

PROSPECTUS

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS BAHAMAS REGISTERED STOCK 2015 – 2024 #2 ISSUE OF B\$100,000,000.00

Issued under The Bahamas Registered Stock Act, and authorized by Resolutions of the House of Assembly, 18th June, 2004.

Applications will be received by The Banking Department beginning 15th October, 2004. Allocations will commence at 9:30 a.m. on 22nd October, 2004 and will close as soon as the total subscriptions amount to B\$100,000,000.00 (Nominal).

If the total subscriptions exceed the sum of B\$100,000,000.00 (Nominal) partial allotment will be made to subscribers, and a proportionate refund will be made as soon as possible after allotment. No interest will be paid on amounts so refunded.

The date of this Prospectus is 8th October, 2004

The Government of The Commonwealth of The Bahamas invites applications for Bahamas Registered Stock totalling B\$100,000,000.00. The Stock will be available in a range of maturity dates; the earliest being repayable in 2015 and the latest in 2024. The total amount of Stock offered, the rate of interest and the issue price are given below :-

<u>Rate Of Interest</u>			<u>Amount</u> B\$	<u>Issue</u> <u>Price</u> B\$
1/32%	Above Prime Rate	Bahamas Registered Stock 2015	10,000,000.00	100.00
1/16%	Above Prime Rate	Bahamas Registered Stock 2016	15,000,000.00	100.00
3/32%	Above Prime Rate	Bahamas Registered Stock 2017	15,000,000.00	100.00
5/32%	Above Prime Rate	Bahamas Registered Stock 2019	15,000,000.00	100.00
1/4%	Above Prime Rate	Bahamas Registered Stock 2022	15,000,000.00	100.00
9/32%	Above Prime Rate	Bahamas Registered Stock 2023	15,000,000.00	100.00
5/16%	Above Prime Rate	Bahamas Registered Stock 2024	<u>15,000,000.00</u>	100.00
			<u>100,000,000.00</u>	

The Stock shall be repaid on 22nd October, in the year appearing in the name of the Stock.

INTEREST

The Stock will bear interest from 22nd October, 2004, at the rate shown against the name of the Stock as the percent per annum over the Prime Rate (i.e. the prime commercial interest rate from time to time fixed by the Clearing banks carrying on business in the Island of New Providence in The Bahamas. If there shall be any difference between them, then that which is fixed by Royal Bank of Canada). Interest shall be payable half-yearly commencing on 22nd April, 2005 and thereafter on 22nd October and 22nd April in every year until the Stock is repaid.

CHARGE UPON CONSOLIDATED FUND

The principal monies and interest represented by the Stock are charged upon and payable out of the Consolidated Fund and assets of The Commonwealth of The Bahamas.

SUPPLEMENTARY PROVISIONS

Issue of Stock The Stock will be issued by the Registrar (The Central Bank of The Bahamas). Applications will be received by The Banking Department beginning 15th October, 2004 and allocations will commence at 9:30 a.m. on 22nd October, 2004 and will close as soon as the total subscriptions amount to B\$100,000,000.00 (Nominal). All envelopes enclosing applications should be labelled "Application For Bahamas Government Registered Stocks".

Units The Stock will be in units of B\$100.00.

Applications Applications must be for B\$100.00 or a multiple of that sum.

Application Forms Applications for the Stock should be made to the Registrar on the form attached to the Prospectus and may be obtained from the Registrar, The Treasury Department (Marlborough Street & Navy Lion Road, Nassau) or any of the following banks:

1. Bank of The Bahamas International
2. First Caribbean International Bank (Bahamas) Limited
3. Finance Corporation of Bahamas Limited
4. Commonwealth Bank Limited
5. Royal Bank Of Canada
6. Scotiabank (Bahamas) Limited
7. British American Bank (1993) Limited
8. Citibank, N.A.

PUBLIC DEBT

Provisional estimates from the unaudited accounts as at June 30, 2004 show the Public Debt of The Bahamas to be B\$2,350,309,000.*

GOVERNMENT REVENUE AND EXPENDITURE

The following information is extracted from the unaudited accounts of the Government of The Commonwealth of The Bahamas.

	FY2002/2003*	FY2003/2004**	FY2004/2005**
	B\$	B\$	B\$
			Approved Budget
Revenue	901,791,000	867,610,000	1,051,623,000
Recurrent Expenditure (excluding Repayment of Public Debt)	962,644,000	867,628,000	1,067,259,000
Capital Development Expenditure (excluding loans contributions and advances to public corporations)	83,797,000	55,880,000	117,296,000

** Provisional estimates from the unaudited accounts.

* The Public Debt amount is inclusive of The Public Corporations contingent liability which as at June 30, 2004 totalled B\$406,862,000.

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
BAHAMAS REGISTERED STOCK 2015- 2024 #2

FOR OFFICIAL USE ONLY

APPLICATION No. _____

ALLOTMENT No. _____

DATE: _____

The Registrar
c/o The Central Bank of The Bahamas
P. O. Box N-4868
Nassau, Bahamas

Sir:

I/We hereby apply for the following amount of Bahamas Registered Stock:

Insert below the amount applied for
in Units of B\$100

1/32%	Above Prime Rate	Bahamas Registered Stock 2015	B\$
1/16%	Above Prime Rate	Bahamas Registered Stock 2016	B\$
3/32%	Above Prime Rate	Bahamas Registered Stock 2017	B\$
5/32%	Above Prime Rate	Bahamas Registered Stock 2019	B\$
1/4%	Above Prime Rate	Bahamas Registered Stock 2022	B\$
9/32%	Above Prime Rate	Bahamas Registered Stock 2023	B\$
5/16%	Above Prime Rate	Bahamas Registered Stock 2024	B\$

and undertake to accept any less amount which may be allotted to me/us.

I/We enclose B\$ _____ in payment for the Stock applied for.

In the event of the full amount of Stock(s) applied for above is/are not allotted to me/us, I/we request that the sum refundable to me/us be applied for the following Stock:

%	Bahamas Registered Stock	B\$
%	Bahamas Registered Stock	B\$
%	Bahamas Registered Stock	B\$
%	Bahamas Registered Stock	B\$
%	Bahamas Registered Stock	B\$
%	Bahamas Registered Stock	B\$

BANK DRAFTS SHOULD BE MADE PAYABLE TO THE CENTRAL BANK OF THE BAHAMAS.

Ordinary Signature _____

Name in Full (BLOCK LETTERS, state whether Mr., Mrs., or Miss and titles if any.)

Address (Corporations etc. should give Registered Addresses, Telephone Nos.)

(Where two or more persons apply as joint subscribers, the additional names and addresses should be given below.)

Ordinary Signature _____

Name in Full _____

Address _____

Telephone No. _____

Ordinary Signature _____

Name in Full _____

Address _____

Telephone No. _____

I/We hereby request semi annual interest to be paid to:

Bank Name _____

Bank Branch _____

Account Type. _____

Account Number _____