



ADDENDUM

PROSPECTUS
FOR A BOND ISSUE OF EC\$45 MILLION

**BY THE GOVERNMENT OF
ST. VINCENT AND THE GRENADINES**

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The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market. The Regional Debt Co-ordinating Committee and Eastern Caribbean Central Bank accept no responsibility for the content of this Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified person who specialises in advising on the acquisition of government instruments or other securities.

APRIL 2009

I. GENERAL INFORMATION

Issuer: The Government of St. Vincent and the Grenadines

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Contact Persons: Hon. Dr. Ralph E. Gonsalves, Prime Minister and Minister of Finance

Mr. Maurice Edwards, Director General
Mrs. Ingrid Fitzpatrick, Accountant General
Ms. Deidre Anthony, Debt Manager

Date of Publication: March 2009

Registration: This prospectus will be registered with the Regional Debt Coordinating Committee (RDCC).

Purpose of Issue: To finance the Public Sector Investor Programme (PSIP) of the Government.

Amount of Issue: XCD45.0 million

Legislative Authority: The Public Sector Investment Act No. 2 Act No 52 of 2007

This Prospectus is issued for the purpose of giving information to the public. The Government of St. Vincent and the Grenadines accepts full responsibility for the accuracy of the information given, and confirm having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts, the omission of which would make any statement in this prospectus misleading.

II. INFORMATION ON THE BOND ISSUE

The Government of St. Vincent and the Grenadines (GOVSVG) proposes to issue a seven year forty-five million Eastern Caribbean dollars (45,000,000.00) Bond . The Bond will be issued in three tranches of EC\$15,000,000.00 each on March 11, April 15 and May 14 respectively. The proceeds of the issue will be used to finance the Public Sector Investor Programme (PSIP) of the government.

The reason for this addendum is to include the shortfall of \$1.695m from Tranche 1 in Tranche 3.

Tranche 1

- a.** The maximum coupon payable on the Bond will be 8% per annum
- b.** The first tranche of EC\$15.0 million will be auctioned on March 11, 2009
- c.** The Bond will be settled on March 12, 2009
- d.** The maturity date of the Bond will be March 10 , 2016 consistent with the maturity terms of the Bond issue
- e.** No taxes are payable on the Bond
- f.** Interest coupon and principal payments will be payable semi-annually on March 12 and September 12 starting September 12 2009. Principal will be repaid in fourteen (14) equal semi-annual. Interest will be calculated based on the reducing balance.
- g.** The Bond is being issued under the authority of the Public Sector Investment Loan (No. 2) Act No 52 of 2007. Under the Constitution the interest and principal payments are direct charges on the Consolidated Fund of St. Vincent and the Grenadines
- h.** The Government of St. Vincent and the Grenadines has been assigned a rating of B1 by Moody's Investor Services.
- i.** The Bonds will be issued on the Regional Government Securities Market (RGSM) and traded on the Eastern Caribbean Securities Exchange (ECSE).
- j.** The Method of issue will be a Competitive Uniform Price auction with open bidding.
- k.** The minimum bid quantity is \$5,000.00
- l.** The bid multiplier will be set at \$1,000
- m.** The Trading Symbol shall be VCG070316,
- n.** Each investor will be allowed one bid with the option of increasing the amount being tendered for, up until the close of the bidding period
- o.** The bidding period will be opened at 9:00 a.m. on March 11 and will close at 12:00 noon on March 11.
- p.** Investors can participate in the issue through the services of any of the Licensed Intermediaries

Tranche 2

- a.** The maximum coupon payable on the Bond will be 8% per annum
- b.** The Second tranche of EC\$15.0 million will be auctioned on April 15, 2009
- c.** The Bond will be settled on April 16, 2009,
- d.** The maturity date of the Bond will be March 10 , 2016 consistent with the maturity terms of the Bond issue
- e.** No taxes are payable on the Bond
- f.** Interest coupon and principal payments will be payable semi-annually on March 12 and September 12 starting September 12 2009. Principal will be repaid in fourteen (14) equal semi-annual payments. Interest will be calculated based on the reducing balance.
- g.** The Bond is being issued under the authority of the Public Sector Investment Loan (No. 2) Act No 52 of 2007. Under the Constitution the interest and principal payments are direct charges on the Consolidated Fund of St. Vincent and the Grenadines
- h.** The Government of St. Vincent and the Grenadines has been assigned a rating of B1 by Moody's Investor Services.
- i.** The Bonds will be issued on the Regional Government Securities Market (RGSM) and traded on the Eastern Caribbean Securities Exchange (ECSE).
- j.** The Method of issue will be a fixed priced auction bond with closed bidding.
- k.** The minimum bid quantity is \$5,000.00
- l.** The bid multiplier will be set at \$1,000
- m.** The Trading Symbol shall be VCG0316AA,
- n.** Each investor will be allowed one bid with the option of increasing the amount being tendered for, up until the close of the bidding period
- o.** The bidding period will be opened at 9:00 a.m. on April 15 and will close at 12:00 noon on April 15.
- p.** Investors can participate in the issue through the services of any of the Licensed Intermediaries

Tranche 3

- a.** The maximum coupon payable on the Bond will be 8% per annum
- b.** The third tranche of EC\$16.695 million will be auctioned on May 14, 2009. The amount has been revised upwards from \$15m to include the shortfall from the first tranche which was auctioned in March 2009
- c.** The Bond will be settled on May 15, 2009
- d.** The maturity date of the Bond will be March 10 , 2016 consistent with the maturity terms of the Bond issue
- e.** No taxes are payable on the Bond
- f.** Interest coupon and principal payments will be payable semi-annually on March 12 and September 12 starting September 12 2009. Principal will be repaid in fourteen (14) equal semi-annual payments. Interest will be calculated based on the reducing balance.
- g.** The Bond is being issued under the authority of the Public Sector Investment Loan (No. 2) Act No 52 of 2007. Under the Constitution the interest and principal payments are direct charges on the Consolidated Fund of St. Vincent and the Grenadines
- h.** The Government of St. Vincent and the Grenadines has been assigned a rating of B1 by Moody's Investor Services.
- i.** The Bonds will be issued on the Regional Government Securities Market (RGSM) and traded on the Eastern Caribbean Securities Exchange (ECSE).
- j.** The Method of issue will be a fixed priced auction bond with closed bidding.
- k.** The minimum bid quantity is \$5,000.00
- l.** The bid multiplier will be set at \$1,000
- m.** The Trading Symbol shall be VCG0316AB,
- n.** Each investor will be allowed one bid with the option of increasing the amount being tendered for, up until the close of the bidding period
- o.** The bidding period will be opened at 9:00 a.m. on May 14 and will close at 12:00 noon on May 14.
- p.** Investors can participate in the issue through the services of any of the Licensed Intermediaries

ALL OTHER INFORMATION REMAIN THE SAME