



THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED

TT\$682,000,000.00 FIXED RATE BOND

Guaranteed by the Government of the Republic of Trinidad and Tobago

Agent - Central Bank of Trinidad and Tobago, Eric Williams Financial Complex, St. Vincent Street, Port-of-Spain

"The Securities and Exchange Commission has not in any way evaluated the merits of the securities offered hereunder and any representation to the contrary is an offence."

INFORMATION MEMORANDUM

THE BONDS

1. Terms and Conditions

The National Insurance Property Development Company Limited ("NIPDEC") proposes to raise TT\$682,000,000.00 through the issue of 13-year bonds with a fixed coupon rate. The Bonds will be issued in one tranche on July 21, 2009 pursuant to a Trust Deed between NIPDEC and RBTT Trust Limited.

The Bonds will be issued with the following features:

Approximately TT\$682,000,000.00 6.80% Fixed Rate Bonds due 2022.

The Central Bank of Trinidad and Tobago will auction the Bonds via the single price auction system.

As far as possible, applicants will be allotted bonds to the fullest extent of their applications.

The auction will be opened at 8:00 a.m. on July 08 2009 and closed at 1:00 p.m. on July 17, 2009.

2. Use of Proceeds

The proceeds of this issue will be used to finance the following:

- (i) Programme for the Upgrade of Road Efficiency (P.U.R.E.); and
- (ii) Driver and Vehicle Licensing Authority of Trinidad and Tobago.

These Bonds are eligible for inclusion in the Statutory Fund of Insurance Companies and will be considered as assets in and originating in Trinidad and Tobago within the meaning of Sections 47 (1) and 186 (3) respectively of the Insurance Act, 1980 and will also be accepted without limit for appropriate deposit purposes in accordance with Section 29 of the Insurance Act.

3. Date of Issue

The date of issue of the bonds is July 21, 2009.

4. Agent

The Central Bank of Trinidad and Tobago has been appointed sole and exclusive agent for the raising and management of this issue of Bonds.

5. Method of Payment

The Government will meet the associated debt service obligations.

Payment will be made in Trinidad and Tobago dollars.

6. Security

The principal monies and interest represented by the Bonds will be charged upon and are payable out of the Consolidated Fund and are secured on the Revenues and Assets of the Republic of Trinidad and Tobago.

7. Interest

Interest is payable semi-annually on January 21st and July 21st. Interest will accrue from July 21st, 2009 and the first payment will be made on January 21st, 2010. Interest will be calculated at a rate of 6.80% per annum on a 365-day basis.

8. Business Day

In the event that a payment date occurs on a day other than a Business Day, such payment will be made on the Business Day following that date.

9. Redemption

Any bond forming part of this issue, if not previously cancelled or redeemed by purchase in the open market, will be repaid at par on July 21, 2022.

10. Applications and General Arrangements

Applications will be received at the **DOMESTIC MARKET OPERATIONS DEPARTMENT, CENTRAL BANK OF TRINIDAD AND TOBAGO, CENTRAL BANK BUILDING, ST. VINCENT STREET, PORT OF SPAIN.** Applications must be for \$1,000.00 face value or multiples thereof. No allotment will be made for any amount less than \$1,000.00 face value.

Government Securities Intermediaries appointed by the Central Bank will act as counterparties to the Central Bank in the auction and will thereafter provide a market for the bonds. The public can bid competitively or non-competitively by submitting the relevant application forms along with payment to a Government Securities Intermediary. The minimum allotment that can be obtained through a non-competitive bid is \$1,000.00 face value and the maximum is \$100,000.00.

Registration of bondholders will be made by book entry at the Central Bank of Trinidad and Tobago in the name of each subscriber.

The Information Memorandum is available at www.central-bank.org.tt. The Trust Deed Application Forms and Transfer

of Ownership Forms may be obtained at the offices of all Government Securities Intermediaries, as designated by the Central Bank of Trinidad and Tobago.

THE ISSUER

1. Overview

Legislative Framework and General Overview

The National Insurance Property Development Company Limited, is one of the leading property development companies in Trinidad and Tobago. It was incorporated as a private limited liability company in July, 1977, as an investment of the National Insurance Board (NIB) with a paid up capital of \$25m.

The Company is a professional service organisation that provides a range of property development and management, procurement/contract management and other consultancy services, utilising a project management approach. Its clientele includes the State and the Private Sector and its projects over the years have included some of the country's largest development and most of its landmark buildings to date including the Brian Lara Promenade, the Central Bank Towers and the Tobago Transcription Center.

The Company has a private sector orientation and has been able to combine this with a social and developmental focus.

The National Insurance Property Development Company Limited (NIPDEC) is proposing to raise up to \$682.0m through the issue of 13 year bonds with a fixed coupon rate.

NIPDEC is the only organisation in Trinidad and Tobago with the appropriate mix of ideology, skills and expertise to execute large, complex construction venture, procure diverse goods and services and manage and maintain properties. NIPDEC's expertise in the construction/property development arena has led to the development of complementary services, such as property management and sales and procurement and contract management.

NIPDEC is a major proponent of the concept of public/private partnership as a vehicle for development.

NIPDEC currently provides five core business services. These are:-

- Property Development
- Mechanical, Electrical and Facilities Management
- Real Estate Services
- Commercial Services
- Procurement and Contract Management

As part of its business operations, NIPDEC is constantly involved in engaging the services of external professionals and organisations to perform a variety of consultancy functions and to supply specialised goods and services.

As a result the Company developed a codified set of Tender Regulations to deal with all matters concerning the evaluation and award of contracts, and above all to ensure that transparency and accountability prevail across the board.

These regulations were developed by the Property Services Association of the United Kingdom, under a government to government agreement in the late 1970's and are administered by NIPDEC's Tenders Committee. The Committee comprises a Chairman, who must be a Board director, one other Director and the General Manager, Executive Manager, Finance and Administration and the Programme Manager, Property Development

Applicable legislation relating to the Company's execution of its statutory duties and performance of its operations is deemed to include:

- Income Tax acts
- The Company's Act 1995
- Freedom of Information Act

The current Strategic Plan outlines the following Vision and Mission Statements for the Company:

Vision Statement

To be the premier private/public developer in Trinidad and Tobago.

Mission Statement

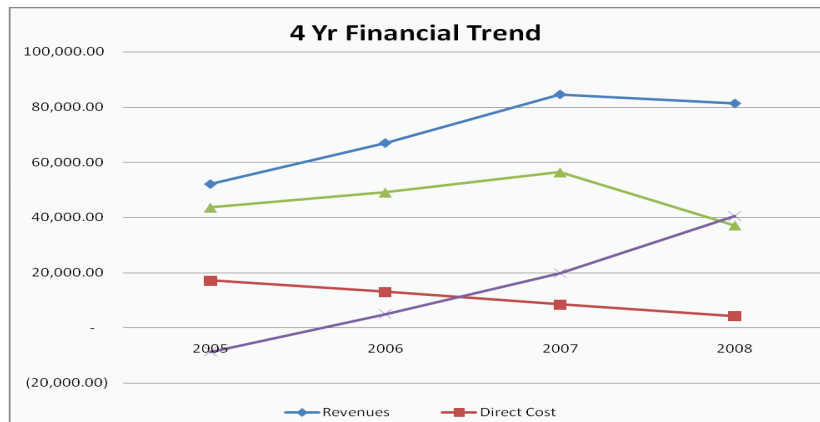
To develop, manage and sell property, goods and services in partnership with the National Insurance Board and other organizations in Trinidad and Tobago, utilizing a project management approach to bring value to our shareholder and stakeholders.



2. Financial Information

Operating Income

The Graph below highlights the historical financial information over a 4 year period from 2005 to 2008.

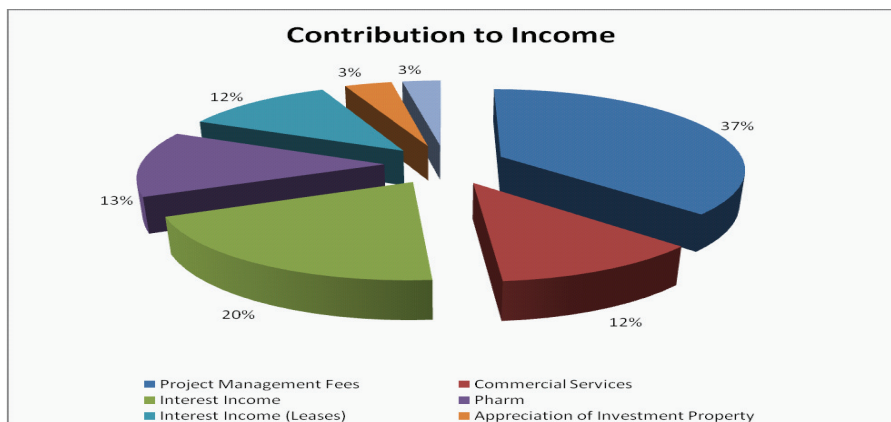


The Company has recently turned around its fortunes in the last few years moving from a loss position to increasing profitability by over 100%.

The significant increase is as a direct result of reduction in operating expenditure namely: administration, finance and staff costs.

This trend is expected to continue for the upcoming fiscal year

The Company's operating revenues are derived as follows:



The Company continues to implement strategies geared towards improving its operating ratio. In addition, the Company is engaged in a more aggressive collection programme in terms of rentals and projects collections.

Category	2008	2007
Staff Costs	19,781	53.2
Finance Costs	8,671	23.3
Administration Costs	2,565	6.90
Bad Debts	(1,297)	(3.2)
Accommodation Costs	4,535	12.2
Depreciation	1,327	3.57
Vehicle Expenses	464	1.25
Other	1,115	3.00
TOTAL	37,161	

Debt Profile

The Company has long term borrowings as at 30 June 2008 in the sum of \$94.5m.

National Insurance Board	\$13.5m
First Caribbean International Bank	\$23.9m
First Citizens Merchant Bank	\$57.1m

National Insurance Board Loan

The loan is unsecured and is repayable over fifteen years at a rate of interest of 11% p.a. with effect from November 1997.

First Caribbean International Bank

The purpose of this loan was the financing the construction of the Ministry of Communications, Works, Transport and Public Utilities in St. Lucia. The loan is payable in monthly installments over fifteen years at a rate of 9.5% p.a. with effect from February 2001.

First Citizens Merchant Bank

This bond provided financing for the Attorney General Building. The bond is repayable in semi-annual payments over

twelve years at a rate of interest of 7.04% p.a. with effect from October 2003

Limited Recourse Fixed Rate Bonds

The Company was the beneficiary of the proceeds of a loan of \$286.3m from RBTT Merchant Bank Limited which is secured by Limited Recourse Fixed Rate Bond 2006-2018. This loan was borrowed on behalf of the Government of Trinidad and Tobago for the construction of several facilities under the National Security Construction Programme. The bonds bear interest at the rate of 8.75% per annum. In accordance with the Trust Deed, the bonds will be redeemed by twenty four equal semiannual payments commenced on 6th April 2007.

3. Strategic Plan

The Strategic Plan envisions the transformation of the Company from its traditional role as project management wherein we have expanded, enhanced and diversified our business into a successful, multiservice organization. We have branched out to include

facilities management, real estate services, commercial services and procurement and contract management to our roster of functions. As our acumen has been honed over three decades so too has our ability to provide these services. Our development projects are grander, have more of an impact and are more dynamic that they've ever been. Our maintenance and management services have reached international standards.

4. Organizational Structure

A distinguishing feature of NIPDEC is the composition of its Board of Directors. The Board reflects the combined strengths of the private sector, the labour movement and the State. As stipulated in the Articles of Association, the members include the Chairman and Management from the National Insurance Board of Trinidad and Tobago.

The members of the Company's Board of Directors are as follows:

Mr. Calder Hart	(Chairman)
Mr. Jeffrey McFarlane	(Member)
Mr. Seeram K. Maharaj	(Member)
Ms. Joan John	(Member)
Mr. Michael Annisette	(Member)
Ms. Inez Sinanan	(Member)
Dr. Krishna Bahadoorsingh	(Member)

Our leadership team is comprised as follows:

General Manager (Ag.)	Ms. Wendy A. Ali
Executive Manager, Finance & Administration	Ms. Akosua Dardaine-Edwards
Company Secretary	Mr. Roger St. Rose
Head, Internal Audit	Ms. Miriam Wilson-Edwards
(Ag.) Head, Property Development	Mr. Sonnylal Soomai
Manager, Procurement & Contracts	Mr. Artie Whittington
Manager, Real Estate and Commercial Services	Ms. Lynn Hilaire
Manager, Mechanical Electrical & Facilities	Mr. Daryl Joseph
(Ag.) Head, HR	Mr. Nahum Forde

List of Government Securities Intermediaries

Institution	Contact Address
ANSA Merchant Bank Limited	11e Maraval Road Port of Spain Tel: 623-8672 Fax: 624-8763
Caribbean Money Market Brokers Limited *	Ground Floor, Furness Court Corner Richmond Street and Independence Square Port of Spain Tel. 623-7815/5153 Fax: 624-4544
Citicorp Merchant Bank Limited	12 Queen's Park East Port of Spain Tel. 625-1046; 623-3344 Fax: 624-1719
First Citizens Bank Limited	Corporate Centre 9 Queen's Park East Port of Spain Tel: 624-3178 Fax: 627-4548
Intercommercial Trust and Merchant Bank Limited	Ground Floor Furness Building Port of Spain Tel: 665-4425 Fax: 665-6663
Republic Finance and Merchant Bank Limited	9-17 Park Street Port of Spain Tel: 625-4411 Fax: 624-1296
RBTT Merchant Bank Limited	Corner Broadway and Independence Square Port of Spain Tel: 625-3511 Fax: 624-5212
Scotia Trust and Merchant Bank (Trinidad and Tobago) Limited	Scotia Centre 56-58 Richmond Street Port of Spain Tel: 625-3566 Fax: 623-4405
FirstCaribbean International Bank (Trinidad and Tobago) Limited	74 Long Circular Road Maraval Port of Spain Tel: 628-4685 Fax: 625-8906
Trinidad and Tobago Unit Trust Corporation *	Corner Richmond Street and Independence Square Port of Spain Tel: 624-8648 Fax: 624-4729

Note: * Intermediaries designated to accept non-competitive bids from the public. Applications will be accepted by these intermediaries up to 4:00 p.m. on Thursday 16th July, 2009.

CONSOLIDATED BALANCE SHEET AT 30TH JUNE, 2008

	2008 \$'000	2007 \$'000
ASSETS		
Non-current assets		
Available -for-sale investments	5,277	9,031
Net investment in leased assets	87,355	99,708
Investment properties	41,100	44,100
Property, plant and equipment	18,289	18,772
Defined pension benefit asset	23,546	18,882
	<u>175,567</u>	<u>190,493</u>
Current assets		
Cash and short-term deposits	86,436	225,399
Monies held on deposit	7,883	100,316
Accounts receivable and prepayments	293,378	161,954
Net investment in leased assets	11,367	9,926
Project costs incurred less project advances	78,054	60,912
Amounts due by parent company	5,881	16,354
	<u>483,599</u>	<u>574,861</u>
Total assets	659,166	765,354
EQUITY AND LIABILITIES		
Equity		
Stated capital	25,000	25,000
Revaluation reserve	13,062	13,538
Retained earnings	107,110	66,654
	<u>145,172</u>	<u>105,192</u>
Non-current liabilities		
Borrowings	82,573	95,368
	<u>82,573</u>	<u>95,368</u>
Current liabilities		
Bank overdraft	8,517	-
Borrowings due within one year	12,013	10,811
Accounts payables and accruals	290,984	205,433
Project advances less project costs incurred	119,907	348,550
	<u>431,421</u>	<u>564,794</u>
Total equity and liabilities	659,166	765,354