

ADDENDUM 1 – Dated 22nd November 2010



**GOVERNMENT OF SAINT LUCIA
ADDENDUM TO
P R O S P E C T U S**

**For the equivalent of
EC\$100 - \$120 Million Note
(EC\$73 Million and US\$10 Million)**

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SAINT LUCIA**

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PROSPECTUS DATE: September 2010

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.



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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 & Social Review 2009. 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 Note offering, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific Note 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 eighty three million Eastern Caribbean Dollars (EC\$83 m) Dollars through the issue of two (2) series of notes with each series issued in two (2) tranches as follows:

Series 1

- **Tranche A:** US\$7 million as a three (3) year note with a maximum coupon of 6.25 percent per annum payable semi annually.
- **Tranche B:** EC\$31 million as a three (3) year note with a maximum coupon of 6.25 percent per annum payable semi annually.

Series 2

- **Tranche A:** US\$3 million as a five (5) year note with a maximum coupon of 6.80 percent per annum payable semi annually.
- **Tranche B:** and EC\$25 million as a five (5) year note with a maximum coupon of 6.80 percent per annum payable semi annually.

In the event there is an oversubscription of the Note the GOSL is willing to accept up to an additional \$10 million of the amount on Series 1 and \$27 million of the amount on Series 2. The notes are being issued to refinance Government Notes maturing in the months of October and November 2010 and to finance part of the Central Government's 2010/2011 Annual Budget.

The Note 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. 88 of 2010, passed in the House of Assembly on the 13th day of July 2010 and in the Senate on the 27th day of July 2010. 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. (CariCRIS). On April 13th 2010, the regional rating agency re-affirmed 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 Note will be issued on the Regional Government Securities Market (RGSM) in the months of October and November 2010 and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE) under the trading symbols FLN151013, LCN151013 and FLN291115, LCN291115.

The EC\$31 Million 3yr Notes will be opened for bidding commencing at 9:00 a.m on October 13th close at 4:00 p.m. Bidding will recommence on October 14th at 9: am and close

at midday. The US\$7 Million 3yr Notes will be opened for bidding commencing at 9:00 a.m on October 13th close at 4:00 p.m. Bidding will recommence on October 14th at 9: am and close at 11 am

Settlement for successful bids will take place on 15th October 2010.

The EC\$25 million 5yr Notes will be opened for bidding commencing at 9:00 am on November 25th close at 4:00 p.m. Bidding will recommence on November 26th at 9: am and close at midday. The US\$3 Million 5yr Notes will be opened for bidding commencing at 9:00 am on November 25th close at 4:00 p.m. Bidding will recommence on November 26th at 9: am and close at 11 am.

Settlement for successful bids will take place on 29th November 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.: 1-758-452-6700

Contact persons:

Honorable Stephenson King, Minister for Finance
Mr. Isaac Anthony, Director of Finance
Mr. Francis Fontenelle, Deputy Director of Finance
Ms Marie Monrose, Accountant General

Arrangers: Caribbean Money Market Brokers (CMMB)

Address #9 Brazil street
Castries, St. Lucia

Telephone Number 1-758-450-2662

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Contact Persons Mrs. Carole Eleuthere Jn Marie, Country Manager

Mrs. Sharmaine Francois, Business Development Manager
Mr. Anderson Soomer, Business Development Officer

Date of Publication:	September 2010
Purpose of Issues:	The Securities will be issued to refinance maturing notes and fund a portion of GOSL's 2010/2011 capital expenditures
Amount of Issue:	<p>\$73 Million Eastern Caribbean Dollars (EC\$73,000,000.00) and \$10 million United States Dollars (US\$10,000,000) will be issued in two series as follows: US\$7 million and EC\$31 million as a three year note with a maximum coupon of 6.25 percent payable semi annually.</p> <p>US\$3 million and EC\$25 million as a five year note with a maximum coupon of 6.80 percent payable semi annually.</p>
Over-Subscription	In the event of any Over-Subscription the GOSL reserves the right without the consent of investors in the Note issue, to increase the aggregate value up to an additional EC\$10 million on Series 1 and an additional EC\$27 million making the total issue a maximum of EC\$120 million. In the case of Series 2 the EC\$27 million oversubscription should be US\$300,000 on the US dollar portion and EC\$26,190,000 million on the EC\$ dollar portion.
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 and through a Parliamentary Resolution Statutory Instrument No. 88 of 2010, passed in the House of Assembly on the 13 th day of July 2010 and in the Senate on the 27 th day of July 2010.
Intermediaries:	A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange is available in Appendix I
Reference Currency:	Eastern Caribbean Dollars (EC\$) unless otherwise stated.

II. INFORMATION ABOUT THE NOTE

a. GOSL proposes to auction an EC \$83 million through a two series note issue, on the Regional Government Securities Market (RGSM) and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The reasons for the addendum are as follows:**

- **To amend the original issue size from EC\$100 million to EC\$120 million to EC\$83 million to EC\$120 million.**
- **To amend the issue amount for Tranche B of Series 2 from EC\$42 million to EC\$25 million.**
- **To indicate that should the GOSL receive more than EC\$25 million in Tranche B of Series 2 that it has the option to accept up to an additional EC\$26,190,000.**
- **To indicate that should the GOSL receive more than US\$3 million in Tranche A of Series 2 that it has the option to accept up to an additional US\$300,000.**

b. The amount to be issued is EC \$31 million and US\$7 million in 3 year.

c. The amount to be issued is EC\$25 million and US\$3 million in 5 year.

c. The auction dates are 13th and 14th October 2010 for the 3 year note and 25th and 26th November for the 5 yr note.

d. The Note will settle on the 15th October 2010 and 29th November 2010 for the 3 yr and 5 yr respectively.

e. The Note will mature in 3 years on 15th October 2013 and in 5 yrs on 29th November 2015 for the 3 yr and 5 yr notes respectively.

f. The interest rates are a maximum coupon of 6.25 and 6.80 per annum for the 3 yr and 5 yr notes respectively.

g. The interest payments will be made semi annually each April 15th and October 15th and each May 29th and November 29th for the 3 yr and 5 yr notes respectively.

h. The Notes will be identified by the trading symbols FLN151013, LCN151013 and FLN291115, LCN291115 for the 3 yr and the 5 yr notes respectively.

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

j. The minimum bid amount should be EC \$5,000 and US\$5,000 for the respective currency segments.

k. The Bid Multiplier will be set at EC\$1,000 and US\$1,000 for the respective currency segments.

l. The bidding period for the EC\$ portion of the issue will be opened from 9 a.m. to 4 p.m. on 13th and 9 a.m. to midday on 14th October 2010 and from 9 a.m. to 4 p.m. on 25th and 9

a.m. to midday on 26th November 2010. The bidding period for the US\$ portion of the issue will be opened from 9 a.m. to 4 p.m. on 13th and 9 a.m. to 11 a.m. on 14th October 2010 and from 9 a.m. to 4 p.m. on 25th and 9 a.m. to 11 a.m. on 26th November 2010.

m. The method of issue will be determined by Non-Competitive 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:

- ABI Bank Ltd.
- 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 Eastern Caribbean Dollars (ECD) unless otherwise stated.

ALL OTHER INFORMATION IN THE PROSPECTUS REMAINS THE SAME.

