

Addendum 2 –dated February 2010

**GOVERNMENT OF SAINT LUCIA
ADDENDUM**

**TO
P R O S P E C T U S**

**FOR
US\$ 25 Million 7.25% 6 yr Bond**

**Ministry of Finance
Financial Center
Bridge Street
Castries
SAINT LUCIA**

Telephone: 1 758 468 5500/1

Fax: 1 758 453 1648

Email: minfin@gosl.gov.lc

PROSPECTUS DATE: DECEMBER 2009

The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market. The Regional Debt Coordinating 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 specializes in advising on the acquisition of government instruments or other securities.



NOTICE TO INVESTORS

This Prospectus is issued for the purpose of giving information to the public. The Government of Saint Lucia accepts full responsibility for the accuracy of the information given and confirms having made all reasonable inquiries 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.

This prospectus contains excerpts from the Saint Lucia Economic Review 2008. Statements contained in this Prospectus describing documents are provided in summary form only, and such documents are qualified in their entirety by reference to such documents. The ultimate decision and responsibility to proceed with any transaction with respect to this offering rests solely with you. Therefore, prior to entering into the proposed investment, you should determine the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of this Bond offering, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific Bond issue described herein. Should you need advice, consult a person licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government instruments or other securities.

ABSTRACT

The Government of Saint Lucia (hereafter referred to as GOSL) proposes to raise \$16.379 Million United States Dollars (US\$16.379 m) through the issue of a 6-year 7.25% Bond. The Bond is being issued to fund a portion of the GOSL 2009/2010 budgeted capital expenditure.

The Bond will be issued under the authority of the National Saving Development Bond Act (Amendment) Act No. 7 of 1982 as amended by the National Savings and Development Bonds (Amendment) Act, Cap. 15.25 of 2005 and through a Parliamentary Resolution Statutory Instrument No. 73 of 2009, passed in the House of Assembly on the 9th day of June 2009 and in the Senate on the 16th day of June 2009. Under the Constitution of Saint Lucia, the interest and principal repayments are a direct charge on the Consolidated Fund.

The GOSL has been publicly rated by the Caribbean Information and Credit Rating Services Ltd. The regional rating agency has assigned a rating of CariBBB+ to both foreign and local currency of a notional maximum of the equivalent of US\$38 million debt issue. According to CariCRIS the assigned rating indicates that the level of credit worthiness of the obligator in relation to other obligations in the Caribbean is adequate. The GOSL assigns very high priority to honoring its debt commitments. It has an unblemished track record in meeting debt service obligations in a timely manner, and in complying with the terms and conditions of debentures and loan agreements.

The Bond will be issued on the Regional Government Securities Market (RGSM) in the month of February 2010 and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE) under the trading symbol FLG060216

The US\$16.379 Million Bond will be opened for bidding commencing at 9:00 a.m. on 12th February 2010 and close at 4:00 p.m. Bidding will recommence on 15th February 2010 at 9:00 a.m. and close at 11:00 am.

Settlement for successful bids will take place on 16th February 2010.

I. GENERAL INFORMATION

Issuer: The Government of the Saint Lucia (GOSL)

Address: The Ministry of Finance
Financial Center
Bridge Street
Castries
Saint Lucia (WI)

Email: minfin@gosl.gov.lc

Telephone No.: 1-758-468-5500/1
Facsimile No.: 1-758-453-1648

Contact persons:
Honorable Stevenson King, Minister for Finance
Mr. Isaac Anthony, Director of Finance
Mr. Francis Fontenelle, Deputy Director of Finance
Ms Marie Monroe, Accountant General

Arrangers/Lead Broker: ECFH Global Investments Solutions Limited.

Date of Publication of Prospectus: December 2009

Date of Publication of Addendum: February 2009

Purpose of Issues: The Securities will be issued to fund a portion of GOSL's 2009/2010 capital expenditures

Amount of Issue: \$16.379 Million United States Dollars (\$16,379,000.00)

Legislative Authority: National Saving Development Bond Act (Amendment) Act No. 7 of 1982 as amended by the National Savings and Development Bonds (Amendment) Act, Cap. 15.25 of 2005.

Intermediaries: A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange is available in Appendix I

Reference Currency: United States Dollars unless otherwise stated

II. INFORMATION ABOUT THE BOND

a. GOSL proposes to auction a US \$16.379 million 7.25%, 6yr Bond on the Regional Government Securities Market (RGSM) and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).

The Purpose of this addendum is to raise the remaining amount from the original US\$25m Bond.

b. The amount to be issued is US \$16.379 million.

c. The auction dates are 12th and 15th February 2010.

d. The Bond will settle on the 16th February 2010.

e. The Bond will mature in 6 years on 16th February 2016.

f. The interest rate is 7.25 % per annum.

g. The interest payments will be made semi annually each August 16th and February 16th

h. The Bond will be identified by the trading symbol FLG060216.

i. Each investor is allowed one (1) bid with the option of increasing the amount being tendered until the close of the bidding period.

j. The minimum bid amount is US \$5,000.

k. The Bid Multiplier will be set at US \$1,000.

l. The bidding period for the issue will be opened from 9 a.m. to 4 p.m. on 12th February 2010 and continue on 15th February from 9:00 a.m. to 11:00 am

m. The method of issue will be determined by Non-Competitive Uniform Fixed Price Auction.

n. The Investors may participate in the auction through the services of a licensed intermediary. The current list of licensed intermediaries is as follows:

- Antigua Commercial Bank Ltd.
- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- National Commercial Bank (SVG) Ltd.
- National Mortgage Financial Company of Dominica Ltd.
- Republic Finance & Merchant Bank (FINCOR) – Grenada
- Caribbean Money Market Brokers Limited (CMMB) – Trinidad and Tobago

- Caribbean Money Market Brokers Limited (CMMB) – Saint Lucia
- National Bank of Anguilla Ltd.

o. All currency references are in US Dollars unless otherwise stated.

ALL OTHER INFORMATION IN THIS PROSPECTUS REMAINS THE SAME