

CENTRAL BANK OF THE GAMBIA



An opportunity to invest in
Gambia Government Bonds

PROSPECTUS

FOR

GAMBIA GOVERNMENT BONDS

Issue No.: FXD 2/2010/3YRS

AGENT: CENTRAL BANK OF THE GAMBIA

AUCTION DATE: FEBRUARY 23, 2010

PROSPECTUS FOR THE ISSUE OF GAMBIA GOVERNMENT 3-YEAR FIXED COUPON BONDS

1. INTRODUCTION This prospectus is issued subject to the terms contained in the Guidelines relating to the Issue of Gambia Government Bonds published by the Central Bank of The Gambia dated February 2010 (the “Guidelines”). The terms of the Guideline apply to the above Bonds and their auction. This prospectus is only a summary of some of the more significant features of the Bond to be issued, and bidders should refer to the Information Guideline for the definitive terms.

2. INVITATION OF BIDS The Central Bank of the Gambia invites bids for the issue of the above instrument on behalf of the Gambia Government through the Fixed Price Auction process. The instrument will be Dalasi-denominated and will be issued at par. The fixed coupon rate shall carry throughout the term of the security. The instrument shall be issued on the following terms and conditions.

Issuer:	Republic of the Gambia
Amount:	GMD50 million
Purpose:	Proceeds to be used for financing government program
Tenor:	3 Year
Frequency of Issue:	Quarterly
Value Date:	24 th February 2010
Price:	The instrument shall be issued at par.
Coupon:	The bond shall be issued at a fixed coupon rate of 14.5% per annum
Application:	All applications must be on the form attached to the Guidelines or in any form which states clearly the amount of bonds required and full name and address of the applicant
Minimum Bid:	GMD5.0 million in Multiples of GMD50, 000.00

- Interest Payment:** Semi-annually from the issue date, in August and February. The amount of interest paid on every coupon payment date shall be equal to the principal amount at half coupon rate.
- Redemption:** 20th February 2013
- Issuing & Paying Agent:** Central Bank of the Gambia
- Bid Closure:** All bids must reach Central Bank of the Gambia by the close of business on Monday 22th February 2010
- Period of sale:** 15th February 2010 – 22nd February 2010
- Allotment:** Once an allotment of stock has been made, the notified payment must be made in full not later than 24th February 2010. The allotment will be made on a prorata basis and no allotment will be made for amount less than D1.0 million.
- Settlement:** Payment must be made by direct debit or by cheque drawn in favor of the Central Bank of The Gambia. When the cheque is tendered for payment of the security, the allotment letter will not be issued until the amount of the cheque has been realized.
- Rediscount:** The Central Bank of the Gambia will rediscount Bonds as a last resort. The Bonds will be rediscounted at 3% above the higher of either prevailing market yield or coupon rate. Bond can only be rediscounted at the Central Bank after serving 50% of its life.
- Right to Accept Applications:** The Central Bank of the Gambia reserves the right to accept bids in part, in full or reject them in total without giving any reason.

**BANKING DEPARTMENT
CENTRAL BANK OF THE GAMBIA**