

## **The National Investment Fund Holding Company Limited Initial Public Offering: NIF2 4.5% 2029 Bonds**

Republic Wealth Management Limited, the Bank's brokerage arm will be acting as a sub-broker for the public offering of bonds of the National Investment Fund Holding Company Limited ("the Company") which opened on January 22, 2024 at 9:00 a.m. and will close at 4:00 PM on February 9, 2024 (at the discretion of the Company). We present below some key features of these bonds together with information on how to apply and where to avail of further information.

### **National Investment Fund Holding Company ("NIF")**

NIF was incorporated on 29 May, 2018 by the Corporation Sole for the purpose of holding and monetizing state assets. The majority of the assets transferred by The Government of Trinidad and Tobago (GORTT) into the NIF were obtained in repayment of the debt due to GORTT by CLICO and CIB (excludes TGU).

The strategic consideration which informed the establishment of the NIF was that the general public should be able to participate in the cash flows derived from the assets of the CLICO and CIB, which were acquired on behalf of the people of Trinidad and Tobago. Therefore, the intention of NIF was to offer, by way of a public offer, fixed income bonds to all citizens with NIF retaining all voting rights with respect to the Shares.

### **NIF2 Bond**

The NIF2 Bond will be offered at face value of TT\$400 million at a fixed interest rate by a coupon rate of 4.50% per annum with a tenor of 5 years set to mature at the 9<sup>th</sup> February, 2029. The NIF2 Bond would be traded on the TTSE from March 13, 2024.

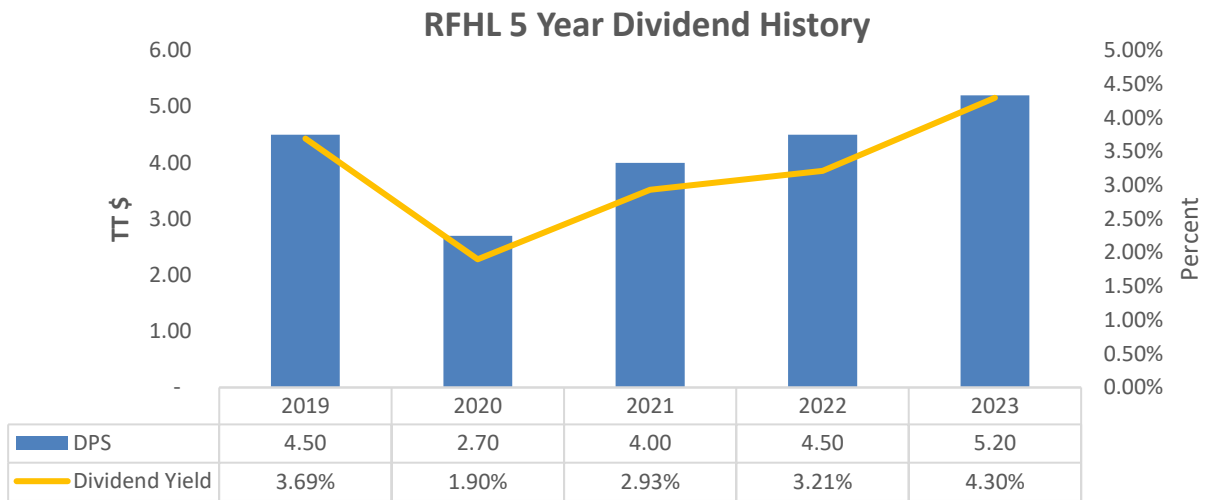
<b>Bond Terms – NIF2</b>	
<b>Issuer Name</b>	National Investment Fund Holding Company Limited
<b>Instrument</b>	NIF2 4.5% 2029
<b>Issue Date</b>	09 February, 2024
<b>Listing Date (Tentative)</b>	13 March, 2024
<b>Face Value</b>	TT\$ 400,000,000
<b>Coupon Rate</b>	Fixed at 4.50% per annum
<b>Maturity Date / Tenor</b>	09 February, 2029
<b>Interest Payments</b>	Semi-annual payments on 09 February and 09 August
<b>Principal Repayment</b>	Full repayment on maturity date
<b>Day Count</b>	30/360
<b>Issue Price</b>	TT\$1.00
<b>Listing Price</b>	TT\$1.00
<b>Issue Currency</b>	Trinidad and Tobago Dollars (TTD)

### **Underlying Assets of the Bond:**

On November 15th 2023, GORTT transferred 6,546,417 ordinary shares of (Republic Financial Holdings Limited (RFHL) to NIF at a value of \$815,225,309.01, representing 4% shareholding in RFHL. These shares (currently 2x collateralized) would be the only security backing the NIF2 Bonds. Holders of the Bond will receive contractual fixed interest income at the rate of 4.5%. By this offer, all citizens will be able to participate in the dividends received by the Company from the Shares.

RFHL is one of the larger financial services institutions in the English-speaking Caribbean, providing corporate banking, merchant banking, offshore banking, private banking and asset management services throughout the region and internationally. As at September 30 2023, the bank had 6,810 employees in Trinidad and Tobago, Barbados, Cayman Islands, Grenada, Guyana, Suriname, Eastern Caribbean, Ghana and BVI. For the year ended 30 September 2023, RFHL

recorded a net profit of TT\$1.75 billion, with assets of TT\$113 billion. Its 5-year dividend history is illustrated below<sup>1</sup>.



**Key risks and controls**

- **Interest Rate Risk** - Fixed income securities such as the NIF2 Bond are sensitive to changes in interest rates. An increase in the market rate of interest may cause the market price of the Bond to decrease and vice versa.
- **Liquidity Risk** – Holders of the Bond are not assured of their ability to liquidate their Bond as this will depend upon the availability of buyers of the Bond on the Trinidad and Tobago Stock Exchange) (TTSE).
- **Risk at Maturity** – There is no guarantee or other support from GORTT to finance any shortfall in the amount necessary to redeem the Bond in full at maturity
- **Credit/ Default Risk**- Economic conditions can impact the performance of the RFHL group and its ability to pay dividends as forecasted.

<sup>1</sup> Visit [www.nif-tt.com](http://www.nif-tt.com) for links to the Financial Statements.

## **Eligibility**

The Bond is being offered to:

- Individual investors;
- Small businesses/ entities<sup>2</sup>; and
- Credit unions and pension plans.

*Note that this IPO is open to only resident investors and applications from abroad will not be considered.*

## **Minimum Investment Amount**

The minimum investment amount is \$1,000. It is anticipated that individual Investors who apply for \$20,000 in face value of Bonds or less will each be allocated 100% of their application.

## **Application Process**

The following must be provided to your Registered Broker along with the **Purchase Application Form**, which can be found on [www.nif-tt.com](http://www.nif-tt.com) or obtained from Approved Distribution Agents or Registered Brokers such as Republic Wealth Management Limited. See Prospectus for the full list of registered brokers.

- TTCD Brokerage Account number
- One form of valid government issued photo identification of each party to the brokerage account
- Signatures from all parties to the brokerage account
- A chequing or savings bank account number from a local commercial Bank to complete remittance details. Accounts must not be dormant or inactive

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<sup>2</sup> A small business is defined as one with revenues of \$25 million or less as evidenced by Comparative Management Accounts for 2021/2022 financial year signed by two directors.

- Payment with a TT dollar cheque, in the exact amount related to the value of the NIF2 Bond subscribed. Cheques are to be made payable to “**FCBAS – NIF2**” and can be personal or manager/bank cheques and must be issued by any one of the holders or a combination of holders of the TTCD account. **Third party cheques will not be accepted.**

Applications valued at TT\$50,000 or more must be submitted to the applicant’s broker and will require a completed source of funds along with proof of same.

**Requirements for Small Businesses/Entities**

Eligible Small Business/Entities must have a Brokerage Account, complete and sign off the Purchase Application Form and provide Comparative Management Accounts for 2021/2022 financial year, signed and stamped by two Directors of the Company.

<b>Key Dates</b>	
<b>Commencement Date</b>	22 January, 2024
<b>Deadline for application</b>	09 February, 2024
<b>Notification of allotment</b>	07 March, 2024
<b>Expected transfer of refunds via ACH</b>	12 March, 2024
<b>TTSE Listing Date</b>	13 March, 2024

**Additional information on the Offer**

A copy of the Prospectus of the Bond being offered would be available on NIF’s website [www.nif-tt.com](http://www.nif-tt.com) from 22 January, 2024. This document contains all the information about the company and the Offer and includes the last three years audited financial statements of the National Investment Fund.

If you would like to acquire any further information on the offer or if you would like to avail of investment advice, please contact one of the following Investment Advisors. Alternatively, you may also email your questions to [rwmlinfo@rfhl.com](mailto:rwmlinfo@rfhl.com).

- Jonathan Pilgrim - 623-0435 Ext. 69911 / jonathan.pilgrim@rfhl.com
- Lisa Leander Yeates - 623-0435 Ext 69919 / lisa.leanderyeates@rfhl.com

We look forward to speaking with you further on this limited investment opportunity.

*“The information and material on this correspondence are provided as a general source of information. While every measure has been taken to ensure the accuracy of the material, Republic Wealth Management Limited and its affiliates do not guarantee the accuracy or completeness of the material hereon. It is not intended as investment, financial, legal, accounting, tax or other advice. Prospective investors are advised to read and understand the Prospectus in its entirety before making any investment decision.”*