



## Frequently Asked Questions Discontinuation of CMMB's MMAs

1. Why is the MMA being closed?
  - 1A. As part of the integration of CMMB into the First Citizens Group, we are working on streamlining some processes and products in an effort to increase the effectiveness and efficiency of our offering to clients. To avoid duplication of product offerings within the Group, we have decided to discontinue our Money Market Accounts (MMAs). We will continue to offer the Fixed Income Paper investment, equity brokerage services and portfolio management services.
  
2. When was this decided?
  - 2A. Post acquisition. With CMMB becoming a subsidiary of First Citizens, it became imperative to ensure that synergies exist and that there were no operational inefficiencies.
  
3. When will CMMB stop taking investments?
  - 3A. CMMB will cease taking investments in the MMAs effective 19 October 2009. However all investments for equity purchases and FIP investments will be placed in an account with zero returns and then transferred to the relevant product/service.
  
4. What are my options?
  - 4A. As our client in Trinidad, you can transfer the balance in your MMA as follows:
    1. To a Fixed Income Paper (FIP) investment
    2. To a Managed Account
    3. To any of the First Citizens mutual fund products currently offered (attachment 1)
    4. To another institution based on your instructions.

As our client in the Eastern Caribbean, you can transfer the balance in their MMA as follows:

1. To a Fixed Income Paper (FIP) investment
2. To a Managed Account
3. To a CMMB Retirement Advantage Plan (RAP)
4. To another institution based on their instructions



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5. How soon can I get my cheque?
- 5A. Immediately. However depending on the amount, CMMB requires 24 hours notice for encashments over TTD\$400,000.00 or USD\$25,000.00
6. What is an FIP?
- 6A. An FIP is an investment with a fixed term (90, 180 or 365 days) which is secured by a Debt Instrument such as Corporate or Government Bonds, and has a fixed rate of return. Upon maturity the investor has the option of re-investing or withdrawing the amount due. Our FIPs are denominated in TTD, USD and Euro. BBD and XCD FIP's are also available in our Barbados and St.Lucia offices respectively.

### **How are returns calculated?**

The return on an FIP of \$100,000 placed for 180 days at 5% per annum would be calculated as follows:

$$\frac{\text{Principal} \times \text{Rate} \times \text{Time}}{365} \quad \text{e.g.} \quad \frac{\$100,000 \times 0.05 \times 180}{365} = \$2,465.75$$

### **Features:**

- ✚ Rate of return is fixed for the period of investment
- ✚ Statements for initial investment as well as subsequent re-investments
- ✚ Fixed maturity date
- ✚ Low minimum initial investment

### **Benefits:**

- ✚ Principal is secured by investments in the underlying security
- ✚ No withholding taxes or management fees
- ✚ No fees or charges associated with the account
- ✚ Attractive rates
- ✚ Flexible investment periods



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7. How safe is the FIP?
- 7A. All funds invested in an FIP are fully backed against a debt instrument (i.e. government and corporate bonds.) The risk of the investment depends on the underlying asset backing the FIP. CMMB's FIP's are backed by sovereign and corporate bonds.
8. What are the rates on the FIP's?
- 8A. As a bonus, existing clients converting from an MMA to an FIP will receive 50 basis points higher than the quoted rates on the TT FIP's and 25 basis points on the US FIP's for the period 1 October 2009 to 29 January 2010.

### Current interest rates for the FIP:

	Minimum Initial Investment	Minimum Tenors	Current Interest Rate %	Preferential Rate
TTD	50,000	1 year	3.50%	4.00%
TTD	100,000	6 months	3.50%	4.00%
TTD	500,000	3 months	3.25%	3.75%
TTD	1,000,000 and over	6 months	3.75%	4.25%
EC\$	3,000	1 month	3.60%	3.75%
EC\$	3,000	2 months	4.00%	4.50%
EC\$	3,000	3 months	4.75%	5.00%
EC\$	3,000	4 months	5.00%	5.25%
EC\$	3,000	6 months	5.25%	5.50%
EC\$	3,000	1 year	5.60%	5.85%
USD	10,000	1 year	2.75%	3.00%
USD	50,000	6 months	3.00%	3.25%
USD	100,000	6 months	3.25%	3.50%
USD	500,000	3 months	2.95%	3.20%
USD	1,000,000 and over	6 months	3.50%	3.75%
EUR	10,000	1 year	2.75%	-
EUR	50,000	3 months	2.00%	-

*\*These rates are being offered for the period 1 October 2009 – 29 January 2010. Please contact us for a rate quote for an investment amount or tenor not shown above.*

*\*Investment subject to availability of security*

*\* Rates are subject to change*



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9. What is the minimum amount to open an FIP? Can I add to an existing FIP and if so what is the additional amount

9A. The minimum initial investment in an FIP is:

Trinidad – USD10,000, TTD 50,000, Euro 10,000

St Lucia – USD 1,000, XCD 3,000

Additions to an FIP can be effected upon maturity. At that point, rates will be re-evaluated and quoted depending on market conditions.

10. Would there be fees upon withdrawal?

10A. There has never been a withdrawal fee for the Money Market account. If a request is made for a draft/manager's cheque/wire transfer, there will be a transactional cost by the bank.

11. What are the mutual funds offered by First Citizens?

11A. Refer to attached spreadsheet for an analysis of First Citizens Mutual Funds – Opening balances, Requirements to open account, Interest rates, Minimum balance to maintain etc.

12. Can I open a First Citizens Mutual Fund at CMMB?

12A. Our staff at CMMB will be unable to open a First Citizens account. However, a First Citizens representative will be on site during the period 5 October 2009 to 29 January 2010 to facilitate your request.

13. What documents are needed to open a First Citizens Mutual Fund?

13A. The documents required by First Citizens to open an account are: 2 valid forms of picture identification and a proof of address (e.g. utility bill).



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14. If I have an account at First Citizens, do I have to open another account to place these funds in?

14A. The option is yours depending on the currency of the account and your goals. Once a client has an account at First Citizens, CMMB can send a direct deposit to your account. Please note that if you have a First Citizens Fixed Deposit, then deposits can only be made at maturity.

CMMB can also issue a cheque which you can deposit at any of First Citizens 23 locations or via their ATM.

15. What would happen to CMMB?

15A. CMMB will continue to offer the Fixed Income Paper investment, equity brokerage services and portfolio management services.

For Corporate clients, we will continue to offer Fixed Income Paper Investment, Brokerage Service and Pension Fund services.

Additionally, CMMB will continue to educate the public on the capital markets via our numerous articles (Emerging Market Weekly, Stock Market Weekly, Jumpstart), publications (CMMB iQ) and Seminars.

16. What other changes can we expect?

16A. Any changes deemed necessary will be communicated as they become available. First Citizens and CMMB are working together assiduously to streamline our operations and develop synergies that will add value to all our stakeholders, whilst providing optimum services to you, our clients.

17. Would I be still able to purchase shares?

17A. Yes. CMMB St Lucia Branch, CMMB Barbados and CMMB Securities and Asset Management continue to offer brokerage services through our branches.



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18. What about the funds in the EURO MMAs?
- 18A. You can open a Euro FIP with Euro \$10,000.00  
If you do not wish to open an FIP, then CMMB will provide you with a draft in any of the following currencies: TTD, USD, EUR.
19. For any cheque investment into an FIP (whether new or existing) would the cheque have to be cleared in a non interest bearing account and then be transferred to set up the FIP or will the cheque be cleared immediately?
- 19A. The cheque clearance will follow the normal procedure as outlined below:
- ◆ US Cheques take 45 calendar days to clear.
  - ◆ US Drafts take 14 days
  - ◆ TT Cheques take 7 days
  - ◆ TT Drafts take 4 days
20. How can I add money to a managed account or FIP?
- 20A. Via cheque, certified draft
21. What happens to any standing order, salary deduction, TTCD Dividend automated cheque deposits?
- 21A. Clients are advised to contact:
- Their HR/Payroll departments to stop standing order payments
  - Banks/credit unions to stop standing orders
  - Securities Exchanges (ECSE, TTCD, BSE) to stop dividend payments and to provide new account for payments
22. Will the MMA rates remain the same until closure?
- 22A. The MMA rates are subject to change.



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23. If I cannot come into CMMB, can I send instructions to close my MMA?
- 23A. Yes, we can open an FIP or remit your funds via a wire transfer as outlined below:

For an FIP or wire remittance: You must download and complete the authorisation form available on our website. The completed form must be signed and either scanned and emailed together with a picture identification to [mymoney@mycmmb.com](mailto:mymoney@mycmmb.com) or delivered to our offices OR

For wire remittance only: If you have MyMoney access, you can request a wire transfer to your bank account (if local). If you have a Euro or USD MMA and wish to transfer funds, send us details via the "Contact Us" link in MyMoney. Please ensure that all the following information is captured:

Bank Name: \_\_\_\_\_  
Bank Address: \_\_\_\_\_  
Intermediary Bank Name and Address: \_\_\_\_\_  
Swift Code/ ABA/ Routing Number: \_\_\_\_\_  
IBAN : \_\_\_\_\_  
Account Number : \_\_\_\_\_  
Account Name : \_\_\_\_\_  
FFC to Account : \_\_\_\_\_  
In the Name of : \_\_\_\_\_



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The following is a snapshot of the First Citizens family of Mutual Funds:

	Abercrombie	El Tucuche	Immortelle	Paria	First Energy
Type of Fund	TT Fixed Income Fund	TT Fixed Income Fund	TT Income & Growth Fund	USD Fixed Income Fund	Sector Mutual Fund
Initial Investment	TT\$500	TT\$10,000	TT\$500	US\$100	US\$100
Service Charge	Nil	Nil	Nil	Nil	Nil
Min. Balance to maintain	TT\$500	TT\$10,000	TT\$500	US\$100	US\$100
Subsequent minimum Investments	TT\$100	TT\$1,000	TT\$100	US\$20	US\$20
Redemption charges	Nil	<ul style="list-style-type: none"> <li>• 2.5% in Yr. 1</li> <li>• 1.5% in Yr. 2</li> </ul>	<ul style="list-style-type: none"> <li>• 2.5% in Yr. 1</li> <li>• 1.5% in Yr. 2</li> </ul>	Nil	<ul style="list-style-type: none"> <li>• 2.5% in Yr. 1</li> <li>• 1.5% in Yr. 2</li> </ul>
Rate	3.50%	NAV: \$10.97	NAV: \$10.46	3.00%	NAV: \$10.44

All percentages and Prices are as at 1 September 2009

The following documents are required to open an account at First Citizens:

- Two (2) forms of valid picture identification
- Proof of address e.g. utility bill