

# **OFFERING MEMORANDUM**

**relating to the offer for subscription of**

**UTC EUROPEAN FUND SEGREGATED PORTFOLIO SHARES**

**of**

**UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED**

**(a segregated portfolio company incorporated with limited liability in the Cayman Islands)**

**Investment Advisor and Administrator**

Trinidad & Tobago Unit Trust Corporation

**August 2011**

**Neither the Trinidad and Tobago Securities and Exchange Commission nor the Cayman Islands Monetary Authority has in any way evaluated the merits of the securities distributed hereunder and any representation to the contrary is an offence.**

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**RESPONSIBILITY STATEMENT**

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- (1) (i) This offering is being made by Unit Trust Corporation (Cayman) SPC Limited (the “Company), an exempted segregated portfolio company incorporated in the Cayman Islands, in accordance with the terms of the Mutual Funds Law (as revised) of the Cayman Islands;
  - (ii) At least two of the directors of the Company will reside in the Cayman Islands. Substantially all of the assets of the Company may be located outside of Trinidad and Tobago. The Company has appointed the Trinidad & Tobago Unit Trust Corporation, UTC Financial Centre, #82 Independence Square, Port of Spain as its agent for Service of Process in Trinidad and Tobago. It may not be possible to enforce judgments obtained in Trinidad and Tobago against the Company and its directors named in this Offering Memorandum.
  - (iii) Purchasers should also be aware that the experts responsible for any expertise statement, report or opinion in the Offering Memorandum have not submitted to the jurisdiction of Trinidad and Tobago and therefore it may not be possible for an investor to take legal proceedings against the experts in Trinidad and Tobago.
  - (iv) The Company is incorporated under the laws of the Cayman Islands and the rights and remedies available under Trinidad and Tobago law may not be available.
- (2) The foregoing information, together with the following documents incorporated herein by reference:
- (i) Offering Memorandum relation to UTC European Fund Segregated Portfolio Shares
  - (ii) Certificate regarding use of the Offering Memorandum in Trinidad and Tobago
  - (iii) Certificate regarding use of the prospectus in Trinidad and Tobago
  - (iv) Form of submission to Jurisdiction and Appointment of Agent for Services of Process for Mutual Funds
  - (v) Certificate regarding Appointment of Agent to distribute securities in Trinidad and Tobago
  - (vi) Certificate of Compliance with securities legislation in the home jurisdiction;

Which are filed with the Trinidad and Tobago Securities and Exchange Commission, constitutes full, true and plain disclosure of all material facts related to the securities being distributed by this Offering Memorandum.

The Board of Directors of Unit Trust Corporation (Cayman) SPC Limited are responsible for and approve of the issuance of this Offering Memorandum.

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**Director**

.....  
**Director**

**Dated:** .....

**Dated:** .....

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**This Offering Memorandum contains information to help you make an informed investment decision and to help you understand your rights. It contains information about the Company as well as the names of the persons responsible for its organisation and management. *You are encouraged to read this Offering Memorandum in its entirety prior to making any investment decision.***

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## IMPORTANT INFORMATION

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### ***THIS OFFERING MEMORANDUM***

*This Offering Memorandum relates to the offer for subscription of **UTC EUROPEAN FUND SEGREGATED PORTFOLIO SHARES** (“Participating Shares”) of **UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED** (the “Company”), a company incorporated under the Companies Law (as revised) of the Cayman Islands as an exempted segregated portfolio company limited by shares.*

*Any distribution or reproduction of all or any part of this Offering Memorandum or the divulgence of its contents other than with the written approval of the Company is unauthorised.*

*The Directors of the Company, whose names appear on Page 4 of this Offering Memorandum, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.*

### ***INVESTOR RESPONSIBILITY***

*No representations or warranties of any kind are intended or should be inferred with respect to the economic return from, or the tax consequences of, an investment in the Fund. No assurance can be given that existing laws will not be changed or interpreted adversely. Prospective investors are not to construe this Offering Memorandum as legal, investment or tax advice.*

*Prospective investors should review this Offering Memorandum carefully and in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal and regulatory requirements within the countries of their nationality, residence, ordinary residence or domicile for the purchase, holding, redeeming or disposing of Participating Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, redeeming or disposing of Participating Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Participating Shares.*

*Prior to the sale of any Participating Shares, the Company will make available to each prospective investor or his or her representative the opportunity to ask questions and receive answers from representatives of the Company concerning any aspect of the investment and to obtain any additional information, to the extent that the Company possesses such information or can acquire it without unreasonable effort or expense.*

### ***DISTRIBUTION AND SELLING RESTRICTIONS***

*This Offering Memorandum has been prepared in connection with the offer and sale outside of the United States, its territories or possessions of Participating Shares to persons who are not members of the public in the Cayman Islands and who are neither citizens nor residents of the United States of America. The Participating Shares have not been and will not be registered under the United States Securities Act of 1933, as amended.*

*The distribution of this Offering Memorandum and the offering or purchase of the Participating Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Offering Memorandum or the accompanying Subscription Agreement in any such jurisdiction may treat this Offering Memorandum*

*or such Subscription Agreement as constituting an invitation to them to subscribe for Participating Shares, nor should they in any event use such Subscription Agreement, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Subscription Agreement could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Offering Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Offering Memorandum and any persons wishing to apply for Participating Shares pursuant to this Offering Memorandum to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction.*

*The Company is prohibited from making any invitation to the public in the Cayman Islands to subscribe for any of the Participating Shares. This prohibition, however, does not preclude subscription by an exempted or ordinary non-resident company established in the Cayman Islands.*

*The Company will not issue Participating Shares to any person if it determines that the issuance of such Participating Shares could cause adverse consequences for the Company or any of its Shareholders. Moreover, the Company may, in its sole discretion and at any time, require the redemption or transfer of all or any part of any such person's Participating Shares to avoid such adverse consequences.*

#### ***RELIANCE ON THIS OFFERING MEMORANDUM***

*The Participating Shares are offered only on the basis of the information contained in this Offering Memorandum. No person has been authorised to give any information or to make any representation in connection with the offering of Participating Shares other than those contained in such documents and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Statements in this Offering Memorandum are, except where otherwise stated, based on the law and practice currently in force in the Cayman Islands at the date hereof and are subject to change. Neither the delivery of this Offering Memorandum nor the issue of Participating Shares shall under any circumstances create any implication or constitute any representation that the affairs of the Fund or the Company have not changed since the date hereof.*

#### ***RISKS***

*Because of the risks involved investors are advised to seek independent professional advice on the implications of investing in the Fund. Risk factors for an investor to consider are set out herein.*

*Whilst certain redemption rights apply to Participating Shares (as detailed herein), there is no public market for the Participating Shares and no such market is expected to develop in the future.*

## **REGULATION**

*The Company falls within the definition of a "Mutual Fund" in terms of the Mutual Funds Law (as revised) of the Cayman Islands and has been licensed in terms of that law. Such licensing does not imply that the Monetary Authority or any other regulatory authority in the Cayman Islands has approved this Offering Memorandum or the offering of Participating Shares hereunder. For a summary of the continuing regulatory obligations of the Company and a description of the regulatory powers of the Monetary Authority, see page 8 of this Offering Memorandum.*

*No regulatory authority has passed upon the merits of investing in Participating Shares or upon the accuracy or adequacy of this Offering Memorandum.*

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## DIRECTORY

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### UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED

**Directors:**

Michal Andrews  
Juliet Fenn  
Gary Oakley

c/o Trinidad & Tobago Unit Trust Corporation  
UTC Financial Centre  
#82 Independence Square  
Port of Spain  
Trinidad

**Investment Advisor and Administrator:**

Trinidad & Tobago Unit Trust Corporation  
UTC Financial Centre  
82 Independence Square  
Port-of-Spain  
Trinidad

**Auditors:**

PricewaterhouseCoopers  
P.O. Box 258  
Strathvale House  
Grand Cayman KY1-1104  
Cayman Islands

**Bankers:**

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

RBTT Bank Limited  
#55 Independence Square  
Port of Spain  
Trinidad

**Registered Office:**

c/o Campbell Corporate Services Limited  
Scotia Centre  
P.O. Box 268  
Grand Cayman KY1- 1104  
Cayman Islands

**Legal Advisors as to matters  
of Cayman Islands law:**

Campbells, Attorneys-at-Law  
Scotia Centre  
P.O. Box 884  
Grand Cayman KY1-1103  
Cayman Islands

**Sponsor:**

Trinidad & Tobago Unit Trust Corporation  
UTC Financial Centre  
82 Independence Square  
Port-of-Spain  
Trinidad

**Custodian:**

Deutsche Bank Alex, Brown  
A Division of Deutsche Bank Securities Inc.  
Floor 18  
2 South Biscayne Blvd, Suite 1870  
Miami  
United States of America

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## DEFINITIONS

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In this Offering Memorandum the following words and phrases have the meanings set forth below:

“Administrator”	Trinidad & Tobago Unit Trust Corporation, or such other person as may be appointed Administrator of the Fund from time to time;
“Articles”	the Articles of Association of the Company for the time being in force and as may be amended from time to time;
“Auditors”	PricewaterhouseCoopers, Cayman Islands or such other person as may be appointed auditor of the Company from time to time;
“Bid Price”	the Net Asset Value per Participating Share as at the close of business on the immediately preceding Valuation Day;
“Business Day”	a day on which banks are authorised to open for business in Trinidad & Tobago and New York City and any other days in addition thereto or in substitution therefore as the Directors may determine;
“Class”	a class of Segregated Portfolio Shares designated by the Directors pursuant to the Articles;
“Company”	Unit Trust Corporation (Cayman) SPC Limited, an exempted segregated portfolio company incorporated with limited liability in the Cayman Islands;
“Directors”	the Directors of the Company for the time being and any duly constituted committee thereof;
“Eligible Investors”	any investors who are not Non-qualified Persons, as further described under the sub-heading “Eligible Investors” in the Subscription section herein;
“Fund”	the UTC European Fund Segregated Portfolio of the Company;
“Fund Assets”	the total assets of the Fund, including all cash, cash equivalents, instruments and securities, as set forth in “Net Asset Value Determination” herein, but without deduction of liabilities;
“Investments”	any property of whatever kind including, without limitation, securities;

“Investment Advisor”	Trinidad & Tobago Unit Trust Corporation, or such other person as may be appointed Investment Advisor of the Fund from time to time;
“the Law”	the Companies Law (as revised) of the Cayman Islands;
“Management Fee”	has the meaning set forth in “Fees, Compensation and Expenses” herein;
“Management Share”	a voting non-participating management share of US\$100.00 par value in the capital of the Company;
“Monetary Authority”	the Cayman Islands Monetary Authority;
“Mutual Funds Law”	the Mutual Funds Law (as revised) of the Cayman Islands;
“Net Asset Value of the Fund”	at the close of business on each Valuation Day, the total assets of the Fund, including all cash, cash equivalents, instruments and securities, less total liabilities determined as set forth in “Net Asset Value Determination” herein;
“Net Asset Value per Participating Share”	the Net Asset Value of the Fund at the close of business on each Valuation Day, divided by the number of Participating Shares in issue;
“Non-qualified Person”	any person who holds Participating Shares in breach of the restrictions contained in or imposed pursuant to the Articles, as summarised under the sub-heading “Eligible Investors” in the “Subscriptions” section herein;
“Offer Price”	the Net Asset Value per Participating Share as at the close of business on the immediately preceding Valuation Day plus the Sales Charge if applicable;
“Offering Memorandum”	this document as from time to time amended, supplemented or replaced;
“Ordinary Resolution”	a resolution of the Company passed by a simple majority of the votes cast by the Shareholders entitled to vote on such resolution or a resolution approved in writing by all of the Shareholders entitled to vote;
“Participating Share”	a Segregated Portfolio Share designated as UTC European Fund Segregated Portfolio Share on issue;
“Participating Shareholder”	a holder of Participating Shares;
“Redemption Day”	each Business Day or such other day or days as the Directors may in their sole discretion determine;

“Sales Charge”	a sales charge not exceeding 5% of the Offer Price, which may be payable to the Administrator at the discretion of the Directors;
“Segregated Portfolio”	a segregated portfolio of the Company duly constituted in terms of the Law;
“Segregated Portfolio Share”	a non-voting redeemable segregated portfolio share of US\$1.00 par value in the capital of the Company;
“Shareholder”	a holder of a share in the capital of the Company;
“Special Resolution”	a resolution of the Company passed by a two-thirds majority of Shareholders entitled to vote on such resolution or a resolution approved in writing by all Shareholders entitled to vote;
“Subscription Agreement”	a Subscription Agreement in the terms set out in Appendix A of this Offering Memorandum;
“Subscription Day”	each Business Day or such other day or days as the Directors may in their sole discretion determine;
“U.S.”	the United States of America, its territories and possessions including the States and the District of Columbia;
“U.S. Person”	as defined either in Regulation S under the Securities Act of 1933, as amended, or in the United States Internal Revenue Code of 1986, as amended;
“USD” or “US\$” or “U.S. Dollars”	the lawful currency of the United States of America;
“Valuation Day”	each Business Day or such other day or days as the Directors may in their sole discretion determine.

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## THE COMPANY

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### INCORPORATION

The Company was incorporated as an exempted segregated portfolio company with limited liability under the provisions of the Law on 31 July 2006.

### SHARE CAPITAL

The authorised share capital of the Company is US\$5,000,000,000 divided into 100 Management Shares of US\$100.00 nominal value each and 4,999,990,000 Segregated Portfolio Shares of US\$1.00 nominal value each, which may be issued in Classes.

Subject to the provisions of the Articles, the unissued Segregated Portfolio Shares of the Company are under the control of the Directors who may issue, allot and dispose of or grant options over them to such persons, or on such terms and in such manner as they may think fit and no Shareholder has any pre-emptive right to purchase such Segregated Portfolio Shares.

### REGULATION

#### **Cayman Islands Mutual Funds Law**

The Company falls within the definition of a Mutual Fund in terms of the Mutual Funds Law (as revised) of the Cayman Islands (the "Mutual Funds Law") and requires to be licensed in terms thereof. Accordingly the obligations of the Company are:

- (a) to license the Company with the Cayman Islands Monetary Authority (the "Monetary Authority") in the Cayman Islands;
- (b) to file with the Monetary Authority prescribed details of this Memorandum and changes to it together with evidence to satisfying the Monetary Authority that:
  - (i) each promoter is of sound reputation;
  - (ii) the administration of the Company will be undertaken (1) by persons who have sufficient expertise to administer the Company; and (2) by persons who are fit and proper to be directors or, as the case may be, managers or officers in their respective positions; and
  - (iii) the business of the Company and any offering of equity interests in it will be carried out in a proper way;
- (c) to file annually with the Monetary Authority accounts audited by an approved auditor; and
- (d) to pay a prescribed fee on application for a license and each year thereafter.

As a licensed mutual fund, the Company will be subject to the supervision of the Monetary Authority and the Monetary Authority may at any time instruct the Company to have its accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. In addition, the Monetary Authority may ask the Directors to give the Monetary Authority such information or such

explanation in respect of the Company as the Monetary Authority may reasonably require to enable it to carry out its duty under the Mutual Funds Law.

The Monetary Authority may take certain actions if it is satisfied that the Company is:

- (a) likely to become unable to meet its obligations as they fall due;
- (b) carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- (c) carrying on or attempting to carry on business without complying with any condition of its Mutual Fund License;
- (d) the direction and management of the Company has not been conducted in a fit and proper manner
- (e) a person holding a position as director, manager or officer of the Company is not a fit and proper person to hold the respective position

The powers of the Monetary Authority include, inter alia, the power to revoke the Mutual Fund License held by the Company, impose conditions or further conditions on the Mutual Fund License held by the Company and to amend or revoke those conditions, require the substitution of Directors, to appoint a person to advise the Company on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Company. There are other remedies available to the Monetary Authority including the ability to apply to the court for approval of other actions.

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## INVESTMENT OBJECTIVE AND STRATEGY

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### GENERAL

The Fund will seek to provide investors with long-term capital growth by investing its capital primarily in equity and fixed income securities issued or guaranteed by corporations and sovereigns domiciled in the European Region or in any other financial instruments whose value is directly based on the value of the aforementioned securities. The European Region (“the Region”) is defined as including the following:

- i. European Union member states<sup>1</sup>
- ii. Switzerland
- iii. Norway
- iv. Turkey
- v. Ukraine
- vi. Russia; and
- vii. any other sovereign state considered to be part of the European continent by the United Nations.

Specifically, the primary objective in the investment management of Fund Assets shall be to achieve growth by diversifying the portfolio across a range of countries and sectors in the Region. The Fund will overweight and underweight portfolio assets in particular countries and sectors in response to the economic conditions and outlook for the region. However, at any point in time, at least 80% of Fund Assets will be invested in securities in the Region.

The portfolio composition will be varied to reflect up market and down-market scenarios. The Directors, having regard to the advice of the Investment Advisor, reserve the right to invest the Fund Assets in such manner as they deem most appropriate from time to time. The Fund Assets need not be balanced between equity and fixed income securities and may be entirely invested in one of such asset classes at any given time.

The Investment Advisor shall make reasonable efforts to preserve capital, overall, even though losses may occur in individual securities. Although reasonable risk is necessary to produce long-term investment results in meeting the Fund’s objectives, the Investment Advisor will make reasonable efforts to control, manage and mitigate risk.

Risk will be managed by:

- under-weighting/over-weighting Fund Assets in countries and sectors in response to global macro-economic fundamentals such as GDP growth, interest rates and inflation;
- diversification of Fund Assets across sectors and countries
- maintaining an acceptable credit quality for bonds provided by credit rating agencies such as, Standard & Poor’s ratings, Moody’s ratings and internal credit ratings.

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<sup>1</sup> As at January 1<sup>st</sup> 2007, the EU included: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom.

Rebalancing of the portfolio will take place as needed to take advantage of economic, industry and financial market conditions and also to make adjustments that will bring the portfolio in line with risk-return targets. Investment performance and asset allocations will be reviewed on a quarterly basis.

***Investment in the Fund entails a degree of risk. There can be no assurance that the investment objective of the Fund will be achieved. See “Investment Risks.”***

## **CERTAIN INVESTMENT PRACTICES**

### **Liquidity Borrowing**

The Fund will not engage in leverage in connection with its investment activities but may borrow from any authority, organisation or person against such security and such terms and conditions as may be agreed upon between the Directors and such authority, organisation or person as it may deem necessary for the purpose of financing the redemption of Participating Shares, up to a maximum of 5% of Fund Assets.

## **INVESTMENT RESTRICTIONS**

In investing in securities, the Directors shall not invest more than 10% of the Fund Assets in the purchase of securities of any one company or other entity. Furthermore, the Directors shall not purchase a security of an issuer if, after the purchase, the Fund would control more than 10% of the voting securities of that issuer.

## **DISTRIBUTION POLICY**

Dividends may be declared and paid on the Participating Shares in the discretion of the Directors. However, the Directors currently have no intention to declare dividends on the Participating Shares and propose instead to reinvest the income of the Fund.

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## **RISK FACTORS**

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There can be no assurance that the investment objective of the Fund will be achieved. The value of Participating Shares may go down as well as up and there can be no assurance that on a redemption, or otherwise, investors will receive back the amount originally invested. Values of underlying Investments may also fluctuate widely. Accordingly, the Participating Shares are only suitable for investment by investors who understand the risk involved and who are able and willing to withstand the total loss of their investment. Investment in this Fund should be considered as long-term in nature. Set forth below are certain factors that should be taken into consideration before making a decision to subscribe for Participating Shares. While the Directors believe the following to be comprehensive, it is not intended to include all of the factors relating to the risks that may be encountered. All investors should read this entire Offering Memorandum and consult their legal and financial advisors before deciding whether this investment is right for them.

### **EUROPE REGIONAL RISK**

The Fund will invest at least 80% of its assets in the securities of companies principally engaged in business or located in the Region.

The Fund is therefore subject to regional risk, which is the chance that there will be overall problems affecting the entire Region. The Fund's performance therefore largely depends, for better or for worse, on the overall financial health of the Region

The Fund faces the risk that the earnings, dividends, and stock prices of companies or the debt servicing capabilities of private and public sector bond issuers in the Region will be greatly affected by events like political upheaval, financial/economic distress or natural disasters, which could weaken the performance of the companies in the Region and as a result, the performance of the Fund.

#### **Interdependence Risk**

The national economies of the Region are dependent on each other as they are key trading partners. Those countries in particular that are member states of the European Union and/or member states of the Economic and Monetary Union of the European Union (the "EMU") are economically and politically interdependent on each other through these organizations. The EMU requires compliance with restrictions on inflation rates, deficits, and debt levels, and the tight fiscal and monetary control necessary to join the EMU, each of which may significantly affect every country in the Region.

#### **Euro Elimination Risk**

The elimination of various currencies has affected the economic environment and behavior of investors, particularly in European markets. In addition the introduction of the euro presents unique uncertainties, including fluctuation of the euro relative to no-euro currencies and whether the conversion of the currencies of other countries that now are or may in the future become members of the European Union will have an impact on the euro.

## **European Economic Risk**

Some developing as well as developed European countries face problems like periodic high unemployment, labor and social unrest, inadequate infrastructure, corruption, excessive government spending, heavy governmental control and regulation and economic debt.

## **Limited Prior Operations**

The Fund has a limited trading record.

## **Conflicts of Interest**

Certain of the Directors of the Company are also officers and/or directors of the Investment Advisor. Thus, such Directors, and the Investment Advisor have a conflict of interest between their duty to act in the best interest of the Company, and their interest in benefiting the Investment Advisor.

The Investment Advisor, as holder of all the Management Shares, controls all of the voting interests in the Company. Only the Investment Advisor therefore can appoint and remove the Directors of the Company. Only the Directors may terminate the services of the Investment Advisor and other agents of the Company.

The Investment Advisor may also provide investment management services to companies other than the Company; conflicts may arise between the interests of the Fund and those of other accounts and clients. In that connection, the Investment Advisor may give advice in the performance of its duties to other clients that may differ from the timing and nature of action taken with respect to the Fund. Because of different objectives or other factors, a particular asset may be bought for one or more managed funds (including the Fund), companies or accounts, when one or more of the other funds, companies or accounts advised by the Investment Advisor are selling the same asset. Also, if purchases or sales of assets are made by the Investment Advisor for two or more of such funds, companies or accounts, or arise for consideration at or about the same time, transactions in such assets will be allocated, insofar as feasible, for the respective funds, companies and accounts in a manner determined by the Investment Advisor to be equitable to all. As a result of a number of factors including the foregoing considerations, the results of the Fund's investment activities may differ significantly from the results of other funds, companies or clients advised by the Investment Advisor. There may be circumstances when purchases or sales of assets for one or more funds, companies or accounts advised by the Investment Advisor have an adverse effect on other funds (including the Fund), companies or accounts advised by the Investment Advisor, including a negative effect on the price of securities owned by the Fund or which the Fund desires to purchase.

## **Dependence on Key Employees**

The Fund's investment performance will depend substantially on the services of the principals of the Investment Advisor. In the event of the death, disability or departure of any of the individuals, the business of the Fund may be adversely affected.

## **Limited Voting Rights**

The Participating Shares do not carry the right to vote, except on proposals to amend their class rights. Consequently, Participating Shareholders will not have any control over the management of the Company (and by extension the Fund) or the appointment and removal of its directors and service providers. An Investment in the Fund should be regarded as a passive Investment.

## **Non-Transferability of Participating Shares, Restrictions on Redemptions and Compulsory Redemption**

Participating Shares will not be transferable without the prior written consent of the Company, which consent may be withheld by the Company in its sole discretion. The Company has the right to compulsorily redeem Participating Shares in certain circumstances.

## **Effect of Substantial Withdrawals**

In the event that the Company faces substantial redemptions of Participating Shares, it may be more difficult for the Fund to generate the same level of profits operating on a small capital base. In the event that there are substantial redemptions on any date, the Company may find it difficult to adjust the asset allocation and trading strategies to the suddenly reduced amount of assets held by the Fund. Under such circumstances, in order to provide sufficient funds to pay redemptions, the Company might be required to liquidate positions in the Fund's portfolio at an inappropriate time or on unfavorable terms.

## **Valuation**

Because of the overall size and concentrations in particular markets and maturities of positions that may be held from time to time, the liquidation values of the securities and other Investments held may differ significantly from the interim valuations of such Investments derived from the valuation methods described herein. Such differences may be further affected by the time frame within which such liquidation occurs. Third party pricing information may at times not be available regarding securities and other Investments held by the Fund. Valuations of the securities and other Investments held will affect the amount of the Management Fees, valuations may involve uncertainties and determinations based upon judgment, and if such valuations should prove to be incorrect, the related Net Asset Value of the Fund, could be adversely affected. In the absence of bad faith or manifest error, valuation determinations will be conclusive and binding.

## **INVESTMENT RISKS OF THE FUND**

### **Counterparty and Settlement Risk**

The Fund may take a credit risk with whom it trades and may also bear a risk of settlement default.

### **Investment and Trading Risk Generally**

Investments in securities and other financial instruments and products that are subject to market forces risk the permanent loss of capital as a result of adverse market developments, which can be unpredictable. To the extent that the Fund's portfolio is concentrated in any one particular investment strategy, the risk of any incorrect investment decision is increased. No guarantee or representation is made that the Fund's investment program will be successful.

### **Availability of Investment Strategies**

Identification and exploitation of the investment strategies to be pursued by the Fund involves a high degree of uncertainty. No assurance can be given that the Fund will be able to locate suitable investment opportunities in which to deploy all of the monies held. A reduction in the volatility and pricing inefficiency of the markets in which the Fund seeks to invest its assets will reduce the scope of the investment strategies of the Fund.

## **Legal, Tax and Regulatory Risks**

Legal, tax and regulatory changes could occur, and in the event of such occurrence, the Investment return of the Fund may be adversely affected.

## **Diversification**

Although diversification is used as one of the tools of risk management of the Fund, the extent that Investments are concentrated in a particular security or market, such Investments will become more susceptible to fluctuation in value resulting from adverse economic and business conditions affecting that particular security or market.

## **Risks of Global Investing**

The Fund will be subject to risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. Dollar and the various other currencies in which the Fund's assets may be invested, and costs associated with conversion of investment principal and income from one currency into another and (ii) the possible imposition of withholding taxes on income received from the issuer of, or gains with respect to, such securities. In addition, investing in certain of these capital markets involve certain factors not typically associated with investing in established securities markets, including risks relating to (i) differences between markets, including potential price volatility in and relative illiquidity of some securities markets, (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less governmental supervision and regulation and (iii) certain economic and political risks, including potential exchange control regulations and potential restrictions on investment and repatriation of capital.

The Directors currently have no intention of utilizing hedging strategies to mitigate the aforementioned risks, but may do so if deemed appropriate.

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## MANAGEMENT AND ADMINISTRATION

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### DIRECTORS

The Directors are responsible for managing the business affairs of the Company (and by extension the Fund). The Directors may delegate certain functions to other parties subject to supervision and direction by the Directors.

The Board of Directors of the Company will comprise a maximum of five Directors, the majority of whom shall not be employees of the Investment Advisor (but may be non-executive directors thereof or consultants thereto). The Directors of the Company are Michal Andrews, Juliet Fenn and Gary Oakley. Set out below is a description of the principal occupation and career history of each Director.

#### **Michal Andrews**

Michal Andrews is a qualified Accountant with 28 years of practical experience concentrated mainly in direct and indirect tax administration. She has a Bachelor of Science degree in Accounting, a Diploma from Harvard University and is a Fellow of the Chartered Association of Certified Accountants (FCCA) and a Member of the Institute of Chartered Accountants of Trinidad & Tobago (ICATT). Her working experience is very extensive, having been actively involved in several areas of the Board of Inland Revenue of Trinidad & Tobago from 1974 to 1992.

Michal has substantial regional and international experience in Tax Administration, having assisted with implementing value added tax systems in Barbados, Belize and Zimbabwe. She also assisted Guyana with institutionally strengthening its Income Tax Department.

Michal joined the firm of Ernst and Young in 1992 and headed its tax practice in Trinidad & Tobago until 1996. She is a director of several corporations in Trinidad & Tobago.

#### **Juliet Fenn**

Juliet Fenn has over 25 years experience in the financial services industry all of which has been in the offshore environment. She has held management positions in various regulated financial services companies during this period. She has also served as a director and trustee on regulated entities in the Channel Islands.

Juliet passed the National Examining Board for Supervisory Management exams in 1992, the Oxford Cambridge and Royal Society of Arts Higher Diploma in Administrative Procedures in 1999, the Institute of Chartered Secretaries and Administrators Certificate in Offshore Finance and Administration in 2000 and The Paralegal Institute Diploma in 2010.

#### **Gary Oakley**

Gary Oakley received an Honours BA in Business Administration from the Richard Ivey School of Business at the University of Western Ontario, in 1965.

During his business career while in Canada, he has worked for IBM Canada Limited, and was a partner and trading officer in a predecessor firm of CIBC Wood Gundy. Since 1980, when he became a permanent resident of the Cayman Islands, he founded International Financial Management Limited, (IFM), and in 1994 Britannia Corporate Management Limited, (Britannia).

In the 1980's IFM specialized in providing capital for selected Canadian public companies in the resource sector. Britannia is licensed by the Cayman Island Monetary Authority to incorporate and manage Cayman Island based corporations. Britannia specializes in forming tax compliant Cayman Island based structures for exploration and production based companies in the minerals and oil and gas industries. These multinational clients are based in Canada, USA, UK, Vietnam and China.

Gary serves on the board of a number of Cayman Islands based natural resource companies, and mutual funds with operations throughout the world.

## **INVESTMENT ADVISOR**

Trinidad & Tobago Unit Trust Corporation (the “Investment Advisor”) will act as investment advisor to the Fund. The Investment Advisor will manage the Fund’s Investments and trading activities.

The Investment Advisor was established by the Unit Trust Corporation of Trinidad and Tobago Act in 1981 in Trinidad and Tobago to engage in the management, promotion and sale of Unit Trusts. In 1997, by virtue of the Finance Act of 1997, the Investment Advisor was further authorized to engage in the 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. As at December 31, 2005 the Investment Advisor had approximately US\$2.5 billion in assets under management.

### **Investment Advisory Agreement**

Under the Investment Advisory Agreement between the Fund and the Investment Advisor (the “Investment Advisory Agreement”), the Investment Advisor has agreed to act as investment advisor to the Fund. In its capacity as such, the Investment Advisor will be delegated discretionary asset management powers in relation to the trading, investing and reinvesting of the assets of the Fund, and will manage the assets of the Fund in accordance with the investment objective, policies and restrictions set out herein, subject to the overall supervision of the Directors.

The Investment Advisor is entitled to the fees described under “Fees and Expenses” below in respect of its investment management services, as and when they are provided.

The Investment Advisory Agreement is to remain in force until terminated by either party giving not less than 90 days’ written notice or at any time by written notice if the other party goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously agreed by the parties in writing) or if a court of competent jurisdiction shall order the winding up of or if a receiver is appointed over any of the assets of a party, or if all the Participating Shares are redeemed, or if a party shall commit a material breach of the provisions of the agreement and, if capable of remedy, shall not have remedied the same within thirty days after service of notice requiring it to be remedied.

On termination of the Investment Advisory Agreement no additional payment will be required to be made but there will be charges to the Fund for outstanding fees and additional expenses necessarily incurred in connection with the termination.

The Investment Advisory Agreement provides that the Investment Advisor shall not be liable for any loss suffered by the Fund in connection with the services provided by the Investment Advisor under the said Agreement other than a loss arising from the wilful misfeasance, fraud or gross negligence of the Investment Advisor or reckless disregard by it of its obligations under the said agreement and contains an indemnity by the Fund in favour of the Investment Advisor in respect of all losses, claims, damages, liabilities, costs and expenses whatsoever incurred by it pursuant to or in connection with the Investment Advisory Agreement unless due to the wilful misfeasance, fraud or gross negligence of the Investment Advisor or reckless disregard by it of its obligations under the said agreement.

The Investment Advisory Agreement is governed by the laws of Trinidad & Tobago.

## **REGISTERED OFFICE**

The registered office of the Company is provided by Campbell Corporate Services Limited, Scotia Centre, P.O. Box 268, Grand Cayman KY1-1104, Cayman Islands.

## **FEES AND EXPENSES**

### **Preliminary Expenses**

The preliminary expenses of, and incidental to, the initial offering (including expenses relating to the establishment of the Company in the Cayman Islands, the negotiation and preparation of the contracts to which it is a party, the costs of printing this document and the fees and expenses of its professional advisors) have or will be borne by the Trinidad & Tobago Unit Trust Corporation, as Sponsor.

### **Directors' Fees and Expenses**

Directors will be paid an annual remuneration for their services as Directors. The Directors may also be paid by the Company all reasonable travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

### **Management Fee**

Pursuant to the Investment Advisory Agreement, the Fund pays the Investment Advisor a Management Fee at a percentage to be determined at the discretion of the Investment Advisor, varying from 0 to 1.5% of the Net Asset Value of the Fund (on an annualised basis) calculated and accrued daily and payable semi-annually (adjusted for subscriptions and redemptions made during the relevant period). The Management Fee will be deducted in calculating the Net Asset Value of the Fund. The Management Fee payable by the Fund will be pro-rated for any partial period in which the Investment Advisor is acting as such under the Investment Advisory Agreement.

The Investment Advisor and any of its delegates or affiliates are entitled to retain for their absolute use and benefit any profit, commission, remuneration and other benefits which any of them may make or receive by reason of any transaction with or for the Fund. The Investment Advisor is also entitled to reimbursement by the Fund of all out-of-pocket expenses properly incurred by it in the performance of its services under the Investment Advisory Agreement.

The Investment Advisor may rebate part of its fees to intermediaries approved by it in its absolute discretion.

### **Sales Charge**

A Sales Charge of up to 5% of the amount subscribed may be charged by the Company on each subscription. Such charge will be deducted from the subscription proceeds and paid to the Administrator or such other parties as may be determined by the Directors. The net subscription proceeds after deduction of the Sales Charge will be invested in the Fund. The Directors reserve the right to waive the Sales Charge for any investor in such circumstances as they may deem appropriate in their absolute discretion.

### **Other Expenses**

In addition to the above-mentioned fees, the Fund will bear certain operating expenses, including in particular government and fiscal charges and duties, legal and audit fees, and other expenses incurred in the administration of the Fund. These expenses are not expected to exceed 0.5% of the Fund's net asset value. To the extent that they exceed 0.5% of the Fund's net asset value, the cost will be borne by the Investment Advisor.

### **Variation of Fees**

The remuneration being paid to service providers by the Company (and any other term of their respective service agreements) may be amended by the mutual consent of the Directors and the relevant service provider. This may be necessary from time to time to keep such remuneration in line with the prevailing market rates being charged.

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## ISSUE, REDEMPTION AND TRANSFER OF PARTICIPATING SHARES

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### SUBSCRIPTIONS

#### Issue of Participating Shares

Participating Shares will be issued on each Subscription Day.

#### Application Procedure

Applications are subject to the terms of this Offering Memorandum, the Memorandum and Articles of Association of the Company and the enclosed Subscription Agreement attached hereto as Appendix A.

Only Eligible Investors may subscribe for Participating Shares. Participating Shares may only be issued in the names of companies, partnerships or individuals. Further, Participating Shares purchased for those under 18 years of age must be registered in the name of the parent or legal guardian.

Applications must be made in the form of the attached Subscription Agreement that should be sent to the Company at the following address or facsimile number, to be received by the Company at least two Business Days prior to the relevant Subscription Day (as applicable):

Address: UTC Financial Centre  
82 Independence Square  
Port-of-Spain  
Trinidad & Tobago

Facsimile No.: 1 (868) 623-0092

Where applications are made by facsimile, the original written form should be forwarded without delay to the Company. Participating Shares will not be issued until the original Subscription Agreement has been received by the Company.

Participating Shares will be issued to two decimal places and any smaller fractions of a Participating Share which would otherwise arise will be rounded down with the relevant subscription monies being retained for the benefit of the Fund.

Any application may be rejected or scaled down in the absolute discretion of the Directors. Where applications are scaled down or rejected, subscription monies received by the Company will be returned without interest. **In addition, no new subscription may be accepted into the Company until the subscriber has delivered to the Company the requisite verification of identity information referred to in the section entitled “Anti-Money Laundering Regulations” below.**

## **Eligible Investors**

The Directors may impose such restrictions and require such warranties as they consider necessary or desirable for the purpose of ensuring that no Participating Shares are held by or for the benefit of the following: (i) any person in breach of the law or requirements of any country or governmental authority; or (ii) any person who has given representations in a subscription agreement and revocable proxy which were not true when given or have ceased to be true; or (iii) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Directors to be relevant) in which in the opinion of the Directors the continuing ownership of Participating Shares by such person or persons would cause an undue risk of adverse tax or other consequences to the Company or any of its Shareholders. All such persons are currently defined as Non-qualified Persons in the Articles, and will not be Eligible Investors.

## **Payment Instructions**

Payment for Participating Shares must be made by way of cash, guaranteed cheque, bank draft or wire transfer, net of bank charges, on or before the relevant Subscription Day in cleared funds in U.S. Dollars. Payment must be sent in accordance with bank details noted on the Subscription Agreement attached hereto as Appendix A.

Any bank charges in respect of wire transfers will be deducted from subscriptions and the net amount only invested in Participating Shares.

Subscriptions in kind will be accepted at the sole discretion of the Directors.

## **Minimum Subscription**

The minimum initial subscription per investor is currently US\$100 and the minimum subsequent subscription per investor is currently US\$20 but may be increased at any time at the Directors' discretion.

## **Sales Charge**

A Sales Charge of up to 5% of the amount subscribed may be charged by the Company on each subscription. Such charge will be deducted from the subscription proceeds and paid to the Administrator or such other parties as may be determined by the Directors. The net subscription proceeds after deduction of the Sales Charge will be invested in the Fund. The Directors reserve the right to waive the Sales Charge for any investor in such circumstances as they may deem appropriate in their absolute discretion.

## **Form of Shareholding**

Confirmation notices will be sent to subscribers on approval of their Subscription Agreement and once the Net Asset Value per Participating Share has been calculated, setting out details of the Participating Shares that have been allotted. Shareholdings shall be in registered form but share certificates will be issued on request.

## REDEMPTIONS

Participating Shares may be redeemed at the Bid Price as at the close of business on the relevant Redemption Day. The Directors may in their absolute discretion, prescribe an initial period or periods from the dates of issue of Participating Shares during which the redemption of Participating Shares is not permitted. Any such restriction on redemptions may be prescribed, waived or modified by the Directors in their absolute discretion generally or in respect of any group of Participating Shareholders or a specific Participating Shareholder.

Participating Shareholders wishing to redeem their Participating Shares should deliver an executed Redemption Form, in the form attached hereto as Appendix B, to the Company, at the address specified in the Redemption Form. The completed Redemption Form must be received by the Company *at the address specified in the Redemption Form* on the day on which the redemption is to be effected, and if received thereafter will be held over and dealt with on the next Redemption Day. The Directors may in their absolute discretion prescribe a lesser period generally or in respect of any group of Participating Shareholders or a specific Participating Shareholder.

The Redemption Form may be delivered to the Company by facsimile, so long as the original Redemption Form is immediately forwarded to the Company *at the address specified in the Redemption Form*. Neither the Company, the Directors nor any other agents of the Company accept any responsibility for any errors in facsimile transmission.

*Where a Redemption Form is forwarded by facsimile, no redemption proceeds will be paid until the original Redemption Form has been received and accepted by the Administrator in Trinidad & Tobago on behalf of the Company.*

The Company reserves the right to refuse to make any redemption payment or distribution to a Participating Shareholder if any of the Directors of the Company suspects or is advised that the payment of any redemption or distribution moneys to such Participating Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Company, its Directors and any agents of the Company with any such laws or regulations in any relevant jurisdiction. Under no circumstances, however, will payment be made to any party other than the registered shareholder.

Once given, a redemption notice may not be revoked by the Participating Shareholder save where determination of the Net Asset Value of the Fund is suspended by the Directors in the circumstances set out below or except as otherwise agreed by the Directors.

### **Redemption Proceeds**

Redemption proceeds will be paid in U.S. Dollars and if by wire transfer at the request and expense of the redeeming Participating Shareholder usually within 3 Business Days of the relevant Redemption Day.

The Directors may elect to satisfy payments due in respect of the redemption of Participating Shares by the transfer of assets of the Fund to the redeeming Shareholder, but only in circumstances in which the Directors deem that sufficient assets to pay the amount payable in respect of such redemption may not be disposed of, or may be disposed of only at a value below the value of such assets that the Directors deem fair, before the relevant Redemption Day.

## **Compulsory Redemption**

Participating Shareholders are required to notify the Company immediately in the event that they cease to be Eligible Investors whereupon they may be required to, and the Company shall be entitled to, redeem their Participating Shares at the Bid Price as at the close of business on the relevant Redemption Day. The Company reserves the right to redeem any Participating Shares that are or become owned, directly or indirectly, by or for the benefit of any person who is not an Eligible Investor.

Furthermore, the Company shall be entitled with or without cause, by notice in writing to the holders of the Participating Shares being redeemed, to redeem all or any Participating Shares on any Redemption Day compulsorily which shall be not less than twenty days from the date of such notice.

## **TRANSFERS**

Each investor must represent and warrant in the Subscription Agreement that it is purchasing the Participating Shares for its own account, and not with a view to the assignment, transfer or disposition of such interest. Participating Shareholders may not assign, transfer or otherwise dispose of, by gift or otherwise, any of their Participating Shares without written notice to, and the prior written consent of, the Directors, which consent they may withhold for any or no reason.

The notice to the Company must include evidence satisfactory to the Directors that the proposed assignment, transfer or disposition is in accordance with the laws applicable to the Participating Shareholder and the proposed transferee, that the proposed transferee meets any requirements imposed by the Company with respect to investor or transferee eligibility and suitability, or both, and must be accompanied by the duly executed instrument of transfer, in a form satisfactory to the Company, a Subscription Agreement duly executed by the transferee and such verification of identity documentation relating to the transferee as may be requested by the Company (see the section entitled “Anti-Money Laundering Regulations” below).

If an assignment, transfer or disposition occurs by reason of the death of a Participating Shareholder, the duly authorised representative of the estate of the Participating Shareholder may give the required notice. Where such deceased Participating Shareholder shall have designated a beneficiary or beneficiaries of its interest in Participating Shares in the Subscription Agreement, upon being given satisfactory evidence that such beneficiary or beneficiaries meet the foregoing requirements, the Directors shall consent to any such assignment, transfer, or other disposition of Participating Shares to any such beneficiary or beneficiaries.

The foregoing notice must be supported by proof of legal authority and a valid assignment acceptable to the Company.

The transferor shall be deemed to remain the holder of a Participating Share until the name of the transferee is entered in the Register of Members in respect thereof. The Directors shall refuse to register a transfer to or for the benefit of any person who is not an Eligible Investor.

## **ANTI-MONEY LAUNDERING REGULATIONS**

To ensure compliance with applicable statutory requirements relating to anti-money laundering initiatives, the Company will require verification of identity from all prospective investors. Depending on the circumstances of each subscription, it may not always be necessary to obtain full documentary evidence of identity. Details of the documentation required is contained in the Schedule to the Subscription Agreement.

The Company also reserves the right to request such identification evidence in respect of a transferee of Participating Shares. In the event of delay or failure by the prospective investor or transferee to produce any information required for verification purposes, the Company on its behalf may refuse to accept the application or (as the case may be) to register the relevant transfer, and (in the case of a subscription of Participating Shares) any funds received will be returned without interest to the account from which such funds were originally debited.

If any person resident in the Cayman Islands, including the Company's attorneys or the Company, and, if applicable, any of its Directors knows or suspects that a payment to the Company (by way of subscription or otherwise) is the proceeds of criminal conduct, such person is required to report such information pursuant to the Proceeds of Crime Law of the Cayman Islands and such report shall not be treated as a breach by such person of any restriction imposed on such person by law or otherwise on the disclosure of information.

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## NET ASSET VALUE DETERMINATION

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The Net Asset Value of the Fund means the total assets of the Fund, including all cash and cash equivalents, less total liabilities of the Fund, determined as of the close of business in Trinidad & Tobago on the Valuation Day in accordance with International Financial Reporting Standards, subject to the provisions below:

- a) The Net Asset Value of the Fund will include any unrealised profits or losses subject to (f) and (g) below;
- b) The amount of any dividend declared by the Company or in respect of the Participating Shares shall be a liability in the calculation of the related Net Asset Value of the Fund and the Net Asset Value per Participating Share from the day on which such dividend is declared until the date of payment;
- c) Securities and assets quoted on a securities exchange shall be valued at the daily closing price or, if there has been no sale that day or the preceding Business Day, the latest available daily closing price on the principal market for such securities;
- d) Securities and assets not quoted on a securities exchange (other than those described in paragraph (e) below) shall be valued by an appropriate pricing method or source as deemed by the Investment Advisor and Administrator;
- e) Cash, deposits, certificates of deposit and interest bearing securities the prices of which are not quoted on a securities exchange or computerised market system shall be valued at their principal amount plus accrued interest from the date of acquisition; and certificates of deposit and interest bearing securities acquired at a discount or a premium shall be valued in accordance with normal practice relating thereto;
- f) For instruments that are not paying or have not regularly paid interest on the relevant due dates, interest shall be recognised on a “cash basis”, meaning that revenue shall only be recognised when payment is made;
- g) The Company may incur certain expenses (principally administrative in nature) that cannot be directly attributable to any Segregated Portfolio. Such expenses shall be apportioned daily or monthly between the Segregated Portfolios on the basis of the relative Net Asset Value of such Segregated Portfolios;
- h) Where no method of calculation is specified herein, or where, in the opinion of the Directors or any Investment Advisor, the method of calculation is unfair or impractical, the Directors or the Investment Advisor (if any) shall use such method of calculation as it may agree with the Directors as being fair and reasonable and otherwise in accordance with International Financial Reporting Standards;
- i) The Net Asset Value of the Fund shall be calculated in U.S. Dollars, and assets and liabilities denominated in other currencies shall be converted to U.S. Dollars as at the close of business on the applicable Business Day, at the prevailing rate of exchange quoted by one or more banks, dealers or pricing services selected by or on behalf of the Directors.

The Net Asset Value per Participating Share will be calculated by dividing the Net Asset Value of the Fund by the number of Participating Shares in issue.

The Directors may, in their sole and absolute discretion, suspend the determination of the Net Asset Value of the Fund or the Net Asset Value per Participating Share, and consequently the rights of redemption of Participating Shares hereunder, in such circumstances as they deem appropriate. These circumstances include, but are not limited to:

- a) during any state of affairs which, in the judgment of the Directors, constitutes an emergency which would render a disposition of the Fund's assets impracticable or seriously detrimental to the Participating Shareholders;
- b) when, for any reason, including a breakdown in the means of communication normally employed in determining the Net Asset Value of the Fund such Net Asset Value cannot be promptly and fairly ascertained;
- c) during any period when any market on which a substantial part of the market instruments held by the Fund are traded is closed, other than for ordinary holidays and weekends, or during periods in which dealings in such securities are restricted or suspended; and
- d) when distributions or withdrawals would, in the opinion of the Directors of the Company, result in a violation of applicable law.

All Participating Shareholders will be notified of any such suspension, and the termination of such suspension, by means of a written notice.

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## COMPANY STRUCTURE

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### SHARE CAPITAL

The authorised share capital of the Company is US\$5,000,000,000 divided into 100 Management Shares of US\$100.00 nominal value each and 4,999,990,000 Segregated Portfolio Shares of US\$1.00 nominal value each, which may be issued in Classes.

Subject to the provisions of the Articles, the unissued Segregated Portfolio Shares are under the control of the Directors who may issue, allot and dispose of or grant options over them to such persons, or on such terms and in such manner as they may think fit and no Shareholder has any pre-emptive right to purchase such Segregated Portfolio Shares.

### MEMORANDUM AND ARTICLES OF ASSOCIATION

All holders of Participating Shares are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Memorandum and Articles of Association of the Company, copies of which are available from the Company's registered office.

The Memorandum of Association provides that the objects of the Company are unrestricted.

The Articles contain, inter alia, provisions to the following effect:

#### **Segregated Portfolio Shares**

The Segregated Portfolio Shares will be designated as Segregated Portfolio Shares of a particular Class on or before allotment. The Company currently has the following classes of shares in issue:

- UTC Energy Fund Segregated Portfolio Shares
- UTC European Fund Segregated Portfolio Shares
- UTC Asia-Pacific Fund Segregated Portfolio Shares
- UTC Latin American Fund Segregated Portfolio Shares
- UTC Global Bond Fund Segregated Portfolio Shares

#### **Segregated Portfolio Accounting**

Upon first issue of Segregated Portfolio Shares of a Class a Segregated Portfolio designated by reference to such Class shall automatically be established. The Directors shall keep separate account in the books of the Company for each Segregated Portfolio of the Company. The proceeds from the allotment and issue of each Class of Segregated Portfolio Shares shall be applied to the Segregated Portfolio related to that Class. The assets, liabilities, income and expenditures attributable of each Class shall be applied to the Segregated Portfolio to which such Class of Segregated Portfolio Shares relates.

The assets held within or on behalf of each Segregated Portfolio shall only be available to and used to meet liabilities to the creditors of the Company who are creditors of that particular Segregated Portfolio and shall not be available or used to meet liabilities to, and shall be absolutely protected from, the creditors of the Company who are not creditors in respect of that particular Segregated Portfolio.

The assets of each Segregated Portfolio shall be kept separate and separately identifiable from assets attributable to other Segregated Portfolios.

Where a liability of the Company to a person arises from a matter, or is otherwise imposed, in respect of or attributable to a particular Segregated Portfolio such liability shall extend only to, and that person shall, in respect of that liability, be entitled to have recourse only to the assets attributable to such Segregated Portfolio. Such liability shall not extend to, and that person shall not, in respect of that liability, be entitled to have recourse to the assets attributable to any other Segregated Portfolio or to the general assets of the Company (being assets not comprised within any Segregated Portfolio).

Where a liability of the Company to a person arises or is imposed otherwise than from a matter in respect of a particular Segregated Portfolio or Segregated Portfolios, such liability shall extend only to, and that person shall, in respect of that liability, be entitled to have recourse only to the general assets of the Company.

### **Variation of Rights**

The rights attaching to any Class of Segregated Portfolio Shares (unless otherwise provided by the terms of issue of the Segregated Portfolio Shares of that Class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of two thirds of the issued Segregated Portfolio Shares of that Class, or with the sanction of a resolution passed by a two thirds majority of the holders of the issued Segregated Portfolio Shares of that Class at a general meeting of the holders of the Segregated Portfolio Shares of that Class.

### **Alterations of Capital**

- (i) By an Ordinary Resolution, the Company may increase its share capital, consolidate its shares or any of them into shares of a larger amount, cancel any shares not taken by any person or sub-divide its shares or any of them into shares of a smaller amount.
- (ii) Subject to the provisions of the Law, by a Special Resolution, the Company may reduce its share capital and any capital redemption reserve fund.

### **Issue and Redemption of Participating Shares**

- (i) Participating Shares may be issued on any Subscription Day at the relevant Offer Price.
- (ii) The Net Asset Value per Participating Share as at any Valuation Date shall be calculated by (a) determining the value of the assets of the Fund, (b) deducting therefrom the liabilities of the Fund, and (c) dividing the resulting sum by the number of Participating Shares then in issue.
- (iii) Except where there is a suspension of the determination of the Net Asset Value per Participating Share or as otherwise provided in the Articles, the Company shall redeem Participating Shares as of each Redemption Day at the Bid Price calculated at the close of the immediately preceding Valuation Day, subject to the Fund Shareholder giving a valid redemption notice in respect of such Participating Shares.

- (iv) A redemption notice will take effect on the first Redemption Day falling such number of days after the day on which valid notice is received by the Company as the Directors may from time to time determine, either generally or in any particular case.

### **Winding-up**

In the event of a winding-up of the Company the assets remaining within each Segregated Portfolio after the satisfaction of the claims of creditors of such Segregated Portfolio will be distributed to the holders of the Segregated Portfolio Shares of the related Class *pro rata* and the General Assets (being assets of the Company not comprised within any Segregated Portfolio) will be distributed to the holders of the Management Shares *pro rata*.

The Company may be voluntary wound up by resolution of the holders of the Management Shares.

### **Directors**

- (i) Unless otherwise determined by Ordinary Resolution the number of Directors is not subject to a maximum and the minimum number is two.
- (ii) A shareholding qualification for Directors may be fixed by Ordinary Resolution, but unless and until so fixed, no qualification shall be required.
- (iii) A Director may be a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable to the Company for any remuneration or other benefits received thereby.
- (iv) Provided the nature of his interest is or has been declared in accordance with the Articles, a Director or intending Director may enter into or be directly or indirectly interested in any contract or arrangement with the Company and such contract or arrangement shall not be liable to be avoided and the Director concerned shall not be liable to account to the Company for any profit realised by any such contract or arrangement by reason of his holding of that office and the fiduciary relationship so established and may hold any other office or place of profit under the Company in conjunction with the office of Director (except that of Auditor) on such terms as to tenure of office and otherwise as the Directors may determine.
- (v) There is no fixed retirement age for the Directors and there is no provision for the retirement of Directors by rotation.

### **Dividends**

- (i) Subject to the Articles and Law, the Directors may in their discretion from time to time declare dividends including interim dividends on Participating Shares in issue and authorise payment of the same out of the funds of the Fund.
- (ii) No dividend shall be declared or paid other than out of funds that may be lawfully distributed as dividends, including share premium.
- (iii) Any dividend, interest or other monies payable in cash in respect of Participating Shares may be paid by cheque.

- (iv) No dividend shall bear interest against the Company.
- (v) The Directors may satisfy any dividend in whole or in part by distributing in specie assets of the Fund.

### **Borrowing Powers**

The Directors may exercise the powers of the Company to borrow money and to secure such borrowings in any manner for the purpose of redeeming its shares, up to a maximum of 5% of Fund Assets.

### **Indemnities and Exculpation**

To the fullest extent permitted by applicable law, the Company will indemnify and save harmless the Directors, their affiliates and any of their respective partners, officers, employees, directors, members and shareholders (the “Indemnitees”) from and against any and all claims, liabilities, damages, losses, costs and expenses including amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or others costs and expenses of investigating or defending against any claim or alleged claim, of any nature whatsoever, known or unknown, liquidated or unliquidated, that are incurred by any Indemnitee and arise out of or in connection with the business of the Company or any Segregated Portfolio or the performance by the Indemnitee of any services on behalf of the Company or any Segregated Portfolio, provided that the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or Segregated Portfolio, as applicable, and the Indemnitee’s conduct did not constitute willful misconduct, gross negligence (as such term is interpreted in accordance with the laws of the State of New York) or criminal wrongdoing. Reasonable attorneys’ fees and other costs and expenses incurred by an Indemnitee in defense or settlement of any claim that may be subject to a right of indemnification under the Articles will, in the sole discretion of the Directors, upon advice of counsel that such Indemnitee is likely to be entitled to such indemnification, be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnitee to repay the amount advanced to the extent that it shall be determined ultimately that the Indemnitee is not entitled to such indemnification. PROVIDED HOWEVER that any payment by the Company in respect of liability incurred on behalf of a Segregated Portfolio shall be payable only from, and shall be restricted to, the assets of the Segregated Portfolio in respect of which such liability arose.

To the fullest extent permitted by law, the Indemnitees will not be liable to the Company, any Segregated Portfolio or any Shareholder for any losses due to any act or omission of such Indemnitee in connection with the conduct of the business of the Company or any Segregated Portfolio that is determined in good faith by such Indemnitee to be in or not opposed to the best interests of the Company or the Segregated Portfolio, as applicable, unless the act or omission constitutes willful misconduct, gross negligence (as such term is interpreted in accordance with the laws of the State of New York) or criminal wrongdoing by such Indemnitee. In addition, no Indemnitee will be liable to the Company, any Segregated Portfolio or any Shareholder for any losses due to the mistakes, negligence, misconduct or bad faith of any broker or other agent of the Company or any Segregated Portfolio selected by such Indemnitee with reasonable care. An Indemnitee may consult with legal counsel or accountants selected by it, and any act or omission by it on behalf of the Company or any Segregated Portfolio in furtherance of the business of the Company or such Segregated Portfolio in good faith in reliance on and in accordance with the advice of such counsel or accountants shall be full justification for the act or omission and such Indemnitee shall be fully protected in so acting or omitting to act if the counsel or accountants were selected with reasonable care.

**Notices**

Notices or other documents served on Shareholders are deemed to have been served seventy-two hours after posting, if served by post or courier service, or upon the expiration of twenty-four hours if it is sent by email or facsimile.

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## TAXATION

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### General

The following is a general discussion of certain of the anticipated tax consequences to the Company arising from the operation of the Company. This discussion is based on laws, regulations promulgated thereunder, published administrative rulings and judicial decisions currently in effect, all of which may change or be subject to different interpretations possibly with retroactive effect.

In view of the number of different jurisdictions where local laws may apply to Shareholders, the discussion below does not address the tax consequences to potential investors of the purchase, ownership, and disposition of Participating Shares. Prospective investors are urged to consult their own tax advisors in determining the possible tax consequences to them under the laws of the jurisdictions of which they are citizens, residents or domiciliaries, jurisdictions in which they conduct business and jurisdictions in which they hold Participating Shares. This discussion does not constitute tax advice.

### Cayman Islands

There is, at present, no direct taxation in the Cayman Islands and Shareholders will receive interest, dividends and gains payable by the Company or in respect of the transfer or redemption of Participating Shares free of any Cayman Islands taxes.

The Company is registered as an exempted limited liability company under Cayman Islands law and, as such, has obtained an undertaking from the Governor in Cabinet that, for a period of twenty years from 29 August 2006:

- (a) no law which is thereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:
  - (i) on or in respect of the shares, debentures or other obligations of the Company; or
  - (ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (1999 Revision).

### Trinidad & Tobago

#### *Income Tax - Resident Individual Shareholders*

**Any income distribution paid by the Company to a resident individual shareholder would be subject to income tax at the prevailing individual tax rate, which is currently 25%.**

### *Capital Gains – Resident Individual Shareholders*

Gains arising on the redemption of shares by Trinidad & Tobago resident shareholders in Trinidad & Tobago will generally be considered capital gains and as such will not be subject to tax.

However, gains derived by certain resident individual shareholders from the redemption of shares may be treated as income and taxed as such. This would apply to resident individual shareholders who invest in shares as part of a trade or as part of an adventure in the nature of trade in which investing money is part of that trade.

Short term capital gains and profits derived from the disposal or partial disposal of certain assets within twelve months of acquisition are taxable. However, an exemption is provided for any gains that accrue from the disposal of any security within Trinidad & Tobago.

### *Income Tax – Resident Corporate Shareholders*

Any income distribution paid by the Company to a resident corporate shareholder would be subject to income tax at the prevailing corporation tax rate, which for basic rate corporate tax payers is currently 25%.

### *Capital Gains – Resident Corporate Shareholders*

Gains arising on the redemption of shares by Trinidad & Tobago resident corporate shareholders in Trinidad & Tobago will generally be considered capital gains and as such will not be subject to tax.

However, gains derived by certain types of resident corporate shareholders from the redemption of shares may be treated as income and taxed as such. This would apply where the corporate shareholder is a financial institution or other enterprise that carries on a trade in which investing money is an integral part of that trade.

Short term capital gains and profits derived from the disposal or partial disposal of certain assets within twelve months of acquisition are taxable. However, an exemption is provided for any gains that accrue from the disposal of any security within Trinidad & Tobago.

### **Other Jurisdictions**

It is possible that certain dividends, interest and other income received by the Company from sources within certain countries will be subject to withholding taxes imposed by such countries. In addition, the Company may also be subject to capital gains taxes or other taxes in some of the countries where it purchases and sells securities or otherwise conducts business. It is impossible to predict the rate of tax that the Company will pay in advance since the amount of the Company's assets to be invested in various countries is not known.

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## **GENERAL INFORMATION**

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### **GENERAL MEETINGS**

As an exempted company, the Company is not required to hold annual general meetings of Shareholders. Such meetings will be held at the discretion of the Directors.

### **REPORTS**

Audited financial statements shall be made up to 31 December in each year. As a licensed mutual fund, the Company is required to file copies of its audited financial statements with the Monetary Authority within 180 days of the end of each financial year.

Audited financial statements will be presented to Shareholders by way of Annual reports, which shall be made available on a website to be designated by the Company and at all sales outlets of the Company and otherwise may be provided by mail upon request. Annual reports shall, among other matters, detail the total number of Participating Shares in issue and the Net Asset Value of such Participating Shares at the end of the reporting period, together with details of total subscriptions and/or redemptions during the period since the date of the last audited financial statement.

Quarterly statements of individual account holdings will also be made available to Shareholders by mail, and/or on a secure website to be designated by the Company at the discretion of the Directors.

### **DIRECTORS' REPORT**

The Company has not since its incorporation been, and is not currently, engaged in any litigation or arbitration nor, so far as the Directors are aware, is there any litigation or claim pending or threatened against the Company. The Company does not have, nor has it had since its incorporation, any employees.

### **FURTHER INFORMATION**

This Offering Memorandum is subject to the detailed provisions of the Memorandum and Articles of Association of the Company. Further information concerning the Participating Shares and copies of the Memorandum and Articles of Association of the Company are available upon request.

**APPENDIX A**

**SUBSCRIPTION AGREEMENT**

This form duly completed should be sent by fax, with the original to follow by mail or courier to:

**UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED**  
UTC Financial Centre  
82 Independence Square  
Port-of-Spain  
Trinidad & Tobago

Facsimile No.: 1 (868) 623-0092

Dear Sirs,

1. The undersigned (the "Subscriber") hereby applies for **UTC EUROPEAN FUND SEGREGATED PORTFOLIO SHARES** ("Participating Shares") of **UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED** (the "Company") in accordance with the terms of the Offering Memorandum relating to the Participating Shares (as supplemented or amended from time to time, the "Memorandum") in the amounts shown below. Capitalised terms, unless otherwise defined herein, have the same meanings as in the Memorandum.

<b>INVESTMENT AMOUNT</b>
US\$ _____

*The initial investment and subsequent investments may only be made in the minimum amounts set forth in the Memorandum.*

2. Payment is enclosed herewith / the Subscriber undertakes to settle for the said amounts invested in full by cash, cheque or telegraphic transfer for value on \_\_\_\_\_ to:

Bank:  
Fedwire ABA No.:  
SWIFT BIC:  
CHIPS ABA:  
Account No:  
For the account of:  
Further credit to:

(To avoid return of funds, the wire transfer must indicate the name and account number from which the funds are being wired)

3. **BY EXECUTION AND DELIVERY OF THIS SUBSCRIPTION AGREEMENT, THE SUBSCRIBER, AND IN THE CASE OF JOINT HOLDERS, EACH OF THE SUBSCRIBERS, HEREBY REPRESENTS, WARRANTS AND AGREES AS FOLLOWS:**

- (i) The Subscriber has received and has read the Memorandum and will hold any Participating Shares subject to the terms of the Memorandum, the Memorandum and Articles of Association of the Company and this Subscription Agreement.
- (ii) The Subscriber, if an entity, is duly organised, validly existing and in good standing under the laws of its jurisdiction of organisation, and the execution, delivery and performance by it of this Subscription Agreement are within its powers and have been duly authorised by all necessary action on its behalf.
- (iii) The Subscriber is an Eligible Investor, is not applying for the Participating Shares for or on behalf of any person other than an Eligible Investor (a “Restricted Person”), and has not received funds from any Restricted Person to purchase the Participating Shares.
- (iv) The Subscriber shall notify the Company immediately in the event that the Subscriber becomes aware that the Subscriber or any person for whom the Subscriber holds the Participating Shares has become a Restricted Person or if any of the representations contained herein is no longer accurate and complete in all respects.
- (v) The Participating Shares will be acquired for investment purposes, the Subscriber will not sell or transfer the Participating Shares or any interest therein to any Restricted Person, and the Subscriber will sell or transfer the Participating Shares only with the prior written consent of the Company.
- (vi) The Subscriber acknowledges that the Participating Shares are speculative investments that involve significant risks of loss, that the Subscriber is not dependent upon current cash return or other current return with respect to the Participating Shares, and that redemptions, which are likely to be the only means by which the Subscriber can withdraw profits or income from the Fund, may occur only as specified in the Memorandum.
- (vii) The Subscriber acknowledges that payments in respect of subscription and redemption will be made in United States dollars and that adverse fluctuations in exchange rates could reduce the return to it upon the redemption of Participating Shares.
- (viii) Except where this Subscription Agreement is being completed by the Subscriber as a designated beneficiary of a Shareholder as a result of the death of a Shareholder, the Subscriber acknowledges that the Company has the right to reject this application, in whole or in part, and need not give a reason for such rejection.
- (ix) The Subscriber acknowledges that it has such knowledge and experience in financial, investment and business matters as to be capable of evaluating the merits and risks associated with an investment in the Participating Shares, and is able to bear the economic risk of such investment.
- (x) The Subscriber acknowledges that the Company has made available to it all documents pertaining to the transactions described in the Memorandum and has given it an opportunity to verify and to clarify any information contained in the Memorandum and such documents.
- (xi) The Subscriber acknowledges and confirms that no representations, warranties or covenants have been made to it by the Company or any representative or agent of the Company other than those contained in the Memorandum.
- (xii) If this application is rejected by the Company, only the subscription payment will be refunded by the Company, no interest accruing thereon.
- (xiii) The Subscriber agrees to accept the number of Participating Shares that shall be allotted by the Company for the subscription amount which it has tendered, in accordance with the terms of the Memorandum and subject to the Memorandum and Articles of Association of the Company and to have such Participating Shares registered exactly as provided below.

- (xiv) The Company is hereby authorised and instructed to accept and execute any instructions in respect of the Participating Shares to which this application relates given by the Subscriber in written form or by facsimile. If instructions are given by facsimile the Subscriber undertakes to send the original letter of instructions to the Company and agree to keep it indemnified against any loss of any nature whatsoever arising to any of them as a result of any of them acting upon facsimile instructions. The Company may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instructions or other instrument believed in good faith to be genuine or to be signed by properly authorised persons.
  - (xv) The Subscriber acknowledges that due to anti-money laundering requirements, the Company may require further identification of the Subscriber before the application can be processed and the Company shall be held harmless and indemnified against all loss arising as a result of a failure to process the application if such information as has been required by the parties referred to has not been provided by the Subscriber. The Subscriber undertakes to provide such due diligence material as are required in terms of the Schedule hereto.
  - (xvi) The Subscriber acknowledges and understands that under the Proceeds of Crime Law, of the Cayman Islands, as amended, a person who is a resident in the Cayman Islands must, if he suspects that a payment to the Company (by way of subscription or otherwise) represents proceeds on criminal conduct, report his suspicion to the reporting authority.
  - (xvii) The Subscriber, if acting as trustee, agent, representative or nominee for a Subscriber (a “Beneficial Owner”), understands and acknowledges that the representations, warranties and agreements made herein are made by the Subscriber (A) with respect to the Subscriber and (B) with respect to the Beneficial Owner. The Subscriber further represents and warrants that it has all requisite power and authority from said Beneficial Owner to execute and perform the obligations under this Subscription Form. The Subscriber also agrees to indemnify the Company and its directors, officers and agents for any and all costs, fees and expenses (including legal fees and disbursements) in connection with any damages resulting from the Subscriber’s misrepresentation or misstatement contained herein, or the assertion of the Subscriber’s lack of proper authorisation from the Beneficial Owner to enter into this Subscription Form or perform the obligations hereof.
  - (xviii) The Subscriber, if an entity, acknowledges that (i) it has carried out thorough due diligence to establish the identities of its beneficial owners, (ii) it holds the evidence of such identities and status and will maintain such information for at least five years from the date of its complete redemption from the Company, and (iii) it will make available such information and any additional information that the Company may require upon request that is required under applicable regulations.
  - (xix) The Subscriber understands and agrees that any redemption proceeds paid to it will be paid to the same account from which the Subscriber’s investment in the Company was originally remitted, unless the Company, in its sole discretion, agrees otherwise.
4. Upon the death of the Subscriber, the Subscriber designates the person(s) named below to be the sole beneficiary or beneficiaries of the Participating Shares which are herein subscribed, to be held, in the case of more than one beneficiary, jointly, on the same terms and conditions applicable to such Participating Shares under this Subscription Agreement, as amended:

Name of Beneficiary	Relationship to Subscriber

Subject to the notice requirements in the Memorandum, the Directors shall make arrangements to transfer the Participating Shares of the Subscriber to the designated beneficiary or beneficiaries thereof.

5. Set forth below are the names of persons authorised by the Subscriber to give and receive instructions between the Company and the Subscriber, together with their respective signatures. Such persons are the only persons so authorised until further written notice to the Company signed by one or more of such persons.

(please attach additional pages if needed)

Name	Signatures

6. Until further written notice to the Company signed by one or more of the persons listed above, funds may be wired to the Shareholder (for instance, upon redemption) using the following instructions:

Bank Name: \_\_\_\_\_  
 Bank Address: \_\_\_\_\_  
 ABA or CHIPS Number: \_\_\_\_\_  
 Account Name: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Reference: \_\_\_\_\_

7. This Application Form for Subscription shall be irrevocable and shall be governed by and construed in accordance with the laws of the Cayman Islands.

THE SUBSCRIBER HAS EXECUTED THIS AGREEMENT AS A DEED ON \_\_\_\_\_, 20\_\_  
AT \_\_\_\_\_

**(COMPLETE IN BLOCK LETTERS PLEASE)**

Signature(s) of Subscriber(s)

Name(s) of Subscriber(s) in full and title

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address(es)

Signature(s), name(s) and address(es) of witness(es):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone No: \_\_\_\_\_

Facsimile No: \_\_\_\_\_

THE COMPANY HAS EXECUTED THIS AGREEMENT IN ACCEPTANCE OF THE SUBSCRIPTION MADE  
HEREIN ON \_\_\_\_\_, 20\_\_ AT \_\_\_\_\_

**UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED**

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

Title:

**NOTES**

1. To be valid, application forms must be signed by each applicant, including joint holders, and such execution must be witnessed.
2. A corporation should complete this form under seal or under the hand of a duly authorised corporate officer(s) who should state his capacity. Applications by corporations must be accompanied by certified copies of the resolutions of the board of directors or equivalent governing body authorising the investment in Participating Shares and identifying the corporate officer(s) empowered to sign this subscription form.
3. If this application form is signed under power of attorney, such power of attorney or a duly certified copy thereof must accompany this application form.

## **SCHEDULE**

### **Due Diligence Requirements**

Under the legislative regime in the Cayman Islands<sup>2</sup> for the prevention of money laundering, it is part of the responsibilities of the Company to have in place requisite systems to prevent money laundering. Depending on the circumstances of each subscription, a detailed verification might not be required where:

- (a) the investor makes the subscription payment from an account held in the investor's own name at a Qualified Financial Institution (as defined below); or
- (b) the investor is introduced by (or the subscription is made through) a Qualified Financial Institution and that Qualified Financial Institution provides written assurance to the Company that it has established the identity of the investor and holds evidence of that identity; or
- (c) the investor is a Qualified Financial Institution or is otherwise exempt from the identification procedures under the Cayman Islands Money Laundering Regulations (for example, if it is a company quoted on the Cayman Islands Stock Exchange or other market or exchange approved by the Cayman Islands Monetary Authority).

A financial institution is a "Qualified Financial Institution" for the purposes of these terms and conditions if:

- (i) in the circumstances described in (a) above, it is licensed under the Cayman Islands Banks and Trusts Companies Law (as revised) or is a bank that is regulated in, and either based or incorporated in or formed under the laws of, a Schedule 3 Country (as defined below); or
- (ii) in the circumstances described in (b) above, it carries on business which is regulated by an overseas regulatory authority and is based or incorporated in, or formed under the laws of, a Schedule 3 Country; or
- (iii) in the circumstances described in (c) above, it is regulated by the Cayman Islands Monetary Authority or it carries on business which is regulated by an overseas regulatory authority and is based or incorporated in, or formed under the laws of, a Schedule 3 Country.

A "Schedule 3 Country" is a country specified in the Third Schedule of the Cayman Islands Money Laundering Regulations. Such countries currently are as follows: Argentina, Australia, Austria, Bahamas, Bahrain, Barbados, Belgium, Bermuda, Brazil, British Virgin Islands, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Israel, Italy, Japan, Jersey, , Liechtenstein, Luxembourg, Malta, Mexico, Netherlands, New Zealand, Norway, Panama, Portugal, Singapore, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom and United States of America.

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<sup>2</sup> Proceeds of Crime Law; Money Laundering Regulations (as revised); Guidance Notes on the Prevention and Detection of Money Laundering in the Cayman Islands (as revised).

Investors who do not fall within any of the circumstances described in (a), (b) or (c) above, will be required to provide the following documentation as is relevant to their status.

(1) For individuals:

- (A) full name, including any alternate names used;
- (B) a certified copy of a government issued form of picture identification (e.g. a passport or national identity card);
- (C) proof of current permanent address (e.g. a current utility bill);
- (D) a letter of reference from a local office of a reputable bank or brokerage firm certifying that the Investor has maintained an account at such bank/brokerage firm for a length of time and containing a statement affirming the Investor's integrity;
- (E) nationality;
- (F) occupation; and
- (G) evidence of the source of funds for the subscription.

(2) For entities:

(A) corporate bodies:

- (i) a certified copy of the certificate of incorporation or equivalent;
- (ii) the address of the registered office and, if different, principal place of business;
- (iii) identification evidence of each of the principal beneficial owners of the company, being any person or entity holding an interest of 10% or more;
- (iv) identification evidence of at least two directors of the company, including any managing director(s), in line with the requirements for individuals set out above;
- (v) satisfactory reasons for the subscription;
- (vi) evidence of legitimate source of funds;
- (vii) an explanation of the nature of the company's business and a copy of its recent financial statements where deemed appropriate by the Company; and
- (viii) mandate from the directors authorising the subscription and conferring authority on those persons who will execute the Subscription Booklet (e.g. certified copy of Board Minutes);

(B) partnerships/unincorporated businesses:

- (i) evidence of the trading address of the partnership or business and a copy of the latest report and accounts (audited where applicable);
- (ii) identification evidence for at least two partners/controllers and/or authorised signatories, in line with the requirements for individuals set out above;

- (iii) an explanation of the nature of the business/partnership; and
  - (iv) in the case of a partnership, a mandate from the partnership authorising the subscription and conferring authority on those persons who will execute the Subscription Booklet;
- (C) trusts:
- (i) identification evidence for the trustee(s) and any other authorised signatories,
  - (ii) identification evidence for the settlor(s);
  - (iii) explanation of the general nature of the trust and the source of funds; and
  - (iv) in the case of a nominee relationship, identification evidence for the beneficial owner(s) if different to the settlor(s).

The Company has discretion to waive certain of the requirements stated above in respect of an Investor whose aggregate investment in the fund during any 12 month period does not exceed US\$10,000.

**APPENDIX B**

**REDEMPTION NOTICE**

This form duly completed should be sent by fax, with the original to follow by mail or courier to:

**UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED**

UTC Financial Centre  
82 Independence Square  
Port-of-Spain  
Trinidad & Tobago

Facsimile No.: 1 (868) 623-0092

Dear Sirs,

1. The undersigned (the "Shareholder") hereby requests the redemption of all or some of its **UTC EUROPEAN FUND SEGREGATED PORTFOLIO SHARES** ("Participating Shares") in **UNIT TRUST CORPORATION (CAYMAN) SPC LIMITED** (the "Company") in accordance with the instructions provided below. Capitalised terms, unless otherwise defined herein, shall have the meanings assigned to such terms in the Offering Memorandum relating to the Participating Shares (as supplemented or amended from time to time, the "Memorandum").
2. The Shareholder agrees that the requested redemption shall be effected strictly in accordance with the terms relating to redemptions in the Memorandum and in the Memorandum and Articles of Association of the Company.
3. The Shareholder hereby represents and warrants, in its individual capacity or otherwise that it is the true and lawful owner of the Participating Shares to which this request relates, with full power and authority to request the redemption of Participating Shares and that Participating Shares are not subject to any pledge or other encumbrance.
4. The Shareholder irrevocably requests you to redeem the following Participating Shares:

<b>VALUE TO BE REDEEMED</b>	<b>OR</b>	<b>NUMBER OF PARTICIPATING SHARES TO BE REDEEMED</b>
US\$ _____		

**Please note that if you do not state the number of Participating Shares to be redeemed or the amount to be realised, all of your Participating Shares will be redeemed.**

4. The redemption proceeds should be paid by cheque and may be sent to the address noted below or paid by bank wire transfer instructions as follows:

(i) ADDRESS FOR CHEQUE TO BE MAILED:

or

(ii) WIRE TRANSFER

TO: (NAME OF BANK)

ABA #:

FOR THE ACCOUNT OF:

ACCOUNT NO:

FOR FURTHER CREDIT TO:

SUB-ACCOUNT NO:

**Please note that redemption proceeds will be paid only to an account in the name of the Shareholder registered as the holder of the Participating Shares being redeemed.**

6. This redemption notice shall be irrevocable with respect to the Shareholder.

The Shareholder executed this redemption request on \_\_\_\_\_ 20\_\_\_\_\_

At \_\_\_\_\_.

**(COMPLETE IN BLOCK LETTERS PLEASE)**

Signature(s) of Shareholder(s)      Name(s) of Shareholder(s) in full and title

\_\_\_\_\_

\_\_\_\_\_

#### **NOTES**

1. In the case of joint shareholders or joint and several shareholders, paragraphs 1 to 6 above shall apply to and be binding on each such shareholder and redemption requests must be signed by each such shareholder.
2. A corporation should complete this form under seal or under the hand of a duly authorised corporate officer(s) who should state his capacity. Redemptions by corporations must be accompanied by certified copies of the resolutions of the board of directors or equivalent governing body authorising the redemption of Participating Shares and identifying the corporate officer(s) empowered to sign this redemption request form.
3. If this redemption request is signed under power of attorney, such power of attorney or a duly certified copy thereof must accompany this redemption request.

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**ADDENDUM TO THE PROSPECTUS  
FOR TRINIDAD AND TOBAGO INVESTORS ONLY**

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**Suitability of investment for different classes of investors**

This Fund can invest up to eighty percent (80%) of its assets in the common stocks of companies principally engaged in business in European countries. The Fund, therefore, is subject to country and regional concentration risk, which is the chance that there will be overall problems affecting European countries.

The Fund's performance therefore largely depends, for better or for worse, on the overall condition of the European financial markets.

The value of the participating shares may go down as well as up and there can be no assurance that on a redemption or otherwise, investors will receive back the amount originally invested.

As such, the Fund is only suitable for investment by investors who understand the risks involved and who are able and willing to withstand the total loss of their investment. Investment in the Fund should be considered long-term in nature.

**Formula for Calculating the Performance Data for the Fund**

The performance data of the Fund will be calculated as the annualised return and as described below:-

(Offer Price at the end of the year plus dividend payments throughout the year) minus the Offer Price at the beginning of the year, all divided by the Offer Price at the beginning of the year multiplied by 100.

e.g: Let P be the Offer Price per Participating Share at the beginning of the year  
E be the Offer Price per Participating Share at the end of the year  
D be the total of dividend payments per share throughout the year  
Y be the annualized return

Therefore:

$$Y = \frac{(E + D) - P}{P} \times 100$$

**Frequency and location of published performance data for the Fund**

**Price, Net Asset Value (NAV)**

The Offer Price and the Bid Price will be published daily in Trinidad and Tobago newspapers and will be available on the website of the Trinidad & Tobago Unit Trust Corporation ([www.ttutc.com](http://www.ttutc.com)). The Offer Price and the Bid Price will be based on the Net Asset Value per Participating Share as at the close of business on the immediately preceding Business Day.

## Schedule of the Fund's Fees and Expenses

The table below describes the fees and expenses that an investor may pay if they purchase and hold shares in the Fund:

### I. Investor Fees

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Maximum Sales Charge (Front-end Load) imposed on Purchases (as a percentage of offering price).....	0-5%
Redemption Fee.....	None
Exchange Fee.....	None

### II. Annual Fund Operating Expenses

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Investment Management Fees (as a percentage of the Fund's Net Asset Value).....	0-1.5%
Legal, Audit and Other Expenses (as a percentage of the Fund's Net Asset Value).....	0-0.5%

### Publication of the Financial Statements

A Statement on the Assets and Liabilities and a Statement of the Net Income of the Fund will be published every six (6) months in the daily newspapers in Trinidad and Tobago.

### Returns

The returns of the Fund will be published from time to time in the daily newspapers in Trinidad and Tobago.

### Fundamental Changes

The Board of Directors of the Company reserves the right to undertake the following changes:

- (a) A change to the auditor of the Fund;
- (b) A change to the investment manager of the Fund; and
- (c) An increase in fees or expenses charged to the Fund including, but not limited to, an increase in investment management fees

The Board, at its discretion, may seek the consent of participating shareholders to undertake changes to the investment objectives of the Fund beyond the discretion stated in the Offering Memorandum.

A change to the methodology used to calculate the Net Asset Value of the Fund can be undertaken through amendment of the Company's Articles of Association, and with the consent of affected participating shareholders.

Furthermore, the Directors shall be entitled with or without cause, by notice in writing to the holders of the Participating Shares being redeemed, to redeem all or any Participating Shares at the prevailing NAV on any Redemption Day compulsorily which shall be not less than twenty days from the date of such notice.

## **Background Information on the Investment Advisor**

The Investment Advisor is the Trinidad & Tobago Unit Trust Corporation. The Trinidad & Tobago Unit Trust Corporation has experience in the industry dating back to November 1982. The Trinidad & Tobago Unit Trust Corporation currently has five (5) funds under its management totalling over Sixteen Billion Dollars (\$16B).

As Investment Advisor, the Trinidad & Tobago Unit Trust Corporation manages the Fund's investments according to the objectives and strategies described in the Offering Memorandum relating to the Fund.

In addition to its responsibilities as Investment Advisor, the Trinidad & Tobago Unit Trust Corporation also acts as Administrator and Distributor:-

- (a) As Distributor (or Principal Underwriter) – The Trinidad & Tobago Unit Trust Corporation sells fund shares, either directly to the public or through other firms.
- (b) As Administrator – The Trinidad & Tobago Unit Trust Corporation oversees the performance of other companies that provide services to the Fund, and ensures that the Fund's operations comply with applicable regulatory requirements. The Trinidad & Tobago Unit Trust Corporation will also execute shareholder transactions, maintains records of transactions and other shareholder account activity, and sends account statements and other documents to shareholders.

## **Members of the Investment Committee**

The Investment Committee of the Investment Advisor is comprised of a team of professionals with considerable experience in the financial sector, specializing in accounting, economics, law, finance and investment. The team has had directorships in some of the main financial organizations in Trinidad & Tobago such as – the Central Bank of Trinidad & Tobago, the Trinidad & Tobago Stock Exchange and the Trinidad & Tobago Securities and Exchange Commission.

The Investment Committee members are:-

**Ms. Amoy Chang Fong B.Sc.(Economics)** – Ms Chang Fong has served as Director/Chairman of the Trinidad & Tobago Unit Trust Corporation for the past two (2) years and has held directorships in major institutions in Trinidad & Tobago including the Trinidad & Tobago Stock Exchange, the Trinidad & Tobago Securities and Exchange Commission, The Home Mortgage Bank of Trinidad & Tobago and the Central Bank of Trinidad & Tobago. Ms Chang Fong worked at the Central Bank of Trinidad & Tobago, for a number of years, ten (10) of which were in the role of Deputy Governor.

**Ms Joan John MBA (Finance), B.Sc. (Economics)** – Ms John has extensive experience in the field of Research and Operations at the Central Bank of Trinidad and Tobago where she currently holds the position of Deputy Governor. Ms. John has performed as Advisor to the Executive Director for Trinidad & Tobago on the Board of the International Monetary Fund (IMF) and is also a Director of the Trinidad & Tobago Unit Trust Corporation.

**Mr. Terrence Bharath LL.B (Hons.) Nott.** – Mr. Bharath has served as an Attorney-at-Law in Trinidad and Tobago since 1987 and is also an Advocate Attorney at Law in the field of Commercial Litigation. Mr. Bharath has been a Director of the Trinidad & Tobago Unit Trust Corporation for the past seven (7) years. He is a director on the Board of CBP Limited, a spice and condiment processing company, and tutors at the Hugh Wooding Law School.

## **Trinidad & Tobago Unit Trust Corporation**

### **3-Year Summary of Financial Position**

	<b>Financial Highlights</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
Funds Under Management (\$M)	19,902.68	16,401.11	15,658.34
Sales (TT\$M)	7,347.85	8,207.78	7,347.85
Unitholder Accounts	631,281	668,755	631,281
Income (\$M)	1,439.08	1,113.17	1,051.24
Distributions (\$M)	815.48	777.16	815.48

### **Financial Year-End**

The Fund's Financial Year-End will be 31 December.

### **Location and Availability of Financial Information**

Financial information on the Company and the Fund is available semi-annually at the Head Office of the Trinidad & Tobago Unit Trust Corporation.

A copy of the constitutional documents of the Company are available for inspection at the Head Office of the Trinidad & Tobago Unit Trust Corporation, #82 Independence Square, Port of Spain.