

**This document should be read carefully. If you are in any doubt about its contents or the action to take, please consult your Stockbroker, Accountant, Banker, Solicitor or any other professional adviser for guidance immediately.**

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Investing in the Bond involves certain risks. Refer to "Risk Factors" commencing on page 25 for a discussion of certain risk factors to be considered in connection with an investment in the Bond.

**PROSPECTUS (SUPPLEMENTAL)**

**TT\$500,000,000.00**

**This is an amendment to the original Prospectus**

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY  
LIMITED**

(Incorporated in the Republic of Trinidad and Tobago under the Companies Act of 1995)

**Tranche A Bonds: 15 Year 7% Fixed Rate Bond  
Due September 2024**

**Tranche B Bonds: 5 Year 6% Fixed Rate Bond  
Due December 2014**

**Agent**

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

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The document together with all documents incorporated by reference herein of any constitutes full, true and plain disclosure of all material facts relating to the securities to be distributed this Prospectus.

Arranger: Central Bank of Trinidad and Tobago Limited  
November 16, 2009

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

## TABLE OF CONTENTS

Summary of the Issue.....	3
Corporate Directory .....	4-5
Responsibility Statement .....	6
Certification of Issuer .....	7
Statement from the Chief Financial Officer.....	8
Report of Directors .....	9-10
Notice to Investors .....	11
Statement of Rights.....	12
Documents Incorporated by Reference.....	13
Viewing of Documents .....	14
Procedures for Subscribing for the Bond.....	14
Presentation of Financial and other Information .....	14
Term Sheet .....	15-16
Use of Proceeds.....	17
Security .....	18
Company History .....	19
Financial Information.....	20-21
Corporate Governance Issues .....	22-25
Risk Factors of the Issuer.....	26-27
Auditors' Certification.....	28-29
Audited Consolidated Balance Sheet as at December 31, 2008, 2007 & 2006.....	30
Audited Consolidated Statement of Changes in Equity for the Years Ended December 31, 2008 & 2007 .....	31
Audited Consolidated Statement of Income for the Years Ended December 31, 2008, 2007 & 2006 .....	32
Audited Consolidated Statement of Cash Flows for the Years Ended December 31, 2008, 2007 & 2006 .....	33
Unaudited Consolidated Balance Sheet as at June 30, 2009 .....	34
Unaudited Consolidated Statement of Income for the six month period ended June 30, 2009... ..	35
List of Government Securities Intermediaries .....	36-37
Appendices.....	38
Subscription Forms .....	39-40

## SUMMARY OF THE ISSUE

<b>The Bond:</b>	TT\$500,000,000 (five hundred million Trinidad and Tobago dollars) Secured Fixed Rate Bond.
<b>Issuer:</b>	<b>Trinidad and Tobago Mortgage Finance Company Limited</b>
<b>Purpose:</b>	To finance mortgage operations
<b>Method of issue:</b>	Public Auction
<b>Minimum investment amount:</b>	TT\$1,000.00
<b>Amount:</b>	<b>Up to TT\$500,000,000.00 in the following Tranches:</b> Tranche A: TTD\$ 179,307,000.00 (Closed) Tranche B: TTD\$ 320,693,000.00
<b>Tenor:</b>	Tranche A: Fifteen (15) years (Closed) Tranche B: Five (5) years
<b>Interest Rate:</b>	Tranche A: Fixed at 7.00% per annum (Closed) Tranche B: Fixed at 6% per annum
<b>Interest payment date:</b>	Tranche A: Semi-annually, March and September (Closed) Tranche B: Semi-annually, June and December
<b>Principal:</b>	Tranche A: Upon maturity Tranche B: Upon maturity
<b>Prepayment:</b>	TTMF may repay the Outstanding Bonds prior to the maturity date without closing charges or other penalty subject to such prepayment being made on an interest payment date and TTMF giving to the Bondholders a minimum written notice of sixty (60) days.
<b>Opening Date:</b>	Tranche A: September 15, 2009
<b>Closing Date:</b>	Tranche A: September 25, 2009
<b>Opening Date:</b>	Tranche B: <b>November 16</b> , 2009
<b>Closing Date:</b>	Tranche B: <b>December 2</b> , 2009
<b>Auction period:</b>	Tranche B: November 16, 2009 to December 2, 2009
<b>Rating:</b>	These bonds have not been rated.

## CORPORATE DIRECTORY

### **Issuer**

Trinidad and Tobago Mortgage Finance Company Limited  
Albion Court  
61 Dundonald Street  
Port of Spain

### **Head Office**

Albion Court, 61 Dundonald Street, P.O. Box 1096, Port of Spain, Trinidad W.I.  
Tel: 868-623-TTMF (8863), 868-623-6565 / 6575 / 0277  
Fax: 868-624-3262  
E-mail: [info@ttmf-mortgages.com](mailto:info@ttmf-mortgages.com)  
Website: [www.ttmf-mortgages.com](http://www.ttmf-mortgages.com)

### **Branches:**

#### **Arima**

No 32, Sanchez Street, Arima  
Tel: 868-667-2863(2TMF)  
Fax: 868-667-0732

#### **Chaguanas**

Level 2, Mid Centre Mall, Chaguanas  
Tel: 868-672-5246, 868-623-6112 Ext. 4101  
Fax: 868-671-6648

#### **San Fernando**

Corner Mucurapo and Coffee Streets, San Fernando  
Tel: 868-652-1151, 868-623-6112 Ext. 3101  
Fax: 868-652-6543

#### **Tobago**

Shell 6, Level 2, Block B  
NIB Mall  
Scarborough  
Tel: 868-639-1540, , 868-623-6112 Ext. 5101  
Fax: 868-639-2366

### **Bankers:**

Republic Bank Limited  
72 Independence Square,  
Port of Spain.  
Tel: 868-625-4411

### **Auditors:**

Ernst & Young  
5-7 Sweet Briar Road,  
St. Clair,  
Port of Spain.  
Tel: 868-628-1105

### **Corporate Attorneys:**

M.G. Daly & Co.  
115 Abercromby Street,  
Port of Spain.  
Tel: 868-623-4013

**COMPANY SECRETARY AND OTHER PARTIES TO THE ISSUE**

**Company Secretary**

Geneva Sampson  
Trinidad and Tobago Mortgage Finance Company Limited  
Albion Court  
61 Dundonald Street  
Port of Spain

**Trustee**

First Citizens Trustee Services Limited  
45 Abercromby Street,  
Port of Spain.  
Tel:868-623-9091

**Agent, Registrar and Paying Agent:**

Central Bank of Trinidad and Tobago  
Eric Williams Financial Complex,  
St. Vincent Street  
Port of Spain.  
Tel:868-625-2601

**Legal Advisors:**

Attorneys at Law  
Pollonais, Blanc, de la Bastide & Jacelon,  
Pembroke Court, 17-19 Pembroke Street,  
Port of Spain, Trinidad, W.I.  
Tel:868-623-5461

## **RESPONSIBILITY STATEMENT**

This Prospectus has been seen and approved by the Directors of the Issuer and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

No securities described in this Prospectus may be allotted or issued on the basis of this Prospectus where the time which has elapsed between the date of issue of the receipt for the Prospectus and the date of the offering exceeds 1 year and 20 days.



Trinidad & Tobago  
Mortgage Finance  
Company Limited

ALBION COURT 61 Dundonald Street, P.O. Box 1096, Port of Spain, Trinidad, W.I.  
Tel: (868) 623-TTMF, 625-TTMF(8863) • Fax: (868) 624-3262 • Email: info@ttmf-mortgages.com • <http://www.ttmf-mortgages.com>


## TTS500 MILLION BOND ISSUE

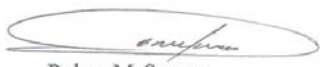
### CERTIFICATION

"The foregoing constitutes full, true and plain disclosure of all material facts relating to the issuer and the securities distributed by this prospectus as required by the Securities Act, 2006, as amended and the by-laws thereunder.


  
Ingrid L.A. Lashley  
Managing Director/CEO

Date: *Sept 10 09*

  
Geneva Sampson  
Chief Financial Officer  
Date: *Sept. 10, 2009*

  
Ruben McSween  
Director

Date: *Sept. 10, 2009*

  
Eunice Walton  
Director

Date: *September 10, 2009*



Trinidad & Tobago  
Mortgage Finance  
Company Limited

ALBION COURT 61 Dundonald Street, P.O. Box 1096, Port of Spain, Trinidad, W.I.  
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September 11, 2009

The Chairman  
Trinidad and Tobago Securities and Exchange Commission  
57-59 Dundonald Street,  
Port of Spain.

Dear Sir,

I, Geneva Sampson, Chief Financial Officer of Trinidad and Tobago Mortgage Finance Company Limited certify that:

1. I have reviewed this financial report of Trinidad and Tobago Mortgage Finance Company Limited.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered:
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for the periods presented in this report.

Yours sincerely,

Geneva Sampson, MBA, CA  
Chief Financial Officer





Trinidad & Tobago  
Mortgage Finance  
Company Limited

ALBION COURT 61 Dundonald Street, P.O. Box 1096, Port of Spain, Trinidad, W.I.  
Tel: (868) 623-TTMF, 625-TTMF(8863) • Fax: (868) 624-3262 • Email: info@ttmf-mortgages.com • http://www.ttmf-mortgages.com

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## **TT\$500 MILLION BOND ISSUE**

### **REPORT OF THE DIRECTORS**

The Directors of Trinidad and Tobago Mortgage Finance Company Limited (TTMF) as evidenced by their signatures below, certify the following:

Based on enquiry in relation to the interval between the date of the Auditors' Report dated May 7, 2009 for the financial year ended December 31, 2008 and the date of the Prospectus, we confirm the following:

- 1) The business of TTMF has been satisfactorily maintained.
- 2) There have been no transactions of a material nature, individually or in the aggregate that have occurred that have adversely affected mortgage operations or the value of the assets of TTMF.
- 3) The current assets of TTMF are carried in the books at values which are believed to be realisable in the ordinary course of business.
- 4) No contingent liabilities by reason of any guarantees or indemnities have been given by TTMF except in the normal course of business as it relates to mortgage loans.
- 5) There have not been any changes in the published reserves or any unusual factors affecting the financial position of the company.

Signed and dated below:



Trinidad & Tobago  
Mortgage Finance  
Company Limited

ALBION COURT 61 Dundonald Street, P.O. Box 1096, Port of Spain, Trinidad, W.I.  
Tel: (868) 623-TTME, 625-TTME(8863) • Fax: (868) 624-3262 • Email: info@ttmf-mortgages.com • http://www.ttmf-mortgages.com

J. Calder Hart  
Chairman  
Date:

*J. Calder Hart*  
*Sept 10/09*

Ingrid L-A Lashley  
Managing Director/CEO  
Date:

*Ingrid L-A Lashley*  
*Sept 10/09*

Michael Annisette  
Director  
Date:

*Michael Annisette*  
*10/9/09*

*[Signature]*

Ruben McSween  
Director  
Date:

*Sept. 10, 2009.*

Esther Rajpaul  
Director  
Date:

*Esther Rajpaul*  
*10 Sept 2009*

*[Signature]*

Henry Sealy  
Director  
Date:

*SEPT. 10, 2009*

*[Signature]*

Eunice Walton  
Director  
Date:

*September 10, 2009*

## NOTICE TO INVESTORS

This Prospectus should be read in conjunction with all the documents that are deemed to be incorporated herein by reference see “Documents Incorporated by Reference”. This Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Prospectus.

This Prospectus contains descriptions of certain provisions of the Trust Deed, material contracts and other related documents. This Prospectus does not purport to contain complete summaries of the terms of such documents, and all information herein about such documents is qualified in its entirety by reference to such documents.

The Issuer has taken all reasonable care to ensure that the facts stated in this Prospectus in relation to the Issuer and the Bond which are material in the context of the issuance and offering of the Bond are true and accurate in all material respects and not misleading in any material respect, and that there are no other facts in relation to the Issuer or the Bond the omission of which would, in the context of the issuance and offering of the Bond, make any statement in this Prospectus misleading in any material respect. The Issuer accepts responsibility accordingly.

No person is authorized to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Central Bank of Trinidad and Tobago Limited (the “Arranger”).

Distribution of this Prospectus to any person other than the prospective investors and those persons, if any, retained to advise such prospective investors with respect hereto is unauthorized, and any disclosure of any of the contents hereof without the prior written consent of the Issuer and the Arranger is prohibited.

This Prospectus does not constitute a recommendation by, an offer of, or an invitation by or on behalf of the Issuer or the arranger to subscribe for or to purchase any of the Bond. Each investor contemplating purchasing the Bond makes his own independent investigation of the financial condition and affairs, and his own appraisal of creditworthiness, of the Issuer.

Neither the delivery of this Prospectus nor the offering, sale and delivery of the Bond shall create any implication that the information contained herein is correct at any time after the date hereof or that there has been no change in the financial condition and affairs of the Issuer since the date hereof.

Before investing in the Bond, a prospective investor should consult with its own business, legal, accounting, regulatory and tax advisers to determine the appropriateness and consequences of an investment in the Bond in such prospective investor’s specific circumstances and arrive at an independent evaluation of the investment based upon, among other things, its own views as to the risks associated with the Bond and the Issuer. Investors whose investment authority is subject to legal restrictions should consult their legal advisers to determine whether and to what extent the Bond constitutes legal investments for them.

As noted above, it is expected that prospective investors interested in investing in the bond will conduct their own independent investigation of the risks posed thereby. Representatives of the Issuer will be available to answer any questions concerning the Issuer, the transaction documents, and the servicing thereof and will make available such other information as such prospective investors may reasonably request.

The Arranger has not independently verified the information contained in this Prospectus. Accordingly, no representation, warranty or undertaking, expressed or implied, is made and no responsibility is accepted by the Arranger as to the accuracy or completeness of the information contained in this Prospectus or any further information supplied in connection with the Bond. The Arranger accepts no liability in relation to the information contained in this Prospectus or the distribution hereof or with regard to any other information supplied by or on behalf of the Issuer.

**TT\$500 MILLION - Tranche A TTD \$ 179,307,000.00 7% FIXED RATE BOND DUE 2024**  
**- Tranche B TTD \$ 320,693,000.00 6% FIXED RATE BOND DUE 2014**

### **STATEMENT OF RIGHTS**

The Proposed Securities Act, 2009, provides purchasers with the right to withdraw from an agreement to purchase securities. Although this is not provided for in existing legislation, TTMF has agreed to provide investors in the issue with the right to withdraw from an agreement to purchase securities.

This right may be exercised within two business days after receipt of a Prospectus and any amendment. The proposed securities legislation further provides a purchaser with remedies for rescission and damages if the Prospectus or any amendment contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation. The purchaser should refer to the Proposed Securities Act, 2009, for the particulars of these rights or consult with a legal adviser.”

## **DOCUMENTS INCORPORATED BY REFERENCE**

The following documents shall be deemed to be incorporated in, and to form part of this Prospectus:

- (i) All amendments and supplements to this Prospectus prepared from time to time;
- (ii) Audited financial statements of Trinidad and Tobago Mortgage Finance Company Limited (the “Issuer”) for the years ended December 31, 2006 – 2008.
- (iii) Unaudited abridged financial statements for the six month period ended June 30, 2009.

Except that any statement contained herein or in such documents referred to in paragraphs (i) to (iii) above shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in a document subsequently incorporated by reference in this Prospectus modifies or supersedes such statement.

Reference to “this Prospectus” shall be taken to mean this document and all the documents from time to time incorporated herein and forming a part hereof.

Investors should review the following Security documents, along with the Prospectus in making their investment decision: the Trust Deed and the Paying Agency Agreement.

## VIEWING OF DOCUMENTS

The foregoing documents will be available for inspection during usual business hours on any weekday (with the exception of weekends and public holidays) for a period of seven days, prior to the closing date (December 2, 2009) at the office of the Registrar and Paying Agent. Copies of the Prospectus and all documents deemed incorporated by reference herein (other than exhibits to such documents unless such exhibits are specifically incorporated by reference in such documents) can be viewed by each prospective investor who receives a copy of this Prospectus upon receipt from the Trustee, Registrar and Paying Agent or Issuer during the normal business hours at the addresses set forth on pages 35 and 36 of the Prospectus.

## PROCEDURES FOR SUBSCRIBING FOR THE BOND

Applications will be received at the **DOMESTIC MARKETS 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 (Refer to pages 35 and 36) appointed by the Central Bank will act as counterparties to the Central Bank in the auction and will thereafter provide a market for the bond. The public can bid competitively or non-competitively by submitting the relevant application forms (Refer to Page 38) 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 Prospectus is available at [www.central-bank.org.tt](http://www.central-bank.org.tt). The Trust Deed and Application Forms may be obtained at the offices of all Government Securities Intermediaries, as designated by the Central Bank of Trinidad and Tobago.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The financial statements of Trinidad and Tobago Mortgage Finance Company Limited for the years ended December 31, 2008, 2007 and 2006 have been audited by Ernst and Young. All financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with all regulations and accounting rules in Trinidad and Tobago.

## TERM SHEET

*The following information summary should be read in conjunction with, and is qualified in its entirety by, the detailed information elsewhere in the Prospectus. Prospective investors in this Secured Fixed Rate Bond should see "Risk Factors" for a discussion of certain factors that should be considered in connection with an investment in the Bond.*

1. Issuer: Trinidad and Tobago Mortgage Finance Company Limited ("TTMF")
2. Issue Price: 100.00%
3. Issue Date: Tranche A: September 29, 2009 (Closed)  
Tranche B: December 4, 2009
4. Maturity Date: Tranche A: September 29, 2024 (Closed)  
Tranche B: December 4, 2014
5. Amount: TT\$500,000,000.00 in two tranches as follows:  
Tranche A: TTD \$179,307,000.00 (Closed)  
Tranche B: TTD \$320,693,000.00
6. Purpose: To fund mortgage operations
7. Tenor: Tranche A: Fifteen (15) years from issue date  
Tranche B: Five (5) years from issue date
8. Coupon: Tranche A: Fixed at 7.00% per annum  
Tranche B: Fixed at 6% per annum
9. Basis: Based upon an actual day count and a three hundred and sixty five (365) day year.
10. Interest Payment: Semi-annually in arrears
11. Method of Payment: Interest in respect of the bond is payable semi-annually.  
Tranche A: payable semi-annually in arrears on March 29 and September 29, commencing March 29, 2010.  
  
Tranche B: payable semi-annually in arrears on June 4 and December 4, commencing June 4, 2010.  
  
Payment will be made in Trinidad and Tobago dollars.
12. Principal Payment: Upon maturity
13. Trustee: First Citizens Trustee Services Limited
14. Registrar and Paying Agent: Central Bank of Trinidad and Tobago
15. Governing Laws: The laws of the Republic of Trinidad and Tobago
16. Principal prepayment: TTMF may repay the outstanding Bonds prior to the maturity date without closing charges or other penalty subject to such prepayment being made on an interest payment date and TTMF giving to the Bondholders a minimum written notice of sixty (60) days.
17. Redemption price: 100%
18. Collateral Security: Assignment of first mortgage lien over properties mortgaged in the normal course of business to cover the full extent of the facility plus a margin of 20% over the amount outstanding.

19. 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.



## USE OF PROCEEDS

Trinidad and Tobago Mortgage Finance Company Limited (“TTMF”) proposes to raise TT\$500,000,000.00 through the issue of Fixed Rate bonds. The Bonds will be issued in two tranches. Tranche A consists of 15-year bond with a 7% fixed coupon rate which closed on September 25, 2009 and Tranche B consists of 5-year bond with a 6% fixed coupon rate which will close on December 2, 2009. The bonds are issued pursuant to a Trust Deed between TTMF and First Citizens Trustee Services Limited.

The 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.

The table below indicates the proposed use of the proceeds from the Bond Issue.

**Table 1: Uses of Proceeds From Public Offering**

<b>DETAILS</b>	<b>TT\$</b>
Funding of mortgage programme	399,912,103
Debt repayment and other operating expenses	99,762,897
Bond issue costs	325,000
<b>Total</b>	<b>500,000,000</b>

The net proceeds of the bond is approximately TT\$ 499,675,000

## SECURITY

The principal monies and interest represented by the Bond will be secured by assignment of first mortgage lien over several properties mortgaged in the normal course of business to cover the full extent of the facility plus a margin of 20% over the amount outstanding.

### **Basis of Selection of Mortgages:**

The mortgage portfolio in support of the bond issue will be selected from among the company assets totalling \$2.43Billion as at June 30, 2009.

These mortgages will carry the following characteristics:

- First registered lien in favour of TTMF
- Must not have been assigned or provided as security for any other purpose
- Repayment history must show no arrears existing more than twice over the tenure of the mortgage
- Repayment history must not show any arrears occurring for more than 60 days

Independent periodic reviews will be conducted on the assigned mortgages at the discretion of the Trustee as certified by independent auditors to ensure that security of 120% of the outstanding principal is in place. Performance updates on the pool of mortgages will be provided on a quarterly basis to the Trustee. Updates would also include the weighted average remaining term to maturity of the loans as well as the weighted average loan tenure. The Trustee will then be responsible to disseminate this information to the bondholders. The initial value of the mortgages pool securing the issue is \$600M. The weighted average maturity of the existing mortgage pool is 19 years i.e. the loans that form the basis of the security for the Bond will mature in approximately 19 years.

In the event of default by TTMF, the Trustee has the right to exercise claim on the mortgage portfolio, including but not limited to, collection and distribution of installment payments, and, in his judgment may allocate payments received from mortgagors to the payment of the debt.

### **General Information**

TTMF has obtained all necessary consents and authorizations in connection with the issue and performance of the Bond.

The Bond is 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 (I) and 186 (3) respectively of the Insurance Act 1980.

Copies of the Trust Deed may be inspected on any business day (Saturday and public holidays excluded) from 9.00 a.m. to noon at the Head Office of TTMF and Central Bank Trinidad and Tobago.

TTMF is not involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Bond nor so far as TTMF is aware are any such litigation or arbitration proceedings pending or threatened.

## COMPANY HISTORY

### Background

Trinidad and Tobago Mortgage Finance Company Limited (TTMF) is incorporated in the Republic of Trinidad and Tobago. The company was established in 1965 and provides mortgage financing for the purchase of residential property. The Company is also an “approved mortgage company” under the provisions of the Housing Act, Ch. 33:01. The Company is jointly-owned by the Government of Trinidad and Tobago (49%) and the National Insurance Board (51%), which is a statutory board under the National Insurance Act.

TTMF has one subsidiary, namely the Trinidad Mortgage Agency Company Limited (TRINMAC). This subsidiary is 100% owned by the TTMF and is incorporated in Trinidad and Tobago under the Companies Act of 1995. Its principal business activity is also mortgage financing. Prior to 2007, all taxable mortgages were booked under TRINMAC.

### Principal Activities

The main objective of the Group is the provision of mortgage finance to home-owners in the lower and middle-income groups.

The Government of Trinidad and Tobago developed a Strategic Plan with a view to achieving developed country status by the year 2020, coined ‘Vision 2020’. One of its primary objectives is the provision of affordable housing for the citizens of this country under an approved national Housing Policy document entitled “**Showing Trinidad and Tobago a New Way Home**”. TTMF was chosen to partner with the Government in this initiative as the principal mortgage provider to qualifying citizens.

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

### Vision Statement

We are the lender of first choice for residential mortgages in Trinidad and Tobago.

We are passionate and proud about what we do, with a reputation for exceptional, friendly and professional service.

We focus on fulfilling our potential (efficiently and effectively) with the most skilled and knowledgeable team in the industry.

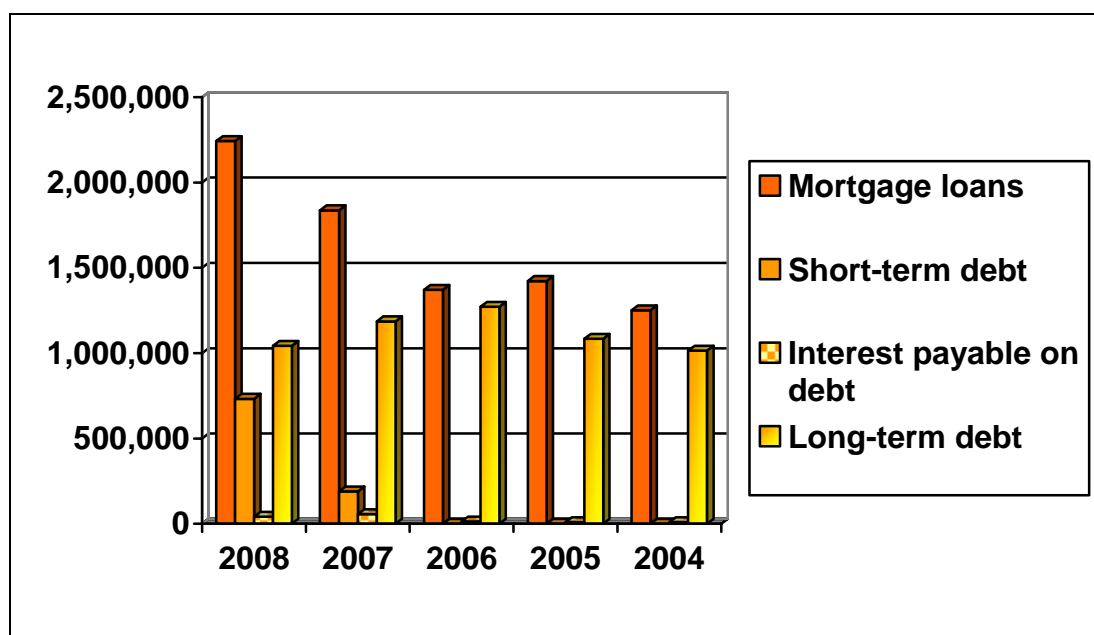
### Mission Statement

In partnering we make home ownership an easy and rewarding experience.

## 2. Financial Highlights

**Table 2: Five year analysis of mortgage growth and liabilities as at December 31:**

Details	2008	2007	2006	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Mortgage loans</b>	\$2,242,919	\$1,836,715	\$1,371,523	\$1,422,789	\$1,250,844
<b>Short-term debt</b>	\$732,167	\$189,332	\$0	\$303	\$200
<b>Interest payable on debt</b>	\$41,176	\$55,928	\$13,118	\$9,471	\$8,890
<b>Long-term debt</b>	\$1,042,723	\$1,186,308	\$1,271,109	\$1,083,971	\$1,014,391



TTMF is financed primarily by debt. While the Group's total debt grew by 77% over the five-year period, its asset base increased by 90% over the same period.

TTMF financials have been audited by Ernst and Young. A three year summary of the financial performance of TTMF is presented below. Audited financial statements for the three year period as well as the unaudited financials for the half year ended June 30, 2009 may be obtained from the Company's website (<http://www.ttmf-mortgages.com>) or the Government Service Intermediaries (Refer to pages 35 & 36).

## Debt Profile

The Group's debt profile as at June 30, 2009 totalled \$1.8bn.

<b>INSTITUTION</b>	<b>TYPE OF DEBT</b>	<b>INTEREST RATES</b>	<b>AMOUNT OUTSTANDING AS AT JUNE 30, 2009 (\$000)</b>
Government of Trinidad and Tobago	Debentures	5.00%-7.50%	212,926
National Insurance Board	Debentures	5.00%	78,026
National Insurance Board	Bond Issue	5.50% - 7.00%	442,750
	Short-term debt		820,000
Other	Bond Issue	2.375%-10.45%	286,290
<b>TOTAL</b>			<b>1,839,992</b>

Loans amounting to \$78 million are fully secured by government guarantee. The company's mortgage assets secure \$442.7 million of its debt. In anticipation of this issue, short-term facilities were provided to fund our operations. It is intended that these facilities will be converted to long-term obligations as at September 30, 2009.

### **3. Strategic Plan**

The Company's strategic plan will allow for alignment of the corporate objectives with that of the Government Housing Policy to provide affordable housing. At the same time however, open market operations will continue to afford shareholders of TTMF a return on investment that is as closely aligned to market rates as is possible. Open market operations refer to mortgages outside the specifications of the "approved mortgage company" programme. These facilities are generally in excess of TT \$450,000.00 and/or for purposes other than the purchase of owner-occupied property. Interest rates on all TTMF facilities do not exceed 8%.

An increased customer focus facilitated by expansion of the distribution network, and the establishment of a unit dedicated to the administration and execution of mortgages on behalf of Trinidad and Tobago Housing Development Corporation, seeks to ensure that service levels are maintained.

Enhanced operating efficiency through the implementation of new state of the art technology has improved mortgage processing and efficiency.

## CORPORATE GOVERNANCE ISSUES

*The following discussion contains information on the Issuer of the Bond and should be read in conjunction with “Summary of Terms”, “Risk Factors” and “Use of Proceeds” included elsewhere in the Prospectus.*

The Board of Directors will provide oversight of its activities. The Directors reflect a myriad of skill, expertise and experience of the private sector, the labour movement and the State. The Chairman is the representative of the major shareholder, the National Insurance Board of Trinidad and Tobago. Compensation of Directors is defined in the State Enterprises Performance Monitoring Manual of the Ministry of Finance. Directors who are employees of the company (the Managing Director) are not entitled to Director’s Fees. The annual compensation of Directors of TTMF is as follows:

Number of Directors	Annual compensation paid by TTMF
6	0 - \$500,000
1	\$500,000 - \$1,000,000
	\$1,000,000 - \$2,000,000
	Greater than \$2,000,000

The annual compensation of senior officers of TTMF are outlined below:

Number of Senior Officers	Annual compensation paid by TTMF
3	0 - \$500,000
	\$500,000 - \$1,000,000
	\$1,000,000 - \$2,000,000
	Greater than \$2,000,000

Profiles of the Board and Executive Management Team are presented below.

### Board of Directors and Key Management

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

Mr. Calder Hart	- Chairman
Ms. Ingrid L-A. Lashley	- Managing Director/CEO
Mr. Michael Annisette	- Director
Mr. Ruben Mc Sween	- Director
Ms. Esther Rajpaul	- Director
Mr. Henry Sealy	- Director
Ms. Eunice Walton	- Director

### Profile of Directors

#### **John Calder Hart Chairman**

An Economist by profession, Mr. Hart was recruited to set up The Home Mortgage Bank in 1986, where he held the position of Chief Executive Officer until his retirement from the Bank in July 2006. Prior to this, he had occupied progressive field management positions at Canada Mortgage & Housing Corporation (CMHC), the last being Regional Director, Atlantic Region. He also served as President of the Saskatchewan Housing Corporation, Chairman of the Saskatchewan Securities Commission, Chairman, Canadian General Standards Board, and also spent eight years in private real estate development.

Mr. Hart was appointed Executive Chairman to the Urban Development Corporation of Trinidad and Tobago (UDeCoTT) in August 2006. In addition to being a Director of The Home Mortgage Bank and National Enterprises Limited (NEL), he is the Chairman of Trinidad & Tobago Mortgage Finance Company Limited, Chairman of the National Insurance Board and Chairman of National Insurance Properties Development Company Limited (NIPDEC).

**Ingrid L-A. Lashley**  
**Managing Director/ Chief Executive Officer**

Ingrid Lashley is the Managing Director and Chief Executive Officer of Trinidad and Tobago Mortgage Finance Company Limited. Prior to joining TTMF, Ingrid spent more than 18 years in the financial services sector, as a part of the Senior and Executive Management Team of an international commercial bank.

A graduate of Concordia (BComm – Accounting and Finance) and McGill (MBA) Universities in Montreal, Canada, Ms. Lashley is also a Chartered Accountant, Certified Management Accountant and Fellow of the Institute of Banking of Trinidad and Tobago (now the Institute of Banking and Finance of Trinidad and Tobago). She has served and continues to participate on the Board of Directors of a number of state-owned and private companies in Trinidad and Tobago.

**Michael Annisette**  
**Director**

Senator the Honourable Michael Annisette is the President General of the Seamen and Waterfront Workers Trade Union (SWWTU) and President of the National Trade Union Centre (NATUC) of Trinidad and Tobago. He is an Independent Senator in the Parliament of the Republic of Trinidad and Tobago

He has approximately 35 years' experience in the labour movement and industrial relations.

Mr Annisette is Chairman of the three majority-owned Union Companies, with private sector participation. He is a member of the Board of Directors on five state and quasi-state boards. His professional international affiliations include membership in the Board of the Trade Union Confederation of the Americas, the Offshore Task Force Group, and the Seafarers and Dockers Section of the International Transport Federation (ITF).

He holds a Certificate in Industrial Relations from the Cipriani Labour College, and a Diploma in Labour Economics from The University of the West Indies (UWI), School of Continuing Studies.

**Ruben Mc Sween**  
**Director**

Ruben McSween is the Assistant Vice President, Operations at the Trinidad and Tobago Unit Trust Corporation (UTC). Previously, he has held senior managerial positions such as Head, Customer Service Centres and Investment Manager with UTC.

He is a Director of the National Insurance Board, and is the President of the Employers' Consultative Association of Trinidad and Tobago (ECA).

**E. Henry Sealy**  
**Director**

Involved in the financial services sector for more than forty years, E. Henry Sealy is a former Executive Director of the largest mutual fund manager in Trinidad and Tobago – Trinidad and Tobago Unit Trust Corporation. An economist by profession, Mr. Sealy has also worked with the Central Bank of Trinidad and Tobago. Additionally, he is a Director of the National Insurance Board.

**Esther Rajpaul**  
**Director**

Esther Rajpaul is an Attorney at Law by profession, and holds the position of Senior State Counsel at the Inland Revenue Division of the Ministry of Finance. Previous to this, she was an Economist at the Public Sector Finance Management Unit of the Ministry, serving a total of ten years in the government service. She holds a Masters in Corporate Laws, as well as a Bachelor in Laws from the University of London, and a Bachelor of Science in Sociology and Economics from The University of the West Indies.

**Eunice Walton**  
**Director**

Ms Walton has over 30 years' experience in the public service, including 12 years of work experience in the financial services sector. She is the Director, Agro-based Manufacturing and Service Sector of the Investments Division of the Ministry of Finance. She holds Masters degrees in Finance, Theology and Greek.

Ms. Walton attended the University of the West Indies, St. Augustine and Andrews University, Michigan.

The Executive Management team of TTMF is comprised as follows:

**Ingrid L-A. Lashley MBA, CMA, CA, FIBTT**  
**Managing Director/CEO**

Ingrid Lashley is the Managing Director and Chief Executive Officer of Trinidad and Tobago Mortgage Finance Company Limited. Prior to joining TTMF, Ingrid spent more than 18 years in the financial services sector, as a part of the Senior and Executive Management Team of an international commercial bank.

A graduate of Concordia (BComm – Accounting and Finance) and McGill (MBA) Universities in Montreal, Canada, Ms. Lashley is also a Chartered Accountant, Certified Management Accountant and Fellow of the Institute of Banking of Trinidad and Tobago (now the Institute of Banking and Finance of Trinidad and Tobago). She has served and continues to participate on the Board of Directors of a number of state-owned and private companies in Trinidad and Tobago.

**Robert C. Green, EMBA**  
**Chief Operating Officer**

Robert C. Green, Chief Operating Officer, has over 17 years of experience in the mortgage finance industry, having spent that time in a specialised mortgage bank in several senior positions.

He is a graduate of the University of Western Ontario, holding a Bachelor of Arts in Economics. Additionally, he holds an EMBA from the Arthur Lok Jack Graduate School of Business (formerly, Institute of Business, University of the West Indies).

**Gillian C. Caesar, MBA**  
**General Manager, Mortgage Services**

Responsible for leading and building the Company's sales and customer-oriented focus, Gillian manages all mortgage origination and administration activities.

She holds an MBA from the Henley Management College (UK), and has over 14 years' managerial experience in the mortgage and credit administration area of the financial services industry.

**Geneva Sampson, MBA,CA**  
**Chief Financial Officer/ Secretary**

Geneva Sampson holds an MBA (Distinction) in Finance from Manchester Business School, Manchester, England. She is a Chartered Accountant (ACCA) by profession, and is a member of the Institute of Chartered Accountants of Trinidad and Tobago. Additionally, she holds a BSc (Honours) in Management Studies from The University of the West Indies.

She has 15 years' combined industry experience in auditing and finance, during which time she has held various positions, including Audit Senior, Chief Accountant, and Manager, Finance.



The members of the Audit Committee of TTMF are:

Ms. Esther Rajpaul	- Chairman
Mr. Henry Sealy	- Representative of National Insurance Board
Ms. Sharon Mohammed	- Representative of Corporation Sole/Ministry of Finance
Ms. Waheeda Ali	- Ex-Officio Member/Manager, Internal Audit

**Shareholding:**

TTMF is a locally owned limited liability company. The company's shareholders are:

- National Insurance Board: 51%
- Corporation Sole: 49%

## **RISK FACTORS OF THE ISSUER**

TTMF's activities are primarily related to the provision of mortgage loans for the purchase of residential properties. The Organization's activities expose it to a variety of financial risks and those activities involve analysis, evaluation, acceptance and management of some degree of risk or combination of risks.

Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. TTMF's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance.

TTMF is exposed to the following risks:

- Market risk
- Interest rate risk
- Credit and default risk
- Liquidity risk; and
- Prepayment risk.

### **Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk. TTMF has no significant concentration of currency risk and other price risk.

Notwithstanding, the very nature of the assets funded under the portfolio makes for exposure to risks associated with the economic standing of Trinidad and Tobago, particularly as it relates to real estate values and sales.

Market risk is mitigated by:

- Strict credit criteria that preserve the margin of the amount funded versus the cost/value on any property based on its location and marketability.
- Prudential criteria that would ensure that the ability to repay debt is reasonably assured by the customers' financial circumstances and credit rating.
- Avoidance of geographic, income, or sectoral concentrations.
- Regular review and assessment of market factors that may affect the quality of the mortgage portfolio

### **Interest rate risk**

TTMF is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates. This exposure while concentrated in its financial liabilities is also applicable in the movement of market interest rates on mortgage financing.

Interest rate risk is supported by the strength of the asset portfolio in the event of the need for market funding to allow for new business. The company's shareholders have also provided support in respect of direct and indirect funding mechanism in an effort to reduce borrowing costs.

### **Credit risk**

Credit risk is the risk that a counterparty will cause a financial loss for the company either by its unwillingness to perform on an obligation or if its ability to perform such an obligation is impaired. TTMF manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

Credit exposures arise principally in lending activities that lead to mortgage loans and investment activities that add debt securities to the Company's asset portfolio. There is also credit risk in off-balance sheet financial instruments, such as loan commitments, and administration of a portfolio on behalf of the Home Mortgage Bank.

TTMF structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or Groups of borrowers and to geographical segments.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations.

TTMF has developed a credit risk strategy that establishes the objectives guiding the organization's credit-granting activities and has adopted the necessary policies and procedures for conducting such activities having determined the acceptable risk/reward trade-off for its activities, factoring in the cost of capital. The credit risk strategy, as well as significant credit risk policies are approved and periodically reviewed by the Board of Directors.

The Company's credit strategy reflects its willingness to grant credit based on exposure type-residential mortgages, geographic location, maturity and anticipated profitability. The strategy also encompasses the identification of specific target markets.

### **Liquidity risk**

Liquidity risk is financial risk due to uncertain liquidity. It is the risk that the TTMF is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The Company may experience reduced liquidity if there is a large and unexpected cash outflow. The consequence may be the failure to meet obligations to repay debt and fulfill commitments to lend.

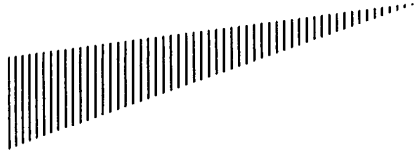
TTMF has retained close relationship with its shareholders exploring avenues for funding in fulfilling its mandate under the Government's Housing Programme. Over the next strategic period, long term funding instruments will be developed to ensure that TTMF's role in the housing thrust is secured and maintained.

### **Prepayment risk**

TTMF is exposed to risks associated with early repayment of mortgages. Mortgagors generally have the option to prepay their loans before maturity without penalty. Changes in prepayment trends owing to movement in interest rates affect the performance of mortgage portfolios by varying the cash flows from mortgage pools and the retention of the asset on the company's balance sheet.

Mitigation of prepayment risk is provided for by the diversity of the portfolio and the propensity for growth afforded by the company's partnership with developers, in particular, those associated with the Government Housing Programme.

## AUDITORS' CERTIFICATION



**ERNST & YOUNG**

**Ernst & Young**  
5/7 Sweet Briar Road  
St. Clair, Port-of-Spain  
Trinidad and Tobago

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PN/ad/sj  
as

8 September 2009

The Directors  
Trinidad and Tobago Mortgage  
Finance Company Limited  
Albion Court  
61 Dundonald Street  
Port of Spain

Dear Sirs

### **Trinidad & Tobago Mortgage Finance Company Limited (the 'Company')**

We refer to our Auditors' report dated 7 May 2009 and the corresponding financial statements of the Company for the year ended 31 December 2008 on which the report is made.

We are the independent auditors of the Company within the meaning of the Prospectus for the TT\$500 Million Fixed Rate Bond due 2024 (the 'Prospectus') and By-Law No. 41 of the Securities Industry By-Laws, 1997.

With regard to events subsequent to our audit report dated 7 May 2009 and the unaudited financial information for the period ended 30 June 2009 contained in the Prospectus, we have not performed any procedures and do not express an opinion on the information.

We make no representations as to (1) the completeness or adequacy of non-financial information disclosures contained in the Prospectus, or (2) the adequacy of the procedures for the underwriters' purposes.

With regard to the audited financial data contained in the Prospectus, we have agreed the data to the audited financial statements for the year ended 31 December 2008.

A member firm of Ernst & Young Global Limited



8 September 2009

The Directors  
Trinidad and Tobago Mortgage  
Finance Company Limited

We hereby grant consent to the use of our name as the Company's auditors and the inclusion of our Auditors' report dated 7 May 2009 and the corresponding financial statements of the Company for the year ended 31 December 2008, in the Prospectus.

Based on the information above, we confirm that we have read the Prospectus, which is to be published by the Company, and have no reason to believe that there are any misrepresentations in it that -

- May be derived from the financial statements for the year ended 31 December 2008, on which we reported; or
- Are within our knowledge as a result of our audit of the financial statements for the year ended 31 December 2008.

Our consent is required by By-Law No. 41 of the Securities Industry By-Laws, 1997 and is given for the purpose of complying with that provision and for no other purpose.

Sincerely,

Copy to: Trinidad and Tobago Securities and Exchange Commission

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

AUDITED CONSOLIDATED BALANCE SHEET AT 31ST DECEMBER,  
(Expressed in Thousands of Trinidad and Tobago dollars)

	2008	2007	2006
<b>ASSETS</b>			
Cash and cash equivalents	4,202	4,020	55,885
Debtors and prepayments	15,556	21,024	15,736
Investment securities – held to maturity	248,692	245,773	243,767
Mortgage loans	2,242,919	1,836,715	1,371,523
Property and equipment	33,918	35,263	35,647
Pension asset	1,057	99	-
Deferred tax asset	<u>126,582</u>	<u>111,500</u>	<u>97,673</u>
<b>TOTAL ASSETS</b>	<b><u>2,672,926</u></b>	<b><u>2,254,394</u></b>	<b><u>1,820,231</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Pension liability	-	-	177
Bank overdraft	684	4,800	15,367
Dividend payable	-	14,864	-
Prepayments by mortgagors	17,612	16,270	21,342
Amount due under IDB loan program	3,998	1,571	11,172
Sundry creditors and accruals	91,422	69,322	11,908
Short-term debt	732,167	189,332	-
Interest payable on debt	41,176	55,928	13,118
Long-term debt	1,042,723	1,186,308	1,271,109
Subsidy 2% mortgage programme	194,725	199,144	-
Deferred tax liability	<u>264</u>	<u>25</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>2,124,771</u></b>	<b><u>1,737,564</u></b>	<b><u>1,344,193</u></b>
<b>EQUITY</b>			
Share capital	12,408	12,408	12,408
Retained earnings	<u>535,747</u>	<u>504,422</u>	<u>463,630</u>
<b>TOTAL EQUITY</b>	<b><u>548,155</u></b>	<b><u>516,830</u></b>	<b><u>476,038</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>2,672,926</u></b>	<b><u>2,254,394</u></b>	<b><u>1,830,231</u></b>

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER,  
(Expressed in Thousands of Trinidad and Tobago dollars)**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Balance as at December 31, 2005(restated)</b>	12,408	425,713	438,121
Dividend 2005	–	(15,927)	(15,927)
Net income for the year	<u>–</u>	<u>53,844</u>	<u>53,844</u>
<b>Balance at December 31, 2006</b>	<u>12,408</u>	<u>463,630</u>	<u>476,038</u>
<b>Balance as at December 31, 2006</b>	12,408	463,630	476,038
Dividend 2006	–	(14,864)	(14,864)
Net income for the year	<u>–</u>	<u>55,656</u>	<u>55,656</u>
<b>Balance at December 31, 2007</b>	<u>12,408</u>	<u>504,422</u>	<u>516,830</u>
<b>Balance as at December 31, 2007</b>	12,408	504,422	516,830
Dividend 2007	–	(16,792)	(16,792)
Net income for the year	<u>–</u>	<u>48,117</u>	<u>48,117</u>
<b>Balance at December 31, 2008</b>	<u>12,408</u>	<u>535,747</u>	<u>548,155</u>

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

**AUDITED CONSOLIDATED STATEMENT OF INCOME  
FOR THE YEAR ENDED 31ST DECEMBER,  
(Expressed in Thousands of Trinidad and Tobago dollars)**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Income</b>			
Mortgage interest	149,302	118,997	113,315
Interest expense (net)	<u>(100,797)</u>	<u>(78,904)</u>	<u>(70,640)</u>
<b>Net interest income</b>	48,505	40,093	42,675
Investment income	23,986	26,015	10,761
Rental income	812	1,317	1,194
Other income	<u>7,164</u>	<u>7,849</u>	<u>9,184</u>
	<u>80,467</u>	<u>75,274</u>	<u>63,814</u>
<b>Expenses</b>			
Administration	(36,189)	(29,656)	(23,414)
Building	(3,675)	(3,364)	(3,069)
Loan loss expenses	<u>(3,398)</u>	<u>(273)</u>	<u>-</u>
	<u>(43,262)</u>	<u>(33,293)</u>	<u>(26,483)</u>
Profit before tax	37,205	41,981	37,331
Taxation	<u>10,912</u>	<u>13,675</u>	<u>16,513</u>
<b>Profit after tax <sup>1</sup></b>	<u>48,117</u>	<u>55,656</u>	<u>53,844</u>

<sup>1</sup> As a result of the restatement of the tax position of the company over the period 2001 to 2005, a deferred tax asset is recognized. This gives rise to net profit after tax that exceeds that of the 'before tax' position.



**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER,  
(Expressed in Thousands of Trinidad and Tobago dollars)

	2008	2007	2006
<b>Cash flows from operating activities</b>			
Profit before tax	37,205	41,981	37,331
Adjustments for:			
Depreciation	3,736	3,464	2,117
Loss/(gain) on sale of fixed assets	1	(48)	5
Interest capitalized	(2,919)	(2,006)	(1,844)
Amortised subsidy 2% mortgage programme	(4,419)	(856)	-
Decrease in pension asset	-	-	185
Increase in pension asset	<u>(958)</u>	<u>(276)</u>	<u>-</u>
Surplus before working capital changes	32,646	42,259	37,794
Decrease/(increase) in debtors and prepayments	5,468	(5,288)	(9,388)
Increase in mortgages	(406,204)	(465,192)	54,380
Increase/(decrease) in prepayment by mortgagors	1,342	(5,073)	7,114
Increase/(decrease) in amount due under IDB loan program	2,427	(9,601)	1,630
Increase in sundry creditors and accruals	18,516	57,414	(309)
(Decrease)/increase in interest payable on debt	(14,752)	42,810	3,647
Taxes paid	<u>(347)</u>	<u>(126)</u>	<u>(346)</u>
Net cash outflow from operating activities	<u>(360,904)</u>	<u>(342,797)</u>	<u>(94,522)</u>
<b>Cash flows from financing activities</b>			
Proceeds from short-term debt	542,835	189,332	242,699
Subsidy 2% mortgage programme	-	200,000	-
Repayments on debt	(143,585)	(84,801)	(55,561)
Dividends paid	<u>(31,656)</u>	<u>-</u>	<u>(15,927)</u>
Net cash inflow from financing activities	<u>367,594</u>	<u>304,531</u>	<u>171,211</u>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets	(2,439)	(3,320)	(9,724)
Proceeds from sale of fixed assets	47	288	9
Purchase of investments	<u>-</u>	<u>-</u>	<u>(223,687)</u>
Net cash outflow from investing activities	<u>(2,392)</u>	<u>(3,032)</u>	<u>(233,402)</u>
Net cash inflow/(outflow) for the year	4,298	(41,298)	32,331
Cash and cash equivalents at the beginning of year	<u>(780)</u>	<u>40,518</u>	<u>8,187</u>
<b>Cash and cash equivalents at the end of year</b>	<u><u>3,518</u></u>	<u><u>(780)</u></u>	<u><u>40,518</u></u>

**UNAUDITED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2009**

	<b>Unaudited June 30 2009 \$'000</b>	<b>Audited December 31 2008 \$'000</b>
<b>ASSETS</b>		
Cash and cash equivalents	7	4,202
Debtors and prepayments	22,417	15,556
Investment securities – held to maturity	250,130	248,692
Mortgage loans	2,423,565	2,242,919
Property and equipment	33,340	33,918
Pension asset	1,057	1,057
Deferred Tax Asset	<u>126,582</u>	<u>126,582</u>
<b>Total assets</b>	<b><u>2,857,098</u></b>	<b><u>2,672,926</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Liabilities</b>		
Bank overdraft	50,604	684
Prepayments by mortgagors	19,114	17,612
Amount due under IDB loan program	8,082	3,998
Sundry creditors and accruals	105,991	91,422
Short-term debt	819,854	732,167
Interest payable on debt	77,459	41,176
Long-term debt	1,019,560	1,042,723
Subsidy 2% mortgages programme	189,700	194,725
Deferred tax liability	<u>264</u>	<u>264</u>
	<b><u>2,290,628</u></b>	<b><u>2,124,771</u></b>
<b>Equity</b>		
Share capital	12,408	12,408
Retained earnings	<u>554,062</u>	<u>535,747</u>
	<b><u>566,470</u></b>	<b><u>548,155</u></b>
<b>Total equity and liabilities</b>	<b><u>2,857,098</u></b>	<b><u>2,672,926</u></b>

**UNAUDITED CONSOLIDATED STATEMENT OF INCOME**

As at June 30, 2009

	<b>June 30 2009 \$'000</b>	<b>June 30 2008 \$'000</b>	<b>Audited December 31 2008 \$'000</b>
<b>Income</b>			
Mortgage interest	83,302	71,825	149,302
Interest expense (net)	<u>(58,066)</u>	<u>(47,685)</u>	<u>(100,797)</u>
<b>Net interest income</b>	<u>25,236</u>	<u>24,140</u>	<u>48,505</u>
Investment income	10,839	11,404	23,986
Rental income	116	557	812
Other income	<u>3,924</u>	<u>5,192</u>	<u>7,164</u>
	<u>40,115</u>	<u>41,293</u>	<u>80,467</u>
<b>Expenses</b>			
Administration	(16,583)	(13,692)	(36,189)
Building	(1,983)	(1,641)	(3,675)
Loan loss expense	<u>(1,721)</u>	<u>(1,699)</u>	<u>(3,398)</u>
	<u>(20,287)</u>	<u>(17,032)</u>	<u>(43,262)</u>
<b>Profit before tax</b>	<b>19,828</b>	<b>24,261</b>	<b>37,205</b>

**Related Party Transactions:**

Parties are considered to be related if one has the ability to control or exercise significant influence over the other party in making financial or operational decisions. A number of transactions are entered into with related parties in the normal course of business.

Key management personnel are those persons having authority and responsibility for planning and controlling the activities of the Group.

	<b>2008</b>	<b>2007</b>
<b>Mortgage loans</b>		
Key management personnel (Including Directors)	8,521	5,898
Provisions for amounts due from related parties	—	—

**Borrowings and other liabilities**

**National Insurance Board**

Short term debt	732,167	189,332
Interest payable on debt	36,282	36,047
Borrowings	540,705	655,332

**Interest and other income**

Key management personnel	371	229
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**LIST OF GOVERNMENT SECURITIES INTERMEDIARIES**

<b>Institution</b>	<b>Contact Addresses</b>
ANSA Merchant Bank Limited	11c 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

**LIST OF GOVERNMENT SECURITIES INTERMEDIARIES**

<b>Institution</b>	<b>Contact Addresses</b>
RBTT Merchant Bank Limited	Corner Broadway and Independence Square Port of Spain  Tel: 625-3511 Fax: 624-5212
Scotiabank 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 12.00 noon on Tuesday 1<sup>st</sup> December, 2009.

## APPENDICES

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

**SUBSCRIPTION FORM (NON-COMPETITIVE BID)**

Please read the Prospectus carefully prior to subscribing for the securities. The Prospectus to which this application form relates is dated September 11, 2009. The amended prospectus is dated November 16, 2009.

The amended Prospectus expires on December 1, 2009. The application form must NOT be circulated unless notification is included as to where a copy of the Prospectus may be obtained. Please retain a copy of the Prospectus and the subscription form for your records.

Application forms may be obtained from the Government Securities Intermediaries (Refer to Pages 35 &36 of Prospectus). Completed application forms may be lodged at the Government Securities Intermediaries (Refer to Pages 35 &36 of Prospectus).

The Governor,  
 Central Bank of Trinidad and Tobago,  
 Central Bank Building,  
 Independence Square,  
 Port of Spain.

Sir,

I/We hereby apply for ..... Bond, to be issued on ....., in the amount of \$..... (nominal value). I/We will accept the amount applied for or any lesser amount that may be allotted to me/us at the cut off price based on the accepted Competitive bids.

.....  
 (Company Stamp and Authorised Signature of  
 Government Securities Intermediary

**PARTICULARS OF APPLICATION**

Please register the bond in the name(s) of

1. INDIVIDUAL OR COMPANY NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth (if applicable)..... ID#/DP#/Passport#..... Bank and Bank Account#..... ..... (Company Stamp and/or Authorised Signature)	2. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)
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3. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)	4. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)
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**APPLICATIONS MUST BE IN MULTIPLES OF TT\$1,000 UP TO A MAXIMUM OF TT\$100,000 AND COMPLETED IN DUPLICATE. ALL PAYMENTS WILL BE MADE TO THE FIRST REGISTERED HOLDER**

**TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED**

**SUBSCRIPTION FORM (COMPETITIVE BID)**

Please read the Prospectus carefully prior to subscribing for the securities. The Prospectus to which this application form relates is dated September 11, 2009. The amended prospectus is dated November 16, 2009.

The amended Prospectus expires on December 4, 2009. The application form must NOT be circulated unless notification is included as to where a copy of the Prospectus may be obtained. Please retain a copy of the Prospectus and the subscription form for your records.

Application forms may be obtained from the Government Securities Intermediaries (Refer to Pages 35 &36 of Prospectus). Completed application forms may be lodged at the Government Securities Intermediaries (Refer to Pages 35 &36 of Prospectus).

The Governor,  
Central Bank of Trinidad and Tobago,  
Central Bank Building,  
Independence Square,  
Port of Spain.

Sir,

I/We hereby tender for ..... Bond, to be issued on ....., in the amount of \$..... (Nominal value) at a price of \$..... per \$100.00 face value. I/We will accept the amount applied for or any lesser amount that may be allotted to us in conformity with the terms set out in the Prospectus.

.....  
(Company Stamp and Authorised Signature of Government Securities Intermediary)

**PARTICULARS OF APPLICATION**

Please register the bond in the name(s) of

1. INDIVIDUAL OR COMPANY NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth (if applicable)..... ID#/DP#/Passport#..... Bank and Bank Account#..... ..... (Company Stamp and/or Authorised Signature)	2. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)
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3. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)	4. INDIVIDUAL NAME ..... ..... ADDRESS ..... Telephone..... Email..... Date of Birth ..... ID#/DP#/Passport#..... ..... (Signature)
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**APPLICATIONS MUST BE IN MULTIPLES OF TT\$1,000 AND COMPLETED IN DUPLICATE**  
**ALL PAYMENTS WILL BE MADE TO THE FIRST REGISTERED HOLDER**