



THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED

TT\$750,000,000.00

19-YEAR 6.55% FIXED RATE BOND DUE MAY 17, 2030 For Auction on May 13, 2011

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. The National Insurance Property Development Company Limited ("NIPDEC") proposes to raise TT\$750,000,000.00 through the issue of 19-year bonds with a fixed coupon rate. The Bonds will be issued in one tranche on May 17, 2011 pursuant to a Trust Deed between NIPDEC and First Citizens Trustee Services Limited.

The Bonds will be issued with the following features:

Approximately TT\$750,000,000.00 6.55% Fixed Rate Bonds due May 17, 2030.

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, subject to applicable limits for government securities trading outlined in the Government Securities Settlement Procedures.

The auction will be opened at 1:00 p.m. on May 3, 2011 and closed at 1.00 p.m. on May 13, 2011.

2. Use of Proceeds

The proceeds of this issue will be used to finance the Programme for the Upgrade of Road Efficiency (P.U.R.E.). This is an extensive programme of road repairs and enhancement throughout Trinidad and Tobago through the Ministry of Works and Transport (MOWT) under the following classifications:

- Improvement to existing road infrastructure;
- Implementation of traffic management measures;
- Development of alternative access routes;
- Stabilization and reinstatement of failed slopes;
- Bridge construction and repairs.

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 46 (1) and 186 (1) 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 May 17, 2011.

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 May 17 and November 17. Interest will accrue from May 17, 2011 and the first payment will be made on November 17, 2011. Interest will be calculated at a rate of 6.55% per annum on an actual/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 May 17, 2030.

10. Applications and General Arrangements

Applications must be made through the designated Government Securities Intermediaries that are listed at the end of this Information Memorandum. Intermediaries must enter bids based on completed application forms, into the electronic auction system. 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 secondary market for the bonds. Bids can be placed competitively or non-competitively by submitting the relevant application form, 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 at a price established in the competitive side of the auction. This price is the minimum price, when the successful bids are ordered from the highest price to the lowest price and may be at par, premium or a discount.

A register of bondholders will be held in book-entry form at the Central Bank of Trinidad and Tobago.

NIPDEC's audited financial statements can be viewed by prospective investors at the Company Secretary's Department at NIPDEC's Head Office located at 56-60 St Vincent Street, Port of Spain.

The Information Memorandum is available at www.central-bank.org.tt. Application Forms and Transfer of Ownership Forms may be obtained at the offices of all Government Securities Intermediaries.

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 \$25.0million.

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 \$750.0 million through the issue of 19-year bonds with a 6.55 per cent 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 ventures, 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, Head, Finance and Accounting, the Head, Property Development and the Company Secretary.

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 Securities Industries Act, 1995

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.

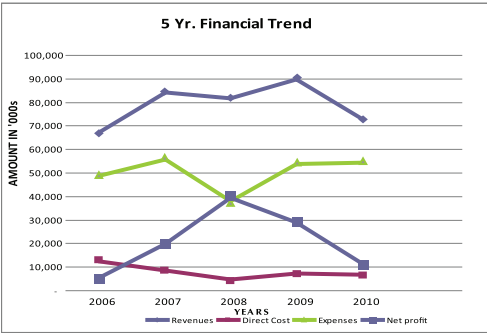
2. Financial Information

Operating Income

The Graph below highlights the historical financial information over a 5 year period from 2006 to 2010. The data for the years 2006 to 2009 is based on audited financial statements. However, the data for the year 2010 is based on draft audited financial statements which have been approved by NIPDEC's Board of Directors.



THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED

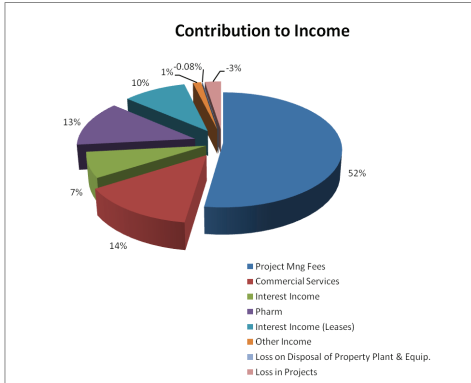


The Company has continued to be profitable even in times of economic downturn.

The Company's profitability is as a direct result of reduction in operating expenditure namely: administration, finance and staff costs.

The Company recorded an unaudited profit of **\$2.992 million** in the six months ended December 31, 2010; Total Revenue earned amounted to **\$30.95 million** and Operating Expenses stood at **\$25.054 million**.

The Company's operating revenues as at June 2010 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.

Operating Expenditure

Expenditure June 2010	Value(\$'000)	(%)
Staff Costs	30,473	55.45
Finance Costs	5,702	10.38
Administration Expenses	3,377	6.14
Bad Debts	(808)	(1.47)
Accommodation Costs	5,639	10.26
Depreciation	1,373	2.5
Vehicle Expenses	535	0.97
Impairment of Investment	8,667	15.77
TOTAL	54,958	100

Debt Profile

The Company has long term borrowings as at 30 June 2010 in the sum of \$71.6 million

National Insurance Board	\$9.2 million
First Caribbean International Bank	\$17.8 million
First Citizens Merchant Bank	\$44.6 million

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 10.5% 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 \$265.283 million from Republic Bank Limited which is secured by Limited Recourse Fixed Rate Bond 2002-2014. This loan was borrowed on behalf of the Government of Trinidad and Tobago for construction works. The bonds bear interest at the rate of 7.3% per annum. In accordance with the Trust Deed, the bonds will be redeemed by twenty four equal semiannual payments which commenced on 25th May 2003.

The Company was the beneficiary of the proceeds of a loan of \$286.3 million 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 the following facilities under the National Security Construction Programme:

- 15 Fire Stations;
- 14 Police Stations
- Adult Dormitories; and
- Training Academy

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 which commenced on 6th April 2007.

The Company was the beneficiary of the proceeds of a loan of \$200.0 million from Trinidad and Tobago Unit Trust Corporation which is secured by Limited Recourse Fixed Rate Bonds in two Series namely Series A Fixed Rate Bond 2008 for \$50.0 million and Series B Fixed Rate Bond 2017 for \$150.0 million. This loan was borrowed on behalf of the Government of Trinidad and Tobago for the Upgrade of Road Efficiency (PURE). The bonds bear interest at the rate of 6.5% per annum. Series A Bonds were repaid as at 27th October 2008, Series B Bond shall be repaid in eighteen (18) equal semi-annual installments.

In July 2009, the Company was the beneficiary of the net proceeds of a bond issue for \$682.0 million received from the Central Bank of Trinidad and Tobago who acted as agents for the issue. The Limited Recourse Fixed Rate Bonds 2009 – 2022 were constituted by RBTT Trust Limited, the named trustees on the bond. The bond principal and interest are guaranteed by the Government of Trinidad and Tobago. The bonds bear interest at the rate of 6.8% per annum.

The funds were used to finance:

1. The Programme for the Upgrade of Road Efficiency (PURE)
2. The Driver and Vehicle Licensing Authority of Trinidad and Tobago (DVLATT)

The Government of the Republic of Trinidad and Tobago intends to establish a Driver and Vehicle Licensing Authority of Trinidad and Tobago (DVLATT). This is in order to transform the current framework for the issuing of driver permits, registration of motor vehicles and other functions of its Transport Division, Ministry of Works and Transport for the benefit of the citizenry of Trinidad & Tobago.

In March 2010, the Company was the beneficiary of the net proceeds of a Fixed Rate Bond issued for \$500.0 million received from the Central Bank of Trinidad and Tobago who acted as agents for the issue. The Limited Recourse Fixed Rate Bonds 2010 – 2028 were constituted by First Citizens Trustee Services Limited, the named trustees on the bond. The bond principal and interest are guaranteed by the Government of Trinidad and Tobago. The bonds bear interest at the rate of 6.25% per annum. The funds were used to finance the Programme for the Upgrade of Road Efficiency (PURE).

In September 2010, the Company was the beneficiary of the net proceeds of a Fixed Rate Bond issued for \$360.0 million received from the Central Bank of Trinidad and Tobago who acted as agents for the issue. The Limited Recourse Fixed Rate Bonds 2010 – 2028 were constituted by First Citizens Trustee Services Limited, the named trustees on the bond. The bond principal and interest are guaranteed by the Government of Trinidad and Tobago. The bonds bear interest at the rate of 6.10% per annum. The funds were used to finance the Programme for the Upgrade of Road Efficiency (PURE).

Promissory Note – ANSA Merchant Bank

In January 2010 NIPDEC was the beneficiary of a Government Guaranteed Fixed Rate Loan from ANSA Merchant Bank Limited in the amount of \$37.4 million. The loan was for a period of three (3) years ending on 4th January 2013, interest is paid at the rate of 4.3% per annum. The funds were used to finance the Ministry of Works and Transport Mechanical Division Relocation Project.

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 have ever been. Our maintenance and management services have reached international standards.

4. Organizational Structure

As stipulated in its Bylaws, the members of NIPDEC's Board of Directors include the Chairman and a member of the Management of the National Insurance Board of Trinidad and Tobago (its parent company). The other members of the Board were selected from the private sector.

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

Mr. Ronald Ramcharan	Director (Chairman)
Mr. Hamlyn Jailal	Director (Deputy Chairman)
Mr. Navindra Ramnanan	Director
Mrs. Melissa Bart	Director
Mr. Dwight Stoute	Director
Mrs. Krishmanie Misir	Director
Mr. Ravi Ramoutar	Director
Ms. Lorna Charles	Director

Our leadership team is comprised as follows:

General Manager	- Mrs. Wendy A. Ali
Manager, Procurement & Contracts	- Mr. Artie Whittington
Head, Finance & Administration	- Ms. Roxane Nottingham
Manager, Real Estate and Commercial Services	- Ms. Lynn Hilaire
Head, Property Development (Ag.)	- Ms. Cathy Ann Fuentes
Manager, Mechanical Electrical & Facilities	- Mr. Daryl Joseph
Company Secretary	- Ms. Alana Umraw
Head, Human Resources	- Mr. Nahum Forde
Head, Internal Audit	- Ms. Miriam Wilson-Edwards

List of Government Securities Intermediaries

Institution	Contact Addresses
ANSA Merchant Bank Limited	11c Maraval Road Port of Spain Tel: 623-8672 Fax: 624-8763
Bourse Securities Limited*	96 Maraval Road Port of Spain Tel: 623-0415 Fax: 624-6953
Citicorp Merchant Bank Limited	12 Queen's Park East Port of Spain Tel: 625-1046; 623-3344 Fax: 624-1719
First Citizens Investment Services Limited*	Ground Floor, Furness Court Corner Richmond Street and Independence Square Port of Spain Tel: 623-7815/5153 Fax: 624-4544
First Citizens Bank Limited	Corporate Centre 9 Queen's Park, East Port of Spain Tel: 624-3178 Fax: 627-4548
Intercommercial Bank Limited	Southern Main Road Chaguamas Tel: 665-4425 Fax: 665-6663
Republic Bank Limited	59 Independence Square Port of Spain Tel: 625-3617 Fax: 624-9217
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 59-58 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 12 noon on Thursday 12th May, 2011.

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2010

ASSETS	2010 \$'000	2009 \$'000
Non-current assets		
Net investment in leased assets	62,217	74,870
Investment properties	42,988	41,100
Property, plant and equipment	17,576	17,220
Held to maturity investment	9,120	16,884
Defined pension benefit asset	28,889	27,059
	160,788	179,133
Current assets		
Cash and short-term deposits	207,148	103,453
Restricted cash	443,472	-
Held to maturity investment	1,097	-
Accounts receivable and prepayments	183,903	270,050
Net investment in leased assets	13,516	12,356
Project costs incurred less project advances	264,959	291,024
Amounts due by parent company	24,776	21,731
	1,143,368	889,614
Total assets	1,304,156	877,747
EQUITY AND LIABILITIES		
Equity		
Stated capital	25,000	25,000
Revaluation reserve	12,905	12,905
Retained earnings	136,661	134,317
	174,566	172,222
Non-current liabilities		
Borrowings	55,778	70,050
Current liabilities		
Bank overdraft	1,240	2,704
Borrowings due within one year	15,845	12,891
Accounts payable and accruals	553,375	531,483
Project advances less project costs incurred	489,631	88,397
Dividend payable	8,021	-
	1,078,912	835,475
Total equity and liabilities	1,304,156	877,747