



THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED

TT\$1,000,000,000.00

16-YEAR 4.00% FIXED RATE BOND DUE OCTOBER 25, 2029 For Auction on October 23, 2013

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\$1,000,000,000.00 through the issue of 16-year bonds ("the Bonds") with a fixed coupon rate of 4.00%. This financing will be the first of a three-phase borrowing programme totaling TT\$2.7 Billion over the period 2013 to 2015. The 16-year Bonds will be issued in one tranche on October 25, 2013 pursuant to a Trust Deed between NIPDEC and First Citizens Trustee Services.

The Bonds will be issued with the following features:

Approximately TT\$1,000,000,000.00 4.00 % Fixed Rate Bonds due 2029.

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 10:00 a.m. on Monday October 14, 2013 and closed at 1:00 p.m. on Wednesday, October 23, 2013.

TERMS OF ISSUE

1. Authority

These Bonds will be issued pursuant to the Bye-Laws of the National Insurance Property Development Company Limited.

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 road enhancement throughout Trinidad and Tobago through the Ministry of Works and Infrastructure (MOWI) 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 October 25, 2013.

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 October 25th and April 25th. Interest will accrue from October 25, 2013 and the first payment will be made on April 25, 2014. Interest will be calculated at a rate of 4.00 % 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 October 25, 2029.

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.

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 (PLC) in July, 1977, as an investment of the National Insurance Board (NIB) with a paid up capital of \$25.0M.

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.

As a private sector organization, it has been able to fulfil its mandate of being profitable and socially responsible to the citizens of Trinidad and Tobago.

The National Insurance Property Development Company Limited (NIPDEC) is proposing to raise up to \$1,000,000,000.00 through the issue of 16 year bonds with a 4.00 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 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, two (2) Directors 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.

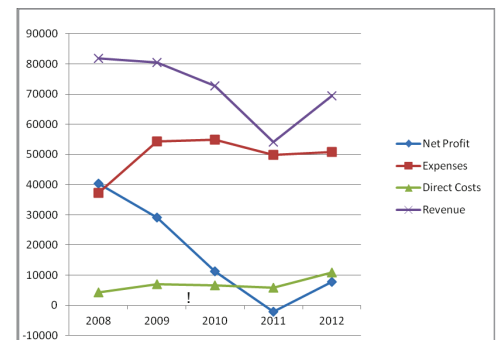
Mission Statement

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 2007 to 2012.

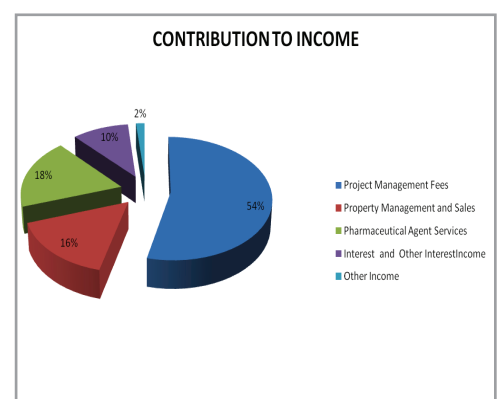


The Company has continued to be profitable even in times of economic downturn.

The Company's profitability for the period ended June 30, 2012 was as a result of prudent management, operational efficiency and cost-effective measures.

The Company recorded an audited profit after tax of **\$7.751m** for the period ended June 30, 2012. The Gross Revenue earned amounted to **\$69.45m** and Operating Expenses stood at **\$50.85m**. The resulting Net Profit/Income after taxes was **\$7.751m**.

The Company's Gross operating revenues as at June 2012 of **\$69.45m** are derived as follows:





THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED

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 2012	Value(\$'000)	(%)
Staff Costs	33,864	66.59
Finance Costs	4,934	9.70
Administration Costs	4,747	9.33
Bad Debts	24	0.05
Accommodation Costs	5,541	10.90
Depreciation	1,333	2.62
Vehicle Expenses	412	0.81
TOTAL	50,855	100

Debt Profile

The Company has long term borrowings as at 30 June 2012 in the sum of \$40.4m

First Caribbean International Bank \$10.1 m
First Citizens Merchant Bank \$30.3 m

National Insurance Board Loan

The loan is unsecured and is repayable in semi-annual payments over fifteen years at a rate of interest of 11% per annum with effect from November 1997. The loan was repaid during the year 2012.

First Caribbean International Bank

This loan facility was provided by CIBC Caribbean, now First Caribbean International Bank Limited, for the purpose of financing the construction of the Ministry of Communications, Works, Transport and Public Utilities building in St. Lucia. The loan is repayable in monthly installments over fifteen years at a rate of interest of 10.5% per annum 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% per annum with effect from October 2003.

Limited Recourse Fixed Rate Bonds

The Company was the beneficiary of the proceeds of a loan of \$265.28m 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 \$286.3m from RBC 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 which commenced on 6th April 2007.

The Company was the beneficiary of the proceeds of a loan of \$200.0m 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 \$50.0m and Series B Fixed Rate Bond 2017 for \$150.0m. 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)

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 August 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).

In May 2011, the Company was the beneficiary of the net proceeds of a Fixed Rate Bond issued for \$750.0 million received from the Central Bank of Trinidad and Tobago who acted as agents for the issue. The Limited Recourse Fixed Rate Bonds 2011-2030 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 6.55% per annum. The funds are being used to finance the Programme for the Upgrade of Road Efficiency (PURE).

In October 2011, 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 acting in its capacity as Agent. The Limited Recourse Fixed Rate Bonds 2011-2026 were constituted by First Citizens Trustee Services Limited, the named trustees for this Bond, of which the Principal and Interest are guaranteed by the Government of the Republic of Trinidad and Tobago. The bonds bear interest at the rate of 6.05% per annum. The funds are being used to finance the Programme for the Upgrade of Road Efficiency (PURE).

In August 2012, the Company was the beneficiary of the net proceeds of a Fixed Rate Bond issued for \$339.0 million received from the Central Bank of Trinidad and Tobago who acted as agents for the issue. The Limited Recourse Fixed Rate Bonds 2012-2025 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 5.15% per annum. The funds are being used to finance the Ministry of Works Motor Vehicle Authority (Phase II) Project.

In October 2012, the Company was the beneficiary of the net proceeds of a Fixed Rate Bond issued for \$250.0 million in a Private Placement with the National Insurance Board of Trinidad and Tobago (NIBTT). The Limited Recourse Fixed Rate Bonds 2012-2032 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 for the first ten (10) years and will be reset on the tenth anniversary to the prevailing GOTT Guaranteed Rate, subject to a floor of 6.25% per annum. The funds are being used

to finance the Programme of 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 \$37.4m. 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. 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 Board of Directors are as follows:-

Mr. Hamlyn Jailal	(Chairman)
Mr Navindra Ramnanan	Deputy Chairman
Mrs Melissa Bart-Smith	Director
Ms. Karen Gopaul	Director
Mr. Reeyaz Rajab	Director
Mrs. Krishmanie Misir	Director
Mr. John Boisselle	Director
Mr. Adrian Bharath	Director
Mr. Keith Hordatt	Director

The Executive Management Team is as follows:-

General Manager Mrs. Nishi Bhagan, IMBA, Mpharm, BSC

Nishi Bhagan is the holder of an International Masters in Business Administration and has a strong managerial background with ten (10) years local and international experience. Prior to her appointment as General Manager of NIPDEC, Mrs. Bhagan held the Executive Management Position of Head Pharmaceuticals of NIPDEC, Central Stores.

Head, Finance and Accounting Mr. Richard Gittens

Mr. Richard Gittens is a highly qualified financial professional, a certified accountant with over 25 years experience. He is the holder of an Executive Masters in Business Administration and has worked in various industries including Property Development, IT and Manufacturing sectors.

Head, Legal Services Ms Florence Ramdin

Ms Ramdin has recently joined the Management Team at NIPDEC as its Head, Legal Services. Ms Ramdin is an Attorney at Law with nine (9) years experience in civil and public litigation. Prior to joining NIPDEC, Ms Ramdin worked at the Ministry of the Attorney General for six years.

Senior Legal Officer/Assistant Company Secretary Ms. Lisa Solomon

Lisa Solomon has been practising as an Attorney at Law for the past thirteen (13) years. She has acquired significant experience in private commercial law, having worked at private law firms for a period of six (6) years. Prior to joining NIPDEC, Ms Solomon worked in the public sector with Evolving Technologies and Enterprising Development Limited (eTeck) and in the oil and gas industry at the National Gas Company of Trinidad and Tobago (NGC).

Head, Property Development Mr. Vyas Ramphalie

Mr. Vyas Ramphalie has recently joined the Management Team at NIPDEC as the Head Property Development. He attained a Bachelor of Science (B.Sc.) Degree, a Master of Science (M.Sc.) Degree in Construction Management and an International Masters in Business Administration (IMBA). He has over 15 years experience working in the Construction Sector and in the Project Management Environment. He has worked both in the private sector and public sector managing projects. He also has a considerable amount of experience working on construction and civil engineering projects locally as well as internationally.

Head, Human Resources (Ag.) Ms. Malisa Gilkes

Ms. Gilkes has recently been appointed to act as the Head Human Resources. Ms. Gilkes held the position of Human Resource Officer from June 01, 2007. She possesses a Bachelor of Science Degree in Management Studies and a Master Degree in Business Administration.

Manager, Internal Audit Ms. Miriam Wilson-Edwards

Ms. Wilson-Edwards has over ten (10) years' experience in financial and operational audits, management and compliance reviews, risk assessments and fraud investigations. She holds a Bachelor of Science Degree (Honours) in Economics (Major) and a Minor in Finance, is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a Certified Internal Auditor (CIA). She is also an Associate Member of the Association of Certified Fraud Examiners (ACFE).

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2012

	2012 \$'000	Restated 2011 \$'000
ASSETS		
Non-current assets		
Net investment in leased assets	35,086	46,909
Investment properties	29,400	29,400
Property, plant and equipment	17,569	18,447
Available for sale investment	10,217	10,217
Defined pension benefit asset	29,849	30,348
	<u>122,121</u>	<u>135,321</u>
Current assets		
Cash and short-term deposits	153,934	160,135
Restricted cash	644,655	1000,060
Accounts receivable and prepayments	156,685	229,254
Net investment in leased assets	12,053	15,261
Project costs incurred less project advances	275,405	277,636
Amounts due by parent company	31,682	33,097
	<u>1,274,414</u>	<u>1,715,443</u>
Total assets	1,396,535	1,850,764
EQUITY AND LIABILITIES		
Equity		
Stated capital	25,000	25,000
Revaluation reserve	13,375	13,375
Retained earnings	141,073	133,322
	<u>179,448</u>	<u>171,697</u>
Non-current liabilities		
Borrowings	27,893	40,381
Current liabilities		
Bank overdraft	-	-
Borrowings due within one year	12,503	15,510
Accounts payables and accruals	243,476	374,708
Project advances less project costs incurred	924,194	1239,447
Dividend payable	9,021	9,021
	<u>1,189,194</u>	<u>1,638,686</u>
Total equity and liabilities	1,396,535	1,850,764

THE NATIONAL INSURANCE PROPERTY DEVELOPMENT COMPANY LIMITED			
Statement of Comprehensive Income			
Year ended June 30, 2012	Notes	2012 \$'000	Restated 2011 \$'000
Income			
Project and construction management fees		37,423	20,960
Property management and sales		11,100	9,830
Pharmaceutical agent services		12,866	12,641
Interest income from leases		5,146	6,436
Other interest income		1,931	2,843
Gain on projects		-	24
Loss on disposal of property, plant and equipment		(84)	(413)
Other income		1,071	1,701
Total income		69,453	54,022
Direct costs incurred		(10,802)	(5,903)
Total income less direct costs		<u>58,651</u>	<u>48,119</u>
Expenditure			
Staff costs		(33,864)	(32,491)
Finance costs		(4,934)	(5,395)
Administration expenses		(4,747)	(3,870)
Accommodation costs		(5,541)	(5,802)
Bad debts		(24)	1,120
Depreciation		(1,333)	(928)
Vehicle expenses		(412)	(407)
Loss on revaluation of investment property		-	(2,086)
Total expenses		<u>(50,855)</u>	<u>(49,859)</u>
Profit (loss) before tax		<u>7,796</u>	<u>(1,740)</u>
Taxation		(45)	(307)
Profit (loss) for year		<u>7,751</u>	<u>(2,047)</u>
Other comprehensive income			
Revaluation of property, plant and equipment		-	470
Other comprehensive income for the year		<u>-</u>	<u>470</u>
Total comprehensive income for the year		<u>7,751</u>	<u>(1,577)</u>

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: 628-9100 Fax: 623-1603
First Citizens Investment Services Limited*	17 Wainwright St. St. Clair Port of Spain Tel: 623-3247 Fax: 623-2167
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 Bank Limited	Ground Floor Furness Building Port of Spain Tel: 665-4425 Fax: 665-6663
Republic Bank Limited	9-17 Park Street Port of Spain Tel: 625-4411 Fax: 624-1296
RBC 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 12 noon on Tuesday 22nd October, 2013.