

PROSPECTUS

FOR THE ISSUE OF

GOVERNMENT OF GHANA

3-YEAR FIXED RATE BOND

1. GENERAL

This prospectus is issued subject to the terms contained in the *revised* Information Memorandum relating to the Issue of Government of Ghana Bonds published by the Bank of Ghana dated July 2007 (the “**Information Memorandum**”). The terms of the Information Memorandum 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 Memorandum for the definitive terms.

2. INVITATION OF BIDS

The Bank of Ghana invites bids for the issue of the above instrument on behalf of the Government of Ghana through the **Auction process**. The instrument will be cedi-denominated and will be issued at par. It shall bear a coupon rate equal to the highest competitive bids accepted at the auction for the security. The coupon rate so fixed shall carry throughout the term of the security.

3. TERMS

Issuer:	Government of Ghana
Amount:	GHS200 million
Issue Method:	Through an auction to be held on 14th January, 2010.
Price:	The instrument shall be issued at par.

- Denomination:** The instrument will be cedi-denominated and shall have a face value of one hundred Ghana Cedis (GHS100.00).
- Minimum Bid:** GHS500,000 and multiples of GHS10,000 thereafter.
- Coupon:** To be determined at the auction to be held on **14th January, 2010** as described under (2) above.
- Interest Payment:** Semi-annually from the Issue Date, in **July** and **January**. The amount of interest paid on every coupon payment date shall be equal to the principal amount at the coupon rate for half-year.
- Withholding Tax:** The *Internal Revenue Act 2000* requires the Bank to withhold tax in respect of interest payments to resident corporations holding Bonds on their own account at the rate of 10% of the gross amount of the payment.
- Interest paid to a non-resident person on bonds issued by the Government of Ghana is exempt from tax.
- Application Methods:** Bids may be made on either competitive or non-competitive basis through Primary Dealers **only**. Primary Dealers may also submit bids on their own behalf. Bids received will not be revocable.
- Participation:** The 3-year bond shall be available to **both** resident and non-resident investors.
- Closing Date:** Bids must be electronically delivered to the Central Securities Depository Auction Module not later than **2.00 p.m. on Thursday 14th January, 2010**.

Allocation of Bonds: The Bank of Ghana reserves the right to reject any or part of any competitive or non-competitive bid. Subject to this, competitive bids will be ranked in ascending order of the annual rate of interest bid. Securities will be sold to applicants whose competitive bids are at or below the highest rate at which the Bank of Ghana decides that any competitive bid should be accepted (the "**uniform allocation rate**"). Applicants whose competitive bids are accepted will purchase securities at par with the coupon fixed at the uniform allocation rate. Competitive bids which are accepted and which are made at rates below the uniform allocation rate will be satisfied in full. Competitive bids which are accepted and which are made at the uniform allocation rate may be satisfied in part only. Non-competitive bids will be accepted at the uniform allocation rate.

Settlement: Settlement shall take place on **Monday, 18th January, 2010**.

Registrar: The Register will be maintained on a book-entry system on the **Central Securities Depository** and, therefore, no certificates will be issued.

Redemption The Bond shall be redeemed by the issuer on the maturity date, which shall be **14th January, 2013**. Such redemption shall be at par.

Bank of Ghana
Accra
08 January 2010