of a person connected to a reporting issuer to disclose changes in beneficial ownership of securities of the reporting issuer, after filing an initial report of beneficial ownership, as contained in section 136(2);</p> <p>*Transfer of securities of a reporting issuer held by a person connected to the reporting issuer to another person without filing a report with the Commission, as contained in section 136(3);</p> <p>Knowingly or recklessly making a false statement or filing a false report or failing to supply any particulars which are required to be supplied to the Commission pursuant to sections 136 and 137.</p>	<p>\$500,000 and imprisonment for two (2) years</p> <p>\$500,000 and Imprisonment for two (2) years</p>	<p>Up to \$500,000</p> <p>Up to \$500,000</p>
151	<p>Failure or refusal to attend before the Commission or failure or refusal to provide information to the Commission</p>		Up to \$500,000

SCHEDULE—Continued

Offences in respect of which criminal liability may be discharged
by payment of an Administrative Fine

Section	General Description of Offence	Criminal Penalty	Administrative Fine
165(1)(a)	Knowingly or recklessly makes a misrepresentation in contravention of the Act	\$2,000,000 and five (5) years imprisonment	Up to \$500,000
165(1)(c)	Carrying on business or activities as a self-regulatory organization without registration with the Commission as prescribed in section 36 of the Act Failure to file with the Commission a prospectus for a security that is to be traded and deemed a distribution	\$2,000,000 and imprisonment for five (5) years	Up to \$500,000
165(2)	Contravention of an order of the Commission	\$500,000 and Imprisonment for two (2) years.	Up to \$500,000

Passed in the Senate this 9th day of July, 2014.

N. ATIBA-DILCHAN

Clerk of the Senate

Passed in the House of Representatives this 18th day
of July, 2014.

J. SAMPSON-MEIGUEL

Clerk of the House

House of Representatives amendments agreed to by the House of Representatives on this 23rd day of July, 2014.

N. ATIBA-DILCHAN

Clerk of the Senate