

Luxembourg Stock Exchange listing prospectus supplement to prospectus dated July 11, 2013

# Government of Jamaica



**US\$161,904,731**

## **8.50% Notes Amortizing due 2021**

The Government of Jamaica ("Jamaica") is offering US\$161,904,731 of its 8.50% amortizing notes due 2021 (the "2021 Jamaica Notes"). The 2021 Jamaica Notes will be direct, general, unsecured and unconditional obligations and will rank at least *pari passu*, without any preference among themselves. The payment obligations of Jamaica under the 2021 Jamaica Notes will at all times rank at least equally with all other payment obligations of Jamaica related to unsecured External Indebtedness (as defined) of Jamaica. Jamaica has pledged its full faith and credit for the due and punctual payment of principal of and interest on the 2021 Jamaica Notes. Jamaica will pay principal on the 2021 Jamaica Notes in 17 equal semi-annual installments of 5.882353% of the original principal amount of the 2021 Jamaica Notes (with a final payment of 5.882352% of the original principal amount of the 2021 Jamaica Notes) on a pro rata basis on May 16 and November 16 of each year, commencing on November 16, 2013, with the final principal payment date of November 16, 2021. Jamaica will pay interest on the outstanding principal amount of the 2021 Jamaica Notes semi-annually in arrears on May 16 and November 16 of each year, commencing on November 16, 2013 at an annual rate of 8.50% beginning as of May 16, 2013.

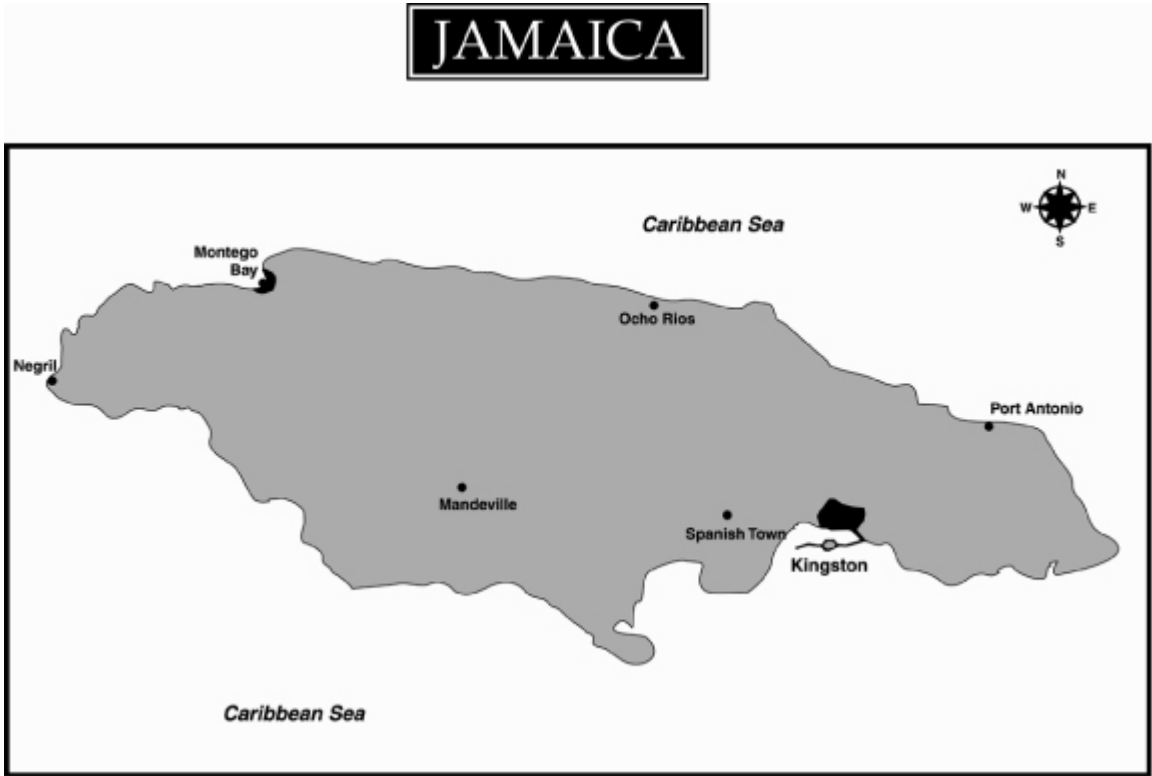
The 2021 Jamaica Notes are being initially offered (the "Exchange Offer") and issued to certain eligible holders of the outstanding 8.50% amortizing notes due 2021 (the "CAP Notes") issued by Clarendon Alumina Production Limited ("CAP"), a company incorporated under the laws of Jamaica, and guaranteed by Jamaica in jurisdictions where it is lawful to make such offers and issuances, and in conjunction with CAP's solicitation (the "Consent Solicitation" and, together with the Exchange Offer, the "Invitation") of consents (the "Consents") to adopt certain proposed amendments to the fiscal agency agreement under which the CAP Notes were issued, as described in the invitation to exchange and consent solicitation statement dated July 31, 2013. Jamaica has applied to have the 2021 Jamaica Notes listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market of that exchange.

**Neither the U.S. Securities and Exchange Commission nor any other regulatory body has approved or disapproved these securities or passed upon the adequacy or accuracy of this prospectus supplement or the prospectus to which it relates. Any representation to the contrary is a criminal offense.**

Delivery of the 2021 Jamaica Notes in book entry form will be made on or about September 3, 2013 (the "Settlement Date").

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The date of this Luxembourg Stock Exchange listing prospectus is September 5, 2013.



## INTRODUCTORY STATEMENTS

Jamaica accepts responsibility for the information contained in this prospectus supplement and the prospectus that accompanies it. To the best of the knowledge and belief of the Jamaica (which has taken all reasonable care to ensure that such is the case), the information contained in this prospectus supplement and the accompanying prospectus accurately reflect the facts and does not omit anything likely to affect the import of such information.

Jamaica is a foreign sovereign government. Foreign sovereign governments are generally immune from lawsuits and from the enforcement of judgments under United States laws; however, foreign sovereign governments may waive this immunity, and limited exceptions to this immunity are set forth in the U.S. Foreign Sovereign Immunities Act of 1976 (the “Immunities Act”). See “Enforcement of Claims” and “Description of the Debt Securities—Enforcement of Claims” in the accompanying prospectus.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the 2021 Jamaica Notes may be legally restricted in some countries. If you wish to distribute this prospectus supplement or the accompanying prospectus, you should observe any applicable restrictions. This prospectus supplement and the accompanying prospectus should not be considered an offer, and it is prohibited to use them to make an offer, in any state or country in which the making of an offer of the 2021 Jamaica Notes is prohibited.

Unless otherwise indicated, all references in this prospectus supplement to “JA dollars” and “J\$” are to Jamaica dollars, the lawful national currency of the country of Jamaica, and those to “U.S. dollars” or “US\$” are to the lawful currency of the United States of America. Unless the context otherwise requires, references to “Jamaica” are references to the Government of Jamaica.

## OFFERING SUMMARY

*This summary highlights information contained in this prospectus supplement and the accompanying prospectus and may not contain all of the information that may be important to you. You should read this summary along with the more detailed description appearing elsewhere in this prospectus supplement and in the accompanying prospectus.*

<b>Issuer.....</b>	The Government of Jamaica.
<b>Securities Offered .....</b>	8.50% Amortizing Notes due 2021 (the “2021 Jamaica Notes”).
<b>Issue Date .....</b>	The 2021 Jamaica Notes will be issued on the Settlement Date.
<b>Interest.....</b>	The 2021 Jamaica Notes will bear interest at a rate of 8.50% per annum on the outstanding principal amount beginning as of May 16, 2013 and payable semi-annually in arrears in U.S. dollars on May 16 and November 16 of each year, commencing November 16, 2013.
<b>Principal .....</b>	Principal payments will be made in 17 equal semi-annual installments of 5.882353% of the original principal amount of the 2021 Jamaica Notes (with a final payment of 5.882352% of the original principal amount of the 2021 Jamaica Notes) on a pro rata basis on May 16 and November 16 of each year, commencing on November 16, 2013, with the final principal payment date of November 16, 2021. Accordingly, for each US\$1,000,000 original principal amount of 2021 Jamaica Notes issued pursuant to the Exchange Offer, each semi-annual principal payment will be US\$58,823.53 (with a final payment of US\$58,823.52).
<b>Amortization Schedule...</b>	Each percentage below is expressed as a percent of the original principal amount of the 2021 Jamaica Notes.

<u>Date of Payment</u>	<u>Principal Payment</u>	<u>Remaining Principal After Payment</u>
November 16, 2013	5.882353%	94.117647%
May 16, 2014	5.882353%	88.235294%
November 16, 2014	5.882353%	82.352941%
May 16, 2015	5.882353%	76.470588%
November 16, 2015	5.882353%	70.588235%
May 16, 2016	5.882353%	64.705882%
November 16, 2016	5.882353%	58.823529%
May 16, 2017	5.882353%	52.941176%
November 16, 2017	5.882353%	47.058823%
May 16, 2018	5.882353%	41.176470%
November 16, 2018	5.882353%	35.294117%
May 16, 2019	5.882353%	29.411764%
November 16, 2019	5.882353%	23.529411%
May 16, 2020	5.882353%	17.647058%
November 16, 2020	5.882353%	11.764705%

	May 16, 2021	5.882353%	5.882352%
	November 16, 2021	5.882352%	0.000000%
<b>Final Maturity Date.....</b>	The 2021 Jamaica Notes will mature on November 16, 2021.		
<b>Withholding Tax and Additional Amounts .....</b>	Jamaica will make all payments of principal and interest on the 2021 Jamaica Notes without withholding or deduction for any Jamaican taxes. If Jamaican law requires Jamaica to deduct or withhold taxes, Jamaica will pay the holders of the 2021 Jamaica Notes the additional amounts necessary to ensure that the holders of the 2021 Jamaica Notes receive the same amount as they would have received without such deduction or withholding, except in certain limited circumstances. See “Description of the Debt Securities—Additional Amounts.”		
<b>Further Issues .....</b>	Jamaica may from time to time, without your consent, increase the size of the issue of the 2021 Jamaica Notes, or issue additional debt securities that may be consolidated and form a single series with the outstanding notes.		
<b>Book Entry Delivery, Form and Denominations .....</b>	The 2021 Jamaica Notes will be issued in fully registered form without interest coupons in minimum denominations of US\$75,000 of original principal amount and integral multiples of US\$1.00 in excess thereof. The 2021 Jamaica Notes will be represented by one or more global notes, registered in the name of Cede & Co. as nominee of DTC. Beneficial interests in the global notes will be shown on, and the transfer thereof will be effected through, records maintained by DTC. See “Global Clearance and Settlement.”		
<b>Status of the Notes .....</b>	The 2021 Jamaica Notes will be direct, general, unsecured and unconditional obligations of Jamaica. They will rank equally in right of payment among themselves and with all of Jamaica’s existing and future unsecured external indebtedness. Jamaica has pledged its full faith and credit to make all payments on the 2021 Jamaica Notes when due. See “Description of the Debt Securities—Status of the Debt Securities.”		
<b>Events of Default.....</b>	The 2021 Jamaica Notes will contain certain events of default, the occurrence of which may permit noteholders to accelerate Jamaica’s obligations under the 2021 Jamaica Notes prior to maturity. See “Description of the Debt Securities—Default; Acceleration of Maturity.”		
<b>Negative Pledge.....</b>	The 2021 Jamaica Notes will contain certain covenants, including a negative pledge covenant that will restrict Jamaica from creating or permitting to exist (subject to certain exceptions) any security interest on any of its present or future revenue, properties or assets. See “Description of the Debt Securities—Negative Pledge.”		
<b>Payments of Principal and Interest.....</b>	Jamaica will make payments of principal and interest on the 2021 Jamaica Notes in U.S. dollars through the paying agent to DTC, which will receive funds for distribution to the holders of the 2021 Jamaica Notes as registered with the registrar		

at the close of business on the fifteenth day preceding the date of payment.

**Listing .....** Jamaica has applied to have the 2021 Jamaica Notes offered pursuant to this Listing Particulars listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market of that exchange.

**Fiscal Agent, Principal  
Paying Agent and Registrar  
.....** Deutsche Bank Trust Company Americas.

**Luxembourg Listing Agent,  
Paying Agent and Transfer  
Agent.....** Deutsche Bank Luxembourg S.A.

**Governing Law .....** The 2021 Jamaica Notes and the Jamaica Fiscal Agency Agreement (as defined herein) are governed by the laws of the State of New York, except with respect to their authorization and execution, which will be governed by the laws of Jamaica. See “Description of the Debt Securities—Governing Law and Submission to Jurisdiction.”

## DESCRIPTION OF THE NOTES

Unless otherwise specified, references in this section to the “notes” mean the 2021 Jamaica Notes being offered hereby.

The notes will be direct, general, unsecured and unconditional obligations and will rank at least pari passu, without any preference among themselves. The notes will be issued under a fiscal agency agreement, dated as of June 20, 2002, as supplemented or amended, among Jamaica, Deutsche Bank Trust Company Americas, as fiscal agent, principal paying agent and registrar, and Deutsche Bank Luxembourg S.A. as paying agent and a transfer agent (the “Jamaica Fiscal Agency Agreement”).

The notes are a series of debt securities more fully described in the accompanying prospectus, except to the extent indicated below. The following statements are subject to the provisions of the Jamaica Fiscal Agency Agreement and the notes. This summary does not purport to be complete and the description below may not contain all of the information that is important to you as a potential investor in the notes. Jamaica has filed a form of the Jamaica Fiscal Agency Agreement, which includes a form of the notes, with the SEC as an exhibit to Jamaica’s registration statement on Schedule B. You should refer to the exhibit referenced above for more complete information concerning the Jamaica Fiscal Agency Agreement and the notes. Capitalized terms not defined below shall have the respective meanings given in the accompanying prospectus.

### General Terms of the 2021 Jamaica Notes

The notes will:

- bear interest at **Error! Reference source not found.**% per year on the outstanding principal amount beginning as of May 16, 2013;
- pay interest on May 16 and November 16 of each year, commencing November 16, 2013;
- pay principal in 17 equal semi-annual installments of 5.882353% of the original principal amount of the notes (with a final payment of 5.882352% of the original principal amount of the notes) on a pro rata basis on May 16 and November 16 of each year, commencing on November 16, 2013, with the final principal payment date of November 16, **Error! Reference source not found.**;
- mature on November 16, **Error! Reference source not found.**; and
- pay interest to the persons in whose names the notes are registered on the record date, which is the close of business on the preceding May 1 or November 1 (whether or not a business day), as the case may be.

Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months.

Jamaica has applied for the notes to be listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market of that exchange. In addition, Jamaica will maintain a paying agent and transfer agent in Luxembourg so long as any of the bonds are admitted to trading on the Euro MTF Market and the rules of the Luxembourg Stock Exchange so require.

### Meetings and Amendments

Jamaica may call a meeting of the holders of the notes at any time regarding the notes or the Jamaica Fiscal Agency Agreement. Jamaica will determine the time and place of the meeting. Jamaica will notify the holders of the notes of the time, place and purpose of the meeting between 30 and 60 days before the meeting.

The fiscal agent will call a meeting of holders of the notes if:

- an event of default has occurred and is continuing; and

- the holders of at least 10% in principal amount of the notes then outstanding have delivered a written request to the fiscal agent setting forth the action they propose to take.

Only holders of the notes and their proxies are entitled to vote at a meeting of the holders. Holders or proxies representing a majority of the outstanding principal amount of the notes will normally constitute a quorum. However, if a meeting is adjourned for a lack of a quorum, then security holders of the notes or proxies representing 25% of the outstanding principal amount will constitute a quorum when the meeting is rescheduled. The fiscal agent will set the procedures governing the conduct of the meeting.

Jamaica, the fiscal agent and the holders of any series of the notes may generally modify or take action with respect to the Jamaica Fiscal Agency Agreement or the terms of the notes:

- with the affirmative vote of the holders of not less than 66 2/3% of the outstanding principal amount of the notes that are represented at a meeting; or
- with the written consent of the holders of 66 2/3% of the outstanding principal amount of the notes.

However, all holders of the notes must unanimously consent to any amendment, modification or change with respect to the notes that would:

- change the due dates for the payment of principal or interest;
- reduce any amounts payable on a note;
- reduce the amount of principal payable upon acceleration of the maturity of the notes;
- change the payment currency;
- reduce the proportion of the holders of the principal amount of notes necessary to change the terms of the Jamaica Fiscal Agency Agreement or the notes; or
- change Jamaica's obligation to pay any additional amounts.

Jamaica and the fiscal agent may, without the vote or consent of any holder of the notes, amend the Jamaica Fiscal Agency Agreement or the notes to:

- add to Jamaica's covenants for the benefit of the holders;
- surrender any of Jamaica's rights or powers;
- provide collateral for the notes;
- cure any ambiguity or correct or supplement any defective provision; or
- make any other change that does not adversely affect the interest of any holder of the notes in any material respect.

Notwithstanding "Description of the Debt Securities—Modifications; Collective Action Securities" in the accompanying prospectus, the notes will not contain the provisions commonly known as "collective action clauses" that are described therein.

### **Book Entry**

The notes will be issued in fully registered form without interest coupons in minimum denominations of US\$75,000 of original principal amount and integral multiples of US\$1.00 in excess thereof. Jamaica will issue the notes in the form of one or more fully registered global notes. Jamaica will deposit the global notes with DTC and



register the global notes in the name of Cede & Co. as DTC's nominee. Beneficial interests in the global notes will be represented by, and transfers thereof will be effected only through, book-entry accounts maintained by DTC and its participants.

### **Certificated Securities**

In circumstances detailed in the accompanying prospectus (see "Description of the Debt Securities—Global Securities—Registered Ownership of the Global Security"), Jamaica may issue certificated securities. In that event, Jamaica will issue certificated securities in denominations of US\$75,000 of original principal amount and integral multiples of US\$1.00 in excess thereof. The holders of certificated securities shall present directly at the corporate trust office of the fiscal agent, at the office of the Luxembourg paying and transfer agent or at the office of any other transfer agent as Jamaica may designate from time to time all requests for the registration of any transfer of such securities, for the exchange of such securities for one or more new certificated securities in a like aggregate principal amount and in authorized denominations and for the replacement of such securities in the cases of mutilation, destruction, loss or theft. Certificated securities issued as a result of any partial or whole transfer, exchange or replacement of the notes will be delivered to the holder at the corporate trust office of the fiscal agent, at the office of the Luxembourg paying and transfer agent or at the office of any other transfer agent, or (at the risk of the holder) sent by mail to such address as is specified by the holder in the holder's request for transfer, exchange or replacement.

### **Registration and Payments**

Jamaica will pay each installment amount of a note on the applicable payment date in immediately available funds in the City of New York upon presentation of the note at the office of the fiscal agent in the City of New York or, subject to applicable law and regulations, at the office outside the United States of any paying agent, including the Luxembourg paying agent (if the notes are admitted for trading on the Euro MTF Market, and the rules of the Luxembourg Stock Exchange so require).

Jamaica will appoint the fiscal agent as registrar, principal paying agent and transfer agent of the notes. In these capacities, the fiscal agent will, among other things:

- maintain a record of the aggregate holdings of notes represented by the global notes and any certificated notes and accept notes for exchange and registration of transfer;
- ensure that payments of principal and interest in respect of the notes received by the fiscal agent from Jamaica are duly paid to the depositaries for the securities or their respective nominees and any other holders of any notes; and
- transmit to Jamaica any notices from holders of any of the notes.

If the notes are admitted for trading on the Euro MTF Market, and the rules of the Luxembourg Stock Exchange so require, Jamaica will appoint and maintain a paying agent and a transfer agent in Luxembourg, who shall initially be Deutsche Bank Luxembourg S.A. Eligible Holders of certificated securities will be able to receive payments thereon and effect transfers thereof at the offices of the Luxembourg paying and transfer agent. For so long as the notes are listed on the Luxembourg Stock Exchange, Jamaica will publish any change as to the identity of the Luxembourg paying and transfer agent in a leading newspaper in Luxembourg, which is expected to be the Luxemburger Wort, or on the website of the Luxembourg Stock Exchange (<http://www.bourse.lu>).

### **Redemption and Sinking Fund**

Jamaica may not redeem the notes prior to maturity. Jamaica will not provide a sinking fund for the amortization and retirement of the notes.

**Regarding the Fiscal Agent**

The fiscal agent has its principal corporate trust office at Deutsche Bank Trust Company Americas, Trust & Securities Services, 60 Wall Street, 27th Floor-MS NYC60-2710, New York, NY 10005. Jamaica will at all times maintain a paying agent and a transfer agent in the City of New York or the State of New Jersey which will, unless otherwise provided, be the fiscal agent. Jamaica may maintain deposit accounts and conduct other banking transactions in the ordinary course of business with the fiscal agent. The fiscal agent will be the agent of Jamaica, not a trustee for holders of any notes. Accordingly, the fiscal agent will not have the same responsibilities or duties to act for such holders as would a trustee, except that monies held by the fiscal agent as payment of principal or interest on the notes shall be held by the fiscal agent in trust for the holders of the notes.

The Jamaica Fiscal Agency Agreement is not required to be qualified under the U.S. Trust Indenture Act of 1939. Accordingly, the Jamaica Fiscal Agency Agreement may not contain all of the provisions that could be beneficial to holders of the notes that would be contained in an indenture qualified under the Trust Indenture Act.

**Notices**

All notices will be published in London in the Financial Times, in the City of New York in The Wall Street Journal and, so long as the notes are admitted for trading on the Euro MTF, in Luxembourg in the Luxemburger Wort. If Jamaica cannot, for any reason, publish notice in any of these newspapers, it will choose an appropriate alternate English language newspaper of general circulation, and notice in that newspaper will be considered valid notice. Notice will be considered made as of the first date of its publication.

**Further Issues**

Jamaica may from time to time, without your consent, create and issue additional debt securities having the same terms and conditions as the notes offered by this prospectus supplement (or the same except for the amount of the first interest payment). Jamaica may consolidate the additional debt securities to form a single series with the outstanding notes.

## **GLOBAL CLEARANCE AND SETTLEMENT**

DTC, Euroclear and Clearstream, Luxembourg have established links among themselves to facilitate the initial settlement of the 2021 Jamaica Notes and cross-market transfers of the 2021 Jamaica Notes in secondary market trading. DTC will be linked to JPMorgan Chase Bank, a New York banking corporation, as depository of Euroclear, and Citibank, N.A. as depository for Clearstream, Luxembourg (the “Clearing System Depositories”).

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the procedures provided below to facilitate transfers of 2021 Jamaica Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform such procedures. In addition, such procedures may be modified or discontinued at any time. Neither Jamaica nor the Fiscal Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of the respective obligations under the rules and procedures governing their operations.

### **The Clearing Systems**

Depository Trust Company. DTC is:

- a limited-purpose trust company organized under the New York Banking Law;
- a “banking organization” under the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” under the New York Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the U.S. Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between its participants. It does this through electronic book-entry changes in the accounts of its direct participants, eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc.

DTC can act only on behalf of its direct participants, who in turn act on behalf of indirect participants and certain banks. In addition, unless a global security is exchanged in whole or in part for a definitive security, it may not be physically transferred, except as a whole among DTC, its nominees and their successors. Therefore, your ability to pledge a beneficial interest in the global notes to persons that do not participate in the DTC system, and to take other actions, may be limited because you will not possess a physical certificate that represents your interest.

Euroclear and Clearstream, Luxembourg. Like DTC, Euroclear and Clearstream, Luxembourg hold securities for their participants and facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in their accounts. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance and settlement and lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and other organizations. The underwriters for the 2021 Jamaica Notes may be a participant in Euroclear or Clearstream, Luxembourg. Other banks, brokers, dealers and trust companies have indirect access to Euroclear or Clearstream, Luxembourg by clearing through or maintaining a custodial relationship with a Euroclear or Clearstream, Luxembourg participant.

### **Secondary Market Trading**

The purchaser of 2021 Jamaica Notes determines the place of delivery in secondary market trading. Therefore, it is important for you to establish at the time of the trade where both the purchaser’s and seller’s accounts are located to ensure that settlement can be made on the desired value date (i.e., the date specified by the purchaser and seller on which the price of the securities is fixed).

Trading between DTC purchasers and sellers. DTC participants will transfer interests in the 2021 Jamaica Notes among themselves in the ordinary way according to the rules and operating procedures of DTC governing global security issues. Participants will pay for these transfers by wire transfer.

Trading between Euroclear and/or Clearstream, Luxembourg participants. Euroclear and Clearstream, Luxembourg participants will transfer interests in the 2021 Jamaica Notes among themselves in the ordinary way according to the rules and operating procedures of Euroclear and Clearstream, Luxembourg governing conventional Eurobonds. Participants will pay for these transfers by wire transfer.

Trading between a DTC seller and a Euroclear or Clearstream, Luxembourg purchaser. When the 2021 Jamaica Notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the purchaser must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its depositary to receive the 2021 Jamaica Notes and make payment for them. On the settlement date, the depositary will make payment to the DTC participant's account and the 2021 Jamaica Notes will be credited to the depositary's account. After settlement has been completed, DTC will credit the 2021 Jamaica Notes to Euroclear or Clearstream, Luxembourg; Euroclear or Clearstream, Luxembourg will credit the 2021 Jamaica Notes, in accordance with its usual procedures, to the participant's account; and the participant will then credit the purchaser's account. These 2021 Jamaica Notes credits will appear the next day (European time) after the settlement date. The cash debit from the account of Euroclear or Clearstream, Luxembourg will be back-valued to the value date, which will be the preceding day if settlement occurs in New York. If settlement is not completed on the intended value date (i.e., the trade fails), the cash debit will instead be valued at the actual settlement date.

Participants in Euroclear and Clearstream, Luxembourg will need to make funds available to Euroclear or Clearstream, Luxembourg in order to pay for the 2021 Jamaica Notes by wire transfer on the value date. The most direct way of doing this is to preposition funds (i.e., have funds in place at Euroclear or Clearstream, Luxembourg before the value date), either from cash on hand or from existing lines of credit. Under this approach, however, participants may take on credit exposure to Euroclear and Clearstream, Luxembourg until the 2021 Jamaica Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to a participant, the participant may decide not to preposition funds, but to allow Euroclear or Clearstream, Luxembourg to draw on the line of credit to finance settlement for the 2021 Jamaica Notes. Under this procedure, Euroclear or Clearstream, Luxembourg would charge the participant overdraft charges for one day, assuming that the overdraft would be cleared when the 2021 Jamaica Notes were credited to the participant's account. However, interest on the 2021 Jamaica Notes would accrue from the value date. Therefore, in many cases the interest income on 2021 Jamaica Notes which the participant earns during that one-day period will substantially reduce or offset the amount of the participant's overdraft charges. Of course, this result will depend on the cost of funds (i.e., the interest rate that Euroclear or Clearstream, Luxembourg charges) to each participant.

Since the settlement will occur during New York business hours, a DTC participant selling an interest in the 2021 Jamaica Notes can use its usual procedures for transferring global securities to the Clearing System Depositories of Euroclear or Clearstream, Luxembourg for the benefit of Euroclear participants or Clearstream, Luxembourg participants. The DTC seller will receive the sale proceeds on the settlement date. Thus, to the DTC seller, a cross-market sale will settle no differently than a trade between two DTC participants.

Finally, day traders that use Euroclear or Clearstream, Luxembourg and that purchase 2021 Jamaica Notes from DTC participants for credit to Euroclear participants or Clearstream, Luxembourg participants should note that these trades will automatically fail on the sale side unless one of three steps is taken:

- borrowing through Euroclear or Clearstream, Luxembourg for one day, until the purchase side of the day trade is reflected in their Euroclear account or Clearstream, Luxembourg account, in accordance with the clearing system's customary procedures;

- borrowing the 2021 Jamaica Notes in the United States from a DTC participant no later than one day prior to settlement, which would give the 2021 Jamaica Notes sufficient time to be reflected in the borrower's Euroclear account or Clearstream, Luxembourg account in order to settle the sale side of the trade; or
- staggering the value dates for the buy and sell sides of the trade so that the value date of the purchase from the DTC participant is at least one day prior to the value date for the sale to the Euroclear participant or Clearstream, Luxembourg participant.

Trading between a Euroclear or Clearstream, Luxembourg seller and a DTC purchaser. Due to time zone differences in their favor, Euroclear and Clearstream, Luxembourg participants can use their usual procedures to transfer securities through their Clearing System Depositories to a DTC participant. The seller must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day before the settlement date. Euroclear or Clearstream, Luxembourg will then instruct its depository to credit the 2021 Jamaica Notes to the DTC participant's account and receive payment. The payment will be credited in the account of the Euroclear or Clearstream, Luxembourg participant on the following day, but the receipt of the cash proceeds will be back-valued to the value date, which will be the preceding day if settlement occurs in New York. If settlement is not completed on the intended value date (i.e., the trade fails), the receipt of the cash proceeds will instead be valued at the actual settlement date.

If the Euroclear or Clearstream, Luxembourg participant selling the 2021 Jamaica Notes has a line of credit with Euroclear or Clearstream, Luxembourg and elects to be in debit for the 2021 Jamaica Notes until it receives the sale proceeds in its account, then the back-valuation may substantially reduce or offset any overdraft charges that the participant incurs over that one-day period.

## **TAXATION**

### **General**

An exchange of the CAP Notes for 2021 Jamaica Notes pursuant to the Invitation may be a taxable transaction under the laws applicable to a bondholder. Also, Eligible Holders of 2021 Jamaica Notes may be subject to tax in respect of their 2021 Jamaica Notes. Each bondholder should consult its own tax advisor to determine the particular tax consequences for it in respect of the exchange of the CAP Notes for 2021 Jamaica Notes or the purchase, receipt, ownership or disposition of 2021 Jamaica Notes.

### **Jamaican Taxation**

The following is a summary of certain aspects of the Jamaican income tax, transfer tax and stamp duty that may be relevant to the exchange of the CAP Notes for 2021 Jamaica Notes pursuant to the Invitation and/or to the receipt, purchase, ownership or disposition of 2021 Jamaica Notes. This summary is based on Jamaican laws, regulations and interpretative rulings in effect on the date of this Listing Particulars, all of which are subject to change possibly with retroactive effect. This summary is not intended to constitute a complete analysis of all Jamaican tax consequences of the exchange of the CAP Notes for 2021 Jamaica Notes or the receipt, purchase, ownership or disposition of the 2021 Jamaica Notes.

Persons considering exchanging the CAP Notes for 2021 Jamaica Notes should consult their own tax advisers in determining the Jamaican tax consequences to them of the exchange of the CAP Notes pursuant to the Invitation and/or the receipt, purchase, ownership and disposition of the 2021 Jamaica Notes.

### ***Income Tax***

#### ***Exchange of the CAP Notes for 2021 Jamaica Notes***

Eligible Holders of the CAP Notes will not be subject to Jamaican income or withholding tax on any capital gain realized on an exchange of the CAP Notes for 2021 Jamaica Notes pursuant to the Invitation or on the payment of rounding amounts in respect of any the CAP Notes so exchanged, regardless of their place of residency or nationality.

#### ***Taxation of 2021 Jamaica Notes***

##### **Interest on the 2021 Jamaica Notes**

Eligible Holders of 2021 Jamaica Notes will not be subject to Jamaican income tax, including any withholding tax, on payments or accrual of interest on the 2021 Jamaica Notes, regardless of their place of residency or nationality.

##### **Disposition of the 2021 Jamaica Notes**

Eligible Holders of the CAP Notes will not be subject to Jamaican income or withholding tax on any capital gain realized on the sale, exchange, transfer or other disposition of the 2021 Jamaica Notes, regardless of their place of residency or nationality.

### ***Transfer Tax***

Neither any gain realized on an exchange of the CAP Notes for 2021 Jamaica Notes pursuant to the Invitation, nor any payment of rounding amounts in respect of the CAP Notes so exchanged, will be subject to Jamaican transfer tax.

Neither the payments of interest and principal on the 2021 Jamaica Notes, nor any gain realized upon the sale, exchange, transfer or other disposition of 2021 Jamaica Notes, will be subject to Jamaican transfer tax.

### ***Stamp Duty***

Neither the exchange of the CAP Notes for 2021 Jamaica Notes pursuant to the Invitation, nor the issuance of the 2021 Jamaica Notes, will be subject to any Jamaican stamp duty.

### **Certain United States Federal Income Tax Consequences**

**TO ENSURE COMPLIANCE WITH INTERNAL REVENUE SERVICE CIRCULAR 230, NOTEHOLDERS ARE HEREBY NOTIFIED THAT (A) ANY DISCUSSION OF U.S. FEDERAL INCOME TAX ISSUES CONTAINED OR REFERRED TO IN THIS LISTING PARTICULARS AND RELATED MATERIALS IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON A TAXPAYER UNDER THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”); (B) ANY SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) NOTEHOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

The following is a general discussion of certain U.S. federal income tax consequences to U.S. Eligible Holders and Non-U.S. Eligible Holders (each as defined below) with respect to the Invitation and the adoption of the Proposed Amendments. This discussion is based on current provisions of the Code, existing final, temporary and proposed U.S. Treasury regulations promulgated thereunder (the “Treasury Regulations”), and administrative and judicial interpretations thereof, all as in effect or proposed on the date of this Listing Particulars and all of which are subject to change, possibly with retroactive effect, or different interpretations. The discussion only applies to holders that hold Notes (as defined below) as capital assets within the meaning of section 1221 of the Code (generally, property held for investment) and that acquire 2021 Jamaica Notes as part of the exchange described in this Invitation.

The discussion below assumes that the CAP Notes and the 2021 Jamaica Notes (collectively, “Notes”) are treated as indebtedness for U.S. federal income tax purposes. No rulings from the Internal Revenue Service (“IRS”) have been nor will be sought regarding the characterization of the Notes or any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the statements made and conclusions reached with respect to the tax aspects set forth herein.

This discussion is for general information purposes only and does not address all of the tax consequences that may be relevant to specific investors in Notes in light of their particular circumstances or to investors in Notes who are subject to special treatment under U.S. federal income tax laws including but not limited to: banks and certain other financial institutions; life insurance companies; pension funds; securities dealers or traders electing mark-to-market treatment; certain governmental entities; regulated investment companies; real estate investment trusts; partnerships or any entities or arrangements treated as partnerships for U.S. federal income tax purposes; tax-exempt organizations; persons that hold the notes as a position in a “straddle” or as part of a synthetic security or “hedge”, “conversion transaction” or other integrated investment; U.S. Eligible Holders (as defined below) that have a “functional currency” other than the U.S. dollar; certain United States expatriates; and investors in pass through entities that hold Notes.

This discussion does not address the effects of any U.S. state and local or non-U.S. tax laws. Moreover, it does not address non-income tax consequences (such as the U.S. federal estate and gift tax consequences) or alternative minimum tax consequences of the Invitation or the adoption of the Proposed Amendments or the indirect consequences of such events to holders of equity interests in partnerships (or any other entity or arrangement treated as a partnership for U.S. federal income tax purposes) that hold Notes.

As used in this discussion, the term “U.S. Eligible Holder” means a beneficial owner of a Note that is, for U.S. federal income tax purposes, one of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized in or under the laws of the United States, any state or political subdivision thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of the source thereof, or
- a trust that (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons (as defined in Section 7701(a)(30) of the Code (a “U.S. person”)) have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

As used in this discussion, the term “Non-U.S. Eligible Holder” means a beneficial owner of a Note that is not a U.S. Eligible Holder or an entity or arrangement treated as a partnership for U.S. federal income tax purposes.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of Notes, the treatment of a partner in the partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Notes and the partners therein should consult their tax advisors regarding the tax consequences to them of the Invitation and the adoption of the Proposed Amendments.

**THIS DISCUSSION IS NOT INTENDED AS LEGAL ADVICE. HOLDERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES APPLICABLE TO THEM RELATING TO THE INVITATION AND THE ADOPTION OF THE PROPOSED AMENDMENTS, INCLUDING THE APPLICABILITY OF U.S. FEDERAL, STATE OR LOCAL TAX LAWS OR NON-U.S. OR NON-INCOME TAX LAWS, ANY CHANGES IN APPLICABLE TAX LAWS AND ANY PENDING OR PROPOSED LEGISLATION OR REGULATIONS.**

### **Consequences of the Exchange**

For U.S. federal income tax purposes, an exchange of CAP Notes for 2021 Jamaica Notes will be considered a modification of the CAP Notes. The tax consequences of such a modification will depend on whether the modification is considered “significant.” As discussed below, in general, if the modification is significant, the exchange will be a taxable transaction (“Taxable Exchange”). If it is not significant, the exchange will not be taxable to you.

Under the applicable Treasury Regulations, a modification will be considered significant if, based on all the facts and circumstances other than certain specified changes, the legal rights or obligations that are altered and the degree to which they are altered are economically significant. In addition, a substitution of a new obligor on a recourse debt instrument is also generally treated as a significant modification. Because the obligor of the Notes will change as a result of the exchange of CAP Notes for 2021 Jamaica Notes, the exchange of the CAP Notes for the 2021 Jamaica Notes should constitute a significant modification of the CAP Notes for U.S. federal income tax purposes. By accepting the 2021 Jamaica Notes, you agree to the treatment of the exchange as described in this paragraph and you further agree to report for U.S. federal income tax purposes all income or loss with respect to the CAP Notes and the 2021 Jamaica Notes in accordance with this characterization. Except as otherwise indicated, the remainder of this summary assumes that the exchange will be treated as a significant modification.

A U.S. Eligible Holder will recognize gain or loss in connection with a Taxable Exchange in an amount equal to the difference, if any, between the holder’s adjusted tax basis in the CAP Notes and the amount realized by the holder on the exchange. The amount realized by a U.S. Eligible Holder on the exchange will be equal to the issue price (determined as described below) of the 2021 Jamaica Notes received in the exchange. Your tax basis in the 2021 Jamaica Notes received in the exchange will be equal to their issue price. The issue price of the 2021 Jamaica Notes, for the purposes of determining the amount you realize on the exchange, should be their fair market value on the Settlement Date, assuming that a substantial amount of 2021 Jamaica Notes will be traded on an established securities market at that time. A debt instrument is considered to be traded on an established securities market if, among other things, at any time during the 31-day period ending 15 days after the issue date of the debt instrument,



the price of such debt instrument appears in a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments or persons that broker purchases or sales of debt instruments. It is anticipated that the price of the 2021 Jamaica Notes will appear on such a medium.

Except to the extent attributable to accrued but unpaid qualified stated interest or accrued market discount (which will be taxable as ordinary income), gain or loss recognized on the exchange of the CAP Notes will be capital gain or loss and will be long term capital gain or loss if you held the CAP Notes for more than one year at the time of the exchange. Certain U.S. Eligible Holders (including individuals) are eligible for preferential rates of U.S. federal income tax in respect of long-term capital gain. The ability of a U.S. Eligible Holder to offset capital losses against ordinary income is subject to limitations. Gain or loss on the sale, exchange or other disposition of the CAP Notes generally will be treated as U.S. source gain or loss. Gain or loss attributable to accrued but unpaid stated interest and market discount (to the extent not previously included in income) will be taxed as ordinary income. If, contrary to the discussion above, the exchange of CAP Notes for 2021 Jamaica Notes is not deemed to result in a significant modification, you would not recognize gain or loss on the exchange. In addition, the 2021 Jamaica Notes exchanged for the CAP Notes would be treated as having an issue price equal to the adjusted issue price of the CAP Notes that you exchange.

You should consult your tax advisors with regard to the U.S. federal income tax consequences to you of exchanging CAP Notes for 2021 Jamaica Notes.

### **Consequences of Holding 2021 Jamaica Notes**

#### *Interest on 2021 Jamaica Notes.*

Interest on the 2021 Jamaica Notes, other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “—Original Issue Discount”) will generally be subject to United States taxation as ordinary income at the time it accrues or is received in accordance with your method of accounting for tax purposes, other than interest accrued with respect to the period prior to the issuance of the 2021 Jamaica Notes, which will not be includible in income, but will reduce your tax basis in the 2021 Jamaica Notes. Interest income and any OID (as defined below) on the 2021 Jamaica Notes will be treated as foreign source income for the purposes of calculating a U.S. Eligible Holder’s foreign tax credit limitation. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific classes of income. The rules relating to foreign tax credits and their timing are extremely complex. U.S. Eligible Holders are advised to consult their own tax advisors regarding the application of the foreign tax credit rules to their particular situation.

#### *Original Issue Discount*

A 2021 Jamaica Note will be treated as issued with OID (a “Discount Note”) if the excess of the 2021 Jamaica Note’s “stated redemption price at maturity” over its issue price (as described above under “—Consequences of the Exchange”) is at least a de minimis amount (which in the case of a 2021 Jamaica Note is 0.25% of the Note’s stated redemption price at maturity multiplied by the weighted average maturity of the Note). A Note’s weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note’s stated redemption price at maturity. The “stated redemption price at maturity” of a 2021 Jamaica Note is the total of all payments provided by the 2021 Jamaica Note that are not payments of “qualified stated interest.” A “qualified stated interest” payment is generally any one of a series of stated interest payments on a 2021 Jamaica Note that are unconditionally payable at least annually at a single fixed rate. If a 2021 Jamaica Note has de minimis OID, a U.S. Holder must include the de minimis amount in income as stated principal payments are made on the 2021 Jamaica Note, unless the holder makes the election described below under “—Election to Treat All Interest as Original Issue Discount.” A U.S. Holder can determine the includible amount with respect to each such payment by multiplying the total amount of the 2021 Jamaica Note’s de minimis OID by a fraction equal to the amount of the principal payment made divided by the stated principal amount of the 2021 Jamaica Note.

U.S. Holders of Discount Notes must generally include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and will generally have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S.

Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note (“accrued OID”). The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a 2021 Jamaica Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Discount Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the 2021 Jamaica Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount 2021 Jamaica Note’s adjusted issue price at the beginning of the accrual period and the Discount 2021 Jamaica Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Discount Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period will be the issue price of the 2021 Jamaica Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments (other than the portion of any such interest payment attributable to interest accrued prior to the issuance of the 2021 Jamaica Notes).

#### *Election to Treat All Interest as Original Issue Discount*

A U.S. Holder may elect to include in gross income all interest that accrues on a 2021 Jamaica Note using the constant-yield method described above under “Original Issue Discount” with certain modifications. For purposes of this election, interest includes stated interest, OID, and de minimis OID. If a U.S. Holder makes this election for a 2021 Jamaica Note, then, when the constant-yield method is applied, no payments on the 2021 Jamaica Note will be treated as payments of qualified stated interest. This election will generally apply only to the 2021 Jamaica Note with respect to which it is made and may not be revoked without the consent of the IRS.

#### *Premium*

If the issue price of a 2021 Jamaica Note (determined as described above under “—Consequences of the Exchange”) exceeds its principal amount, a U.S. Holder may elect to treat the excess as “amortizable bond premium,” in which case the amount required to be included in the U.S. Holder’s income each year with respect to interest on the 2021 Jamaica Note will be reduced by the amount of amortizable bond premium allocable (based on the Note’s yield to maturity) to that year. Any election to amortize bond premium shall apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. A U.S. Holder that does not elect to take bond premium into account currently will recognize a capital loss when the 2021 Jamaica Note matures.

#### *Disposition of 2021 Jamaica Notes.*

You will generally recognize gain or loss on the sale, exchange or other taxable disposition of the 2021 Jamaica Notes in an amount equal to the difference between the amount you realize on such sale, exchange or other taxable disposition (less any accrued interest, which will be taxable as ordinary interest income) and your adjusted tax basis in the 2021 Jamaica Notes. In the case of 2021 Jamaica Notes acquired in the exchange, your adjusted tax basis in the 2021 Jamaica Notes will be equal to your initial basis in the 2021 Jamaica Notes determined as described above under “—Consequences of the Exchange” adjusted as described above.

Gain or loss recognized on sale, exchange or other taxable disposition of the 2021 Jamaica Notes received in the exchange will be capital gain or loss. Such gain or loss will generally be long-term capital gain or loss if your holding period for the 2021 Jamaica Notes is more than one year. Certain U.S. Eligible Holders (including individuals) are eligible for preferential rates of U.S. federal income tax in respect of long-term capital gain. The ability of a U.S. Eligible Holder to offset capital losses against ordinary income is subject to limitations. Gain or loss on the sale, exchange or other taxable disposition of the 2021 Jamaica Notes generally will be treated as U.S. source gain or loss.

## **Consequences of Holding CAP Notes**

If the Proposed Amendments are adopted, the U.S. federal income tax treatment of a U.S. Eligible Holder that does not submit an offer to exchange CAP Notes will depend on whether the modification to the holder's CAP Note constitutes a significant modification that results in a "deemed exchange" of an "old" CAP Note for a "new" CAP Note for U.S. federal income tax purposes. The adoption of the Proposed Amendments would constitute a significant modification if it would result in a change in "payment expectations" (as defined under the applicable Treasury Regulations) with respect to the CAP Notes.

Based on the nature and terms of the Proposed Amendments, CAP believes that the adoption of the Proposed Amendments should not result in a change in "payment expectations." CAP therefore intends to take the position that the adoption of the Proposed Amendments will not constitute a significant modification of the CAP Notes and will not result in a deemed exchange to U.S. Eligible Holders. Accordingly, upon adoption of the Proposed Amendments, a U.S. Eligible Holder of the CAP Notes (regardless of whether such U.S. Eligible Holder consents to the Proposed Amendments) would not recognize any gain or loss for U.S. federal income tax purposes, and such U.S. Eligible Holder would continue to have the same tax basis and holding period in its CAP Notes.

The IRS, however, may take the view that the adoption of the Proposed Amendments would result in a change in "payment expectations" and would therefore result in a Taxable Exchange.

If you do not submit an offer to exchange CAP Notes you should consult your tax advisors with regard to the U.S. federal income tax consequences to you of the adoption of the Proposed Amendments.

## **Non-U.S. Eligible Holders**

Subject to the discussion of backup withholding below, if you are a Non-U.S. Eligible Holder, the interest income and gains that you derive in respect of the CAP Notes and the 2021 Jamaica Notes generally will be exempt from U.S. federal income taxes, including withholding tax. However, to receive this exemption you may be required to satisfy certain certification requirements (described below in "—Backup Withholding and Information Reporting") of the U.S. Internal Revenue Service to establish that you are a Non-U.S. Eligible Holder.

Even if you are a Non-U.S. Eligible Holder, you may still be subject to U.S. federal income taxes on any interest income you derive in respect of the 2021 Jamaica Notes if such interest is effectively connected with the conduct of your trade or business within the United States.

If you are a Non-U.S. Eligible Holder, any gain you realize on a sale or exchange of the CAP Notes or the 2021 Jamaica Notes generally will be exempt from U.S. federal income tax, including withholding tax, unless: (i) such gain is effectively connected with your conduct of a trade or business within the United States; or (ii) if you are an individual, you are present in the United States for a total of 183 days or more during the taxable year in which such gain is realized and either (a) such gain is attributable to your office or fixed place of business maintained in the United States; or (b) you have a tax home in the United States.

## **Backup Withholding and Information Reporting**

In general, information reporting requirements will apply to payments in respect of the CAP Notes or 2021 Jamaica Notes within the United States, and backup withholding will apply to such payments if you (i) fail to provide an accurate taxpayer identification number, (ii) are notified by the U.S. Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax return, or (iii) otherwise fail to comply with applicable certification requirements.

Backup withholding and information reporting will not apply to payments made within the United States by Jamaica or any agent thereof (acting in such capacity) to you if you are a Non-U.S. Eligible Holder so long as either (i) if you are the beneficial owner, you certify to Jamaica or its agent, under penalties of perjury, that you are a Non-U.S. Eligible Holder and provide your name and address or (ii) you have otherwise established an exemption, and provided that neither Jamaica nor its agent has actual knowledge that you are not a Non-U.S. Eligible Holder or that the conditions of any exemption are not in fact satisfied.

Similar rules requiring information reporting and, in certain circumstances, backup withholding will apply with respect to sales of Notes through certain brokers.

Certain U.S. Eligible Holders may be required to report to the IRS certain information with respect to their beneficial ownership of the Notes not held through an account with a financial institution. Investors who fail to report required information could be subject to substantial penalties.

**THE ABOVE DESCRIPTION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE INVITATION, AND THE ADOPTION OF THE PROPOSED AMENDMENTS. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATION.**

### **Luxembourg Taxation**

The following is a summary of certain material Luxembourg tax consequences of accepting the Invitation, purchasing, owning and disposing of the 2021 Jamaica Notes. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to accept the Invitation, purchase, own or deposit the 2021 Jamaica Notes. Prospective participants in the Invitation should consult their own tax advisers as to the applicable tax consequences of the Invitation and the ownership of the 2021 Jamaica Notes, based on their particular circumstances. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Listing Particulars and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

The residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds de chômage), as well as personal income tax (impôt sur le revenu) generally. Eligible Holders may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate tax residents of Luxembourg for tax purposes. Individual tax residents are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual tax resident acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

#### ***Tax residency***

A person will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the acceptance of the Invitation, the holding of the 2021 Jamaica Notes, or the execution, performance, delivery and/or enforcement of the 2021 Jamaica Notes.

#### ***Exchange of the CAP Notes for the 2021 Jamaica Notes***

##### ***Income taxation***

###### ***Taxation of Luxembourg non-residents***

Participants in the Invitation who are non-residents of Luxembourg and who do not hold the CAP Notes through a permanent establishment or a permanent representative in Luxembourg will not be subject to Luxembourg income tax on the realization of capital gains on the exchange of the CAP Notes for the 2021 Jamaica Notes.

Participants in the Invitation who are non-residents of Luxembourg and who hold the CAP Notes through a permanent establishment or a permanent representative in Luxembourg may have to include any capital gain realized on the exchange of the CAP Notes for 2021 Jamaica Notes, in their taxable income for Luxembourg income tax assessment purposes.

### *Taxation of Luxembourg residents*

#### *Luxembourg resident individuals*

For Luxembourg resident individuals participating in the Invitation and acting in the course of the management of their private wealth, capital gains realized on the exchange of the CAP Notes for 2021 Jamaica Notes are not subject to income tax provided that the exchange of the CAP Notes for 2021 Jamaica Notes does not occur prior to at least six months after the acquisition of the CAP Notes. Upon the exchange of the CAP Notes for 2021 Jamaica Notes, individual Luxembourg resident Eligible Holders of 2021 Jamaica Notes acting in the course of the management of their private wealth must, however, include the portion of such gain corresponding to accrued but unpaid interest in their taxable income except if tax has been levied on such interest in accordance with the Relibi Law, as defined below. Should the exchange of the CAP Notes for 2021 Jamaica Notes precede the acquisition of the CAP Notes or take place within the six months following the acquisition of the CAP Notes, any realized capital gains qualify as “speculative gains” and are fully taxable as miscellaneous income at ordinary income tax rates. However, such speculative gains are not taxable if the total amount of such gains realized within the same tax year amounts to less than €500.00.

#### *Luxembourg resident companies*

Save where Luxembourg resident companies are exempt from taxation under Luxembourg law, Luxembourg resident companies participating in the Invitation who are corporate Eligible Holders are subject to Luxembourg income tax at ordinary tax rates on all capital gains recognized for tax purposes (including foreign exchange results) realized on the exchange of the CAP Notes for 2017 Jamaica Notes.

The same conclusion applies to individual Eligible Holders, acting in the course of the management of a professional or business undertaking to which the CAP Notes are attributable. If in such last case, tax has been levied in accordance with the Relibi Law, as defined below, it can be credited against the overall income tax liability.

#### ***Other taxes***

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the participants in the Invitation as a consequence of the acceptance of the Invitation.

There is no Luxembourg value added tax payable in respect of the acceptance of the Invitation.

### ***Taxes in respect of the 2021 Jamaica Notes***

#### ***Taxation of the Holders of the 2021 Jamaica Notes***

##### *Withholding Tax*

##### *Non-resident Eligible Holders of 2021 Jamaica Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of June 21, 2005, as amended (the “Savings Laws”), there is no withholding tax on payments of principal, premium or interest made to non-resident Eligible Holders of 2021 Jamaica Notes, nor on accrued but unpaid interest in respect of the 2021 Jamaica Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the 2021 Jamaica Notes held by non-resident Eligible Holders of 2021 Jamaica Notes.

Under the Savings Laws implementing the Council Directive 2003/48/EC of June 3, 2003 (the “Savings Directive”) on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the “Territories”), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity (within the meaning of the Savings Laws) resident in, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of

the relevant payments of interest or similar income to the competent Luxembourg fiscal authority in order for such information to be communicated to the competent tax authorities of the beneficiary's country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the 2021 Jamaica Notes coming within the scope of the Savings Laws will be subject to a withholding tax at a rate of 35%.

In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from January 1, 2015, in favor of automatic information exchange under the Savings Directive.

#### *Resident Eligible Holders of 2021 Jamaica Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "Relibi Law"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Eligible Holders of 2021 Jamaica Notes, nor on accrued but unpaid interest in respect of 2021 Jamaica Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of 2021 Jamaica Notes held by Luxembourg resident Eligible Holders of 2021 Jamaica Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg or to a residual entity (within the meaning of the Savings Laws) established in an EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payment of interest under the 2021 Jamaica Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 10 %.

#### *Income Taxation*

##### *Non-resident Eligible Holders of 2021 Jamaica Notes*

A non-resident Eligible Holder of 2021 Jamaica Notes, not having a permanent establishment or permanent representative in Luxembourg to which/whom such 2021 Jamaica Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the 2021 Jamaica Notes. A gain realized by such non-resident Eligible Holder of 2021 Jamaica Notes on the sale or disposal, in any form whatsoever, of the 2021 Jamaica Notes is further not subject to Luxembourg income tax.

A non-resident corporate Holder of 2021 Jamaica Notes or an individual Eligible Holder of 2021 Jamaica Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such 2021 Jamaica Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the 2021 Jamaica Notes and on any gains realized upon the sale or disposal, in any form whatsoever, of the 2021 Jamaica Notes.

##### *Resident Eligible Holders of 2021 Jamaica Notes*

Eligible Holders of 2021 Jamaica Notes who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

##### *Luxembourg resident corporate Holder of 2021 Jamaica Notes*

A corporate Holder of 2021 Jamaica Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the 2021 Jamaica Notes, in its taxable income for Luxembourg income tax assessment purposes.

A corporate Holder of 2021 Jamaica Notes that is governed by the law of May 11, 2007 on family estate management companies, as amended, or by the law of December 17, 2010 on undertakings for collective

investment, as amended, or by the law of February 13, 2007 on specialized investment funds, as amended, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the 2021 Jamaica Notes.

#### *Luxembourg resident individual Eligible Holder of 2021 Jamaica Notes*

An individual Eligible Holder of 2021 Jamaica Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the 2021 Jamaica Notes, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual Eligible Holder of the 2021 Jamaica Notes has opted for the application of a 10% tax in full discharge of income tax in accordance with the Relibi Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), or in a state that has entered into a treaty with Luxembourg relating to the Savings Directive. A gain realized by an individual Eligible Holder of 2021 Jamaica Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of 2021 Jamaica Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the 2021 Jamaica Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual Eligible Holder of 2021 Jamaica Notes acting in the course of the management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability.

#### *Net Wealth Taxation*

A corporate Holder of 2021 Jamaica Notes, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which/whom such 2021 Jamaica Notes are attributable, is subject to Luxembourg wealth tax on such 2021 Jamaica Notes, except if the Holder of 2021 Jamaica Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialized investment funds, as amended, or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

An individual Eligible Holder of 2021 Jamaica Notes, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such 2021 Jamaica Notes.

#### *Other Taxes*

In principle, neither the issuance nor the transfer, repurchase or redemption of 2021 Jamaica Notes will give rise to any Luxembourg registration tax or similar taxes.

However, a fixed or ad valorem registration duty may be due upon the registration of the 2021 Jamaica Notes in Luxembourg in the case of legal proceedings before Luxembourg courts or in case the 2021 Jamaica Notes must be produced before an official Luxembourg authority, or in the case of a registration of the 2021 Jamaica Notes on a voluntary basis.

Where a Eligible Holder of 2021 Jamaica Notes is a resident of Luxembourg for tax purposes at the time of his/her death, the 2021 Jamaica Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of 2021 Jamaica Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

### **VALIDITY OF THE NOTES**

The validity of the 2021 Jamaica Notes will be passed upon for Jamaica as to Jamaican law by the Attorney General's Chambers of Jamaica, and as to New York State law by Allen & Overy LLP, New York, New York, United States counsel to Jamaica.



## **GENERAL INFORMATION**

### **Clearing Systems**

The 2021 Jamaica Notes have been accepted for clearance through DTC, Euroclear and Clearstream, Luxembourg. The CUSIP number is 470160 BP6, the Common Code number is 096340443, and the International Securities Identification Number (ISIN) is US470160BP68.

### **Due Authorization**

The Public Debt Management Act, 2012, also referred to as government authorizations, authorized the creation and issue of the 2021 Jamaica Notes.

### **Listing and Luxembourg Listing Agent**

Application has been made to list the 2021 Jamaica Notes on the Official List of the Luxembourg Stock Exchange and to have the 2021 Jamaica Notes trade on the Euro MTF market. Deutsche Bank Luxembourg S.A. has been appointed as the Luxembourg paying agent. For so long as any of the notes are admitted for trading on the Euro MTF market and the rules of the Euro MTF so require, Jamaica will maintain a paying agent in Luxembourg.

### **Material Adverse Change**

Except as disclosed in this Listing Particulars, there has been no material adverse change in the fiscal condition or affairs of Jamaica that is material in the context of the issue of the 2021 Jamaica Notes since July 5, 2013.

### **Documents Relating to the 2021 Jamaica Notes**

Copies of the following documents will, so long as any notes are admitted for trading on the Euro MTF, be available for inspection during usual business hours at the specified office of Deutsche Bank Luxembourg S.A. in Luxembourg:

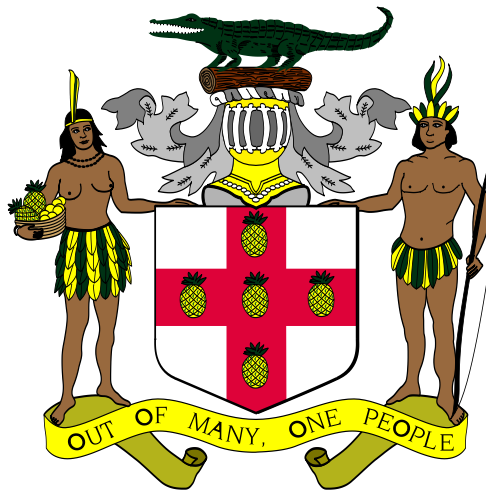
- the Registration Statement, which includes the fiscal agency agreement and the form of the underwriting agreement as exhibits thereto; and
- government authorizations.

### **Where You Can Find More Information**

Jamaica has filed its annual report for 2012 on Form 18-K with the SEC electronically. Jamaica's SEC filings are available to the public from the SEC's website at <http://www.sec.gov>.

Such Form 18-K, together with its exhibits and amendments filed with the SEC before the end of the offering of the 2021 Jamaica Notes, is considered part of and incorporated by reference in this Listing Particulars.

## PROSPECTUS



# Government of Jamaica

## \$1,000,000,000 Debt Securities

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Jamaica may offer up to \$1,000,000,000 of its debt securities for sale, purchase or exchange from time to time based on information contained in this prospectus and various prospectus supplements. Such offers may include debt securities in exchange for other debt securities issued or guaranteed by Jamaica. The debt securities will be direct, general, unsecured and unconditional obligations of Jamaica and will rank at least *pari passu*, without any preference among themselves. The payment obligations of Jamaica under the debt securities will at all times rank at least equally with all other payment obligations of Jamaica related to unsecured External Indebtedness (as defined) of Jamaica. Jamaica has pledged its full faith and credit for the due and punctual payment of principal of and interest on the debt securities.

The fiscal agency agreement described in this prospectus contains provisions, commonly known as “collective action clauses,” regarding future modifications to the terms of, or other actions taken in respect of, the debt securities issued thereunder that are described herein beginning on page 9. Under these provisions, modifications or other actions affecting the reserved matters listed in the fiscal agency agreement, including, but not limited to, modifications to payment and other important terms, may be made to a single series of debt securities issued under the fiscal agency agreement with the consent of the holders of 75% in aggregate principal amount outstanding of that series, and to two or more series of debt securities issued under the fiscal agency agreement with the consent of the holders of 85% in aggregate principal amount outstanding of all affected series and 66 2/3% in aggregate principal amount outstanding of each affected series.

Jamaica will provide specific terms of these debt securities in supplements to this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest. This prospectus may not be used to make offers or sales of securities unless accompanied by a prospectus supplement. You should not assume the information contained in this prospectus is accurate as of any date other than the date on the front of this document. Information contained in this prospectus is subject to completion or amendment. We will update this prospectus as necessary while it is in use.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense**

The date of this prospectus is July 11, 2013.

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that Jamaica filed with the United States Securities and Exchange Commission, or the SEC, under a “shelf” registration process. Under this shelf process, Jamaica may sell, from time to time, any of the debt securities described in this prospectus in one or more offerings up to a total US dollar equivalent amount of \$1,000,000,000. This prospectus provides you with basic information about Jamaica and a general description of the debt securities Jamaica may offer. Each time Jamaica sells, purchases or exchanges securities under this shelf process, it will provide a prospectus supplement that will contain updated information about Jamaica, if necessary, and specific information about the terms of that offering. Before you invest, you should read both this prospectus and any prospectus supplement.

Any information in this prospectus may be updated or changed in a prospectus supplement, in which case the more recent information will apply.

## WHERE YOU CAN FIND MORE INFORMATION

Jamaica files Annual Reports with the Securities and Exchange Commission (the “SEC”). These reports and any amendments to these reports include certain financial, statistical and other information about Jamaica and may be accompanied by exhibits. You may read and copy any document Jamaica files with the SEC at the SEC’s public reference room at 100 F Street NE, Washington, DC 20549. You may also obtain copies of the same documents from the public reference room in Washington by paying a fee. Please call the SEC at 1-202-942-8090 for further information on the public reference room.

The SEC allows Jamaica to “incorporate by reference” in this prospectus the information Jamaica files with it. This means that Jamaica can disclose important information to you by referring you to those documents. Information that is incorporated by reference is an important part of this prospectus. Jamaica incorporates by reference the following documents:

- Jamaica’s Annual Report on Form 18-K for the year ended March 31, 2012, file 001-04165; and
- All amendments to Jamaica’s Annual report on Form 18-K for the year ended March 31, 2012 filed prior to the date of this prospectus.

Jamaica also incorporates by reference all future annual reports and amendments to annual reports until it sells all of the debt securities covered by this prospectus. Each time Jamaica files a document with the SEC that is incorporated by reference, the information in that document automatically updates the information contained in previously filed documents.

You may request a free copy of these filings by writing or calling Jamaica at:

Pamella McLaren  
30 National Heroes Circle  
P.O Box 512  
Kingston, Jamaica  
Fax: (876) 9325975  
Telephone (876) 9325400

You should rely only on the information incorporated by reference or contained in this prospectus or any prospectus supplement. Jamaica has not authorized anyone to provide you with different or additional information. Jamaica is not making an offer of the debt securities in any state where the offer is not permitted by law. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

## **ENFORCEMENT OF CLAIMS**

It may be difficult for investors to obtain or realize upon judgments of courts in the United States against Jamaica. The Government of Jamaica is a foreign sovereign government, which are generally immune from lawsuits and from the enforcement of judgments under United States law. Foreign sovereign governments, however, may waive this immunity and limited exceptions to this immunity are set forth in the US Foreign Sovereign Immunities Act of 1976, or the Immunities Act.

Except as provided below, Jamaica will irrevocably waive and agree not to plead any immunity (including sovereign immunity) from the jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York, to which it might otherwise be entitled in any action arising out of or based upon the debt securities, to the fullest extent permitted by applicable law. However, Jamaica reserves the right to plead sovereign immunity under the Immunities Act with respect to actions brought against it under United States federal securities laws or any state securities laws. In the absence of a waiver of immunity by Jamaica with respect to such actions, it would not be possible to obtain a US judgment in such action unless a court were to determine that Jamaica is not entitled to sovereign immunity under the Immunity Act with respect to that action. Even if you obtained a US judgment in any such suit, you may not be able to enforce the judgment in Jamaica. Moreover, you may not be able to enforce a judgment obtained under the Immunities Act against Jamaica's property located in the United States except under the limited circumstances specified in the Immunities Act.

Jamaica will, in the Fiscal Agency Agreement (as defined in Description of the Debt Securities) and in the debt securities, irrevocably submit to the jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York, in respect of any claim or action arising out of or based upon the Fiscal Agency Agreement or the debt securities which may be instituted by any holder of a debt security, such as, for example, a claim for breach of any obligation under the Fiscal Agency Agreement or the debt securities. Any process or other legal summons in connection with any such action may be served upon Jamaica by delivery of letters rogatory to the Consul General of Jamaica in New York, New York or by any other means that may have become permissible under the laws of the State of New York and Jamaica at the time of such service. However, Jamaica has not consented to service for suits made under the US federal or state securities laws and, as explained above, Jamaica's waiver of immunity does not extend to those actions.

A judgment obtained in New York against Jamaica can be sued upon in the courts of Jamaica as a valid cause of action. Furthermore, a Jamaican court, subject to certain conditions, will grant a judgment in Jamaica without any re-trial or reexamination of the merits of the original action. Jamaica is also subject to suit in competent courts in Jamaica. Section 20(4) of the Crown Proceedings Act provides that no execution or attachment shall be issued by any court in Jamaica for the purpose of enforcing payment by Jamaica of any money or costs. Execution or attachment means a legal process whereby the debtor property is taken under an order of the court and may be sold to satisfy the judgment debt. No such order can be made against Jamaica. Instead, the Crown Proceedings Act provides that where in any civil proceedings by or against Jamaica, any order (including an order for costs) is made by any court in Jamaica in favor of any person against Jamaica, the proper officer of the court shall, on an application and after taxing of costs, issue a certificate to such person which may be served upon the Attorney General of Jamaica. If the order provides for the payment of money or costs, the Ministry of Finance and Planning shall pay the amount due to such person. It is possible that the courts of Jamaica may not enforce the judgments of a foreign court against Jamaica on the grounds of public policy where Jamaica has not appeared in the relevant proceedings or has unsuccessfully claimed immunity in such proceedings and has not otherwise submitted to the jurisdiction of such foreign court.

## FORWARD-LOOKING STATEMENTS

This prospectus may contain forward-looking statements.

Forward-looking statements are statements that are not about historical facts, including statements about Jamaica's beliefs and expectations. These statements are based on current plans, estimates and projections, and therefore, you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made. Jamaica undertakes no obligation to update publicly any of the forward-looking statements in light of new information or future events, including changes in Jamaica's economic policy or budget, or to reflect the occurrence of unanticipated events.

Forward-looking statements involve inherent risks and uncertainties. Jamaica cautions you that a number of important factors could cause actual results to differ materially from those expressed in any forward-looking statement. These factors include, but are not limited to:

- adverse external factors, such as any continuing terrorist attacks in the United States or elsewhere, acts of war, any general slowdown in the US or global economies, low alumina and bauxite prices and a fall in tourism; and
- adverse domestic factors, such as social and political unrest in Jamaica, high domestic interest rates, climatic events and exchange rate volatility.

## GENERAL DESCRIPTION OF JAMAICA

*The information set forth below is not complete and is qualified by the more detailed information contained in the Government of Jamaica's Annual Report on Form 18-K for the fiscal year ended March 31, 2012, as amended from time to time, and the other documents incorporated by reference in this prospectus.*

Jamaica, the third largest island in the Caribbean Sea, is located 558 miles (898 kilometers) southeast of Miami, Florida, 90 miles (144.8 kilometers) south of Cuba and 100 miles (160.9 kilometers) southwest of Haiti. The island has an area of 4,411 square miles (11,420 square kilometers). At December 31, 2011, Jamaica's population was estimated at 2,709,300. Jamaica's official language is English, and a majority of the population speaks a dialect.

Jamaica operates as a mixed, free market economy with state enterprises as well as private sector businesses. Major sectors of the Jamaican economy include agriculture, mining, manufacturing, tourism and financial and insurance services. Beginning in the second half of 2007, the short-term funding markets in the United States encountered several issues, leading to liquidity disruptions in various markets. In particular, subprime mortgage loans in the United States began to face increased rates of delinquency, foreclosure and loss. These and other related events have had a significant adverse impact on the international economic environment, which has also had an impact on Jamaica's economy.

Gross domestic product, or GDP, declined by 0.1% in the first quarter of 2012 as compared to the first quarter of 2011, mainly as a result of decreases in the production of goods and services. GDP increased 1.3% in 2011 to J\$732.4 billion as compared to J\$723.2 billion in 2010. GDP declined by 1.5% to J\$732.2 billion in 2010 from \$734.3 billion in 2009.

At September 30, 2012, Jamaica's domestic debt, which excludes government-guaranteed securities, was approximately J\$976.1 billion. At December 31, 2011, domestic debt was J\$883.4 billion, an increase of 10.43% when compared to the domestic debt level at December 31, 2010. In addition to this level of domestic debt, Jamaica has guaranteed certain financial obligations of public sector entities, which carry out major infrastructure projects from time to time. At September 31, 2012, the extent of these internal guarantees was approximately J\$28.6 billion.

At September 30, 2012, the total of external debt was US\$8,186.8 million, of which 89.31% was denominated in US dollars, 5.66% was denominated in Euro, 1.93% was denominated in Yen and 1.47% was denominated in Chinese Yuan. At December 31, 2011, public sector external debt was US\$8,626.1 million, an increase of 2.82% from December 31, 2010. At December 31, 2011, the stock of external debt was US\$8,626.1 million, of which 91.30% was denominated in US dollars, 5.15% was denominated in Euro, 1.58% denominated in Yen and 1.53% was denominated in Chinese Yuan. Bond issues of US\$4,028.31 million represented the largest creditor category of Jamaica's public sector external debt, and accounted for 46.7% of total public sector external debt at December 31, 2011 while bilateral and multilateral obligations of US\$4,096.05 million accounted for 47.5%. Multilateral indebtedness was US\$3,306.65 million, an increase of 7.65% over December 31, 2010.

Jamaica's total public sector debt as a percentage of nominal GDP increased to 131.3% at December 31, 2011, from 129.6% at December 31, 2010. Public sector domestic debt and public sector external debt as a percentage of nominal GDP increased to

71.1% and decreased to 60.2%, at December 31, 2011, respectively, from 68.2% and 61.4% at December 31, 2010, respectively. External debt as a percentage of exports of goods and services decreased to 113.7% at December 31, 2011, from 131.8% at December 31, 2010. External debt service payments as a percentage of exports of goods and services increased to 7.1% during 2011 from 7.6% during 2010.

Jamaica has never defaulted on any of its external or domestic debt obligations, which under the Jamaican Constitution are paid without any requirement of Parliamentary approval, directly from revenue and assets of Jamaica, before funds are available to Jamaica for other policies and programs. Since 1993, Jamaica has been involved in only one debt restructuring, which occurred in January 2010.

Inflation for 2011 was 6.0% based on the Consumer Price Index. The 2011 inflation rate represented a decline of 5.7% over the 11.7% rate recorded in 2010, which in turn represented an increase of 1.5% over the 10.2% rate recorded in 2009.

Net international reserves of the Bank of Jamaica decreased to US\$1,966.1 million at December 31, 2011, from US\$2,171.4 million at December 31, 2010. Gross international reserves at December 31, 2011 were US\$2,820.4 million, or approximately 19.2 weeks of goods and services imports. The decrease in the international reserves during 2011 was mainly attributable to a decrease in official capital inflows. At November 30, 2012, net international reserves of the Bank of Jamaica were US\$1,078.2 million, with gross international reserves at US\$1,932.2 million, or approximately 12.9 weeks of goods and services imports.

## **USE OF PROCEEDS**

Unless otherwise specified in the applicable prospectus supplement, the net proceeds from sales of securities will be used for the general budgetary purposes of Jamaica.

## **DESCRIPTION OF THE DEBT SECURITIES**

Jamaica will issue the debt securities in separate series at various times. Each series of the debt securities will be issued pursuant to a fiscal agency agreement (the "Fiscal Agency Agreement") between Jamaica and a selected fiscal agent. Jamaica has filed a copy of the form of Fiscal Agency Agreement and the form of debt securities with the SEC as exhibits to the registration statement of which this prospectus is a part.

The following description is only a summary of the material terms of the debt securities and the form of Fiscal Agency Agreement. Since it is only a summary, the description may not contain all of the information that may be important to you as a potential investor in the debt securities. Therefore, Jamaica urges you to read the form of the Fiscal Agency Agreement and the form of the debt security before deciding whether to invest in the debt securities.

Jamaica will describe the particular terms of any debt securities in the prospectus supplement relating to those debt securities, which may differ from the terms described herein. Those terms may include:

- the principal amount of the debt securities;
- the percentage of their principal amount at which the debt securities will be issued;
- the rate of any interest the debt securities will bear and, if variable, the method by which the interest rate will be calculated;
- the stated maturity date on which Jamaica must repay the debt securities;
- the dates when any interest payments will be due;
- the currency in which Jamaica may pay the debt securities and any interest;
- where and how Jamaica will pay principal and interest;
- if the debt securities will be issued upon the exchange of other debt securities issued or guaranteed by Jamaica, the specific terms relating to this exchange;
- whether and in what circumstances Jamaica may redeem the debt securities before maturity;

- any sinking fund or similar provision;
- whether any part or all of the debt securities will be in the form of a global security and the circumstances in which a global security is exchangeable for certificated securities;
- any terms allowing you to exchange debt securities issued or guaranteed by Jamaica; and
- any other terms of the debt securities.

### **Status of the Debt Securities**

The debt securities will be direct, general, unsecured and unconditional obligations of Jamaica and will rank at least *pari passu*, without any preference among themselves. The payment obligations of Jamaica under the debt securities will at all times rank at least equally with all other payment obligations of Jamaica related to unsecured External Indebtedness (as defined below) of Jamaica. Jamaica has pledged its full faith and credit for the due and punctual payment of principal of and interest on the debt securities.

“External Indebtedness” means any indebtedness that:

- is payable, or may be paid, in a currency or by reference to a currency other than the currency of Jamaica; and
- is payable, or may be paid, to a person resident or having their principal place of business outside of Jamaica.

“Indebtedness” means any obligation (whether present or future, actual or contingent) for the payment or repayment of money which has been borrowed or raised (including money raised by acceptances and leasing).

### **Payments of Principal and Interest**

Jamaica will make payments of principal and interest on the debt securities through the paying agent, which will receive the funds for distribution to the holders of the debt securities registered with the registrar at the close of business on the fifteenth day preceding the date of payment. Jamaica will make all payments at the place and in the currency set out in the prospectus supplement. Unless otherwise specified in the relevant prospectus supplement or the debt securities, Jamaica will make payments on global debt securities by wire transfer to the applicable clearing system, or to its nominee or common depository, as the registered owner of the debt securities, which will receive the funds for distribution to the holder. See “Global Securities” below.

Any moneys held by the fiscal agent in respect of the debt securities and remaining unclaimed for two years after such amount shall have become due and payable shall be returned to Jamaica, and the holder of such debt securities shall thereafter look only to Jamaica for any payment to which such holder may be entitled. The debt securities will become void unless presented for payment within five years after the maturity date thereof (or such earlier time period as may be prescribed by applicable law).

### **Additional Amounts**

Jamaica will make all payments of principal and interest on the debt securities without withholding or deduction for any Jamaican taxes. If Jamaican law requires Jamaica to deduct or withhold taxes, Jamaica will pay the holders of the debt securities the additional amounts necessary to ensure that the holders of the debt securities receive the same amount as they would have received without such deduction or withholding.

Jamaica will not, however, pay a holder of the debt securities such additional amounts if such holder is liable for Jamaican taxes due to one of the following reasons:

- the holder has some connection with Jamaica other than merely owning the debt securities or receiving principal and interest payments on the debt securities;
- the holder has failed to comply with any reporting requirement concerning its nationality, residence, identity or connection with Jamaica, if compliance is required as a condition to exemption from such deduction or withholding; or
- the holder fails to present its debt securities for payment within 30 days after Jamaica makes principal or interest available for payment to the holder.

## **Fiscal Agent**

The Fiscal Agency Agreement contains provisions relating to the obligations and duties of the fiscal agent, to the indemnification of the fiscal agent and to the fiscal agent's limitation of liability for actions that it takes.

## **Paying Agents; Transfer Agents; Registrar**

The fiscal agent may also act as paying agent, transfer agent, and registrar. Nevertheless, Jamaica may at any time appoint new paying agents, transfer agents and registrars. Jamaica will, however, at all times maintain:

- a paying agent in New York City; and
- a registrar in New York City or another office as designated by the fiscal agent.

If Jamaica lists a series of debt securities on the Luxembourg Stock Exchange, and the rules of that exchange so require, Jamaica will appoint and maintain a paying agent and transfer agent in Luxembourg. For so long as any such notes are listed on the Luxembourg Stock Exchange, Jamaica will publish any change as to the identity of the Luxembourg paying and transfer agent in the manner specified under "Notices" below.

## **Replacement, Exchange and Transfer**

Jamaica will replace any mutilated, destroyed, stolen or lost debt securities or coupon at your expense, upon delivery to the fiscal agent or the transfer agent of the debt securities or coupon or evidence of its destruction, loss or theft satisfactory to Jamaica and the fiscal agent, who may also require an indemnity at your expense and/or payment of any sums sufficient to cover any applicable tax or expenses related to the replacement. You will not be charged a fee for the registration of transfers or exchanges of debt securities.

## **Notices**

All notices will be mailed to the registered holders of a series of debt securities. If a depositary is the registered holder of global securities, each beneficial holder must rely on the procedures of the depositary and its participants to receive notices, subject to any statutory or regulatory requirements.

If Jamaica lists a series of debt securities on the Luxembourg Stock Exchange, and the rules of that exchange so require, all notices to holders of that series of debt securities will be published in a daily newspaper of general circulation in Luxembourg, which Jamaica expects will be the *Luxemburger Wort*. If notice cannot be published in an appropriate newspaper, notice will be considered validly given if made pursuant to the rules of the Luxembourg Stock Exchange.

## **Purchase of the Debt Securities by Jamaica**

Jamaica may at any time purchase any of the debt securities of a series in any manner through market or by tender and at any price in accordance with the rules of the stock exchanges on which such debt securities of a series may for the time being be listed, if any. If such purchases are made by tender, tenders must be available to all the holders of debt securities of a series alike. All debt securities which are purchased by or on behalf of Jamaica may be held or resold by Jamaica or surrendered to the fiscal agent for cancellation.

## **Negative Pledge**

Jamaica has pledged that as long as any of the debt securities remain outstanding, it will not create or permit any security interest on its revenue, property or assets to secure its public external indebtedness, unless the debt securities are given an equivalent security interest or are given another security interest which is approved by the holders of the debt securities as provided under "— Modifications; Collective Action Securities" below.

A "security interest" is, with respect to any present or future revenue, assets or property, any mortgage or deed of trust, pledge, hypothecation, assignment by way of security, security interest, lien (other than any lien arising by operation of law), charge, encumbrance, preference, or other security or similar agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such present or future revenue, assets or property.



“Public external indebtedness” means any external indebtedness which is in the form of, or is represented by, bonds, notes or other securities which are, or are capable of, being quoted, listed on or ordinarily dealt in on any stock exchange, automated trading system, over-the-counter or other securities market.

However, Jamaica’s agreement to restrict security interests to secure its public external indebtedness does not apply to:

- any security interest in existence as of the date of the Fiscal Agency Agreement;
- any security interest upon property to secure its public external indebtedness which was incurred for the purpose of financing the acquisition of such property and any renewal or extension of that security interest which is limited to the original property covered and which secures any renewal or extension of the original secured financing;
- any security interest existing upon property to secure public external indebtedness at the time of the acquisition of such property and any renewal or extension of that security interest which is limited to the original property covered and which secures any renewal or extension of the original secured financing;
- any security interest securing public external indebtedness incurred for the purpose of financing all or any portion of the costs of the acquisition, construction, development or expansion of any project (including costs such as escalation, interest during construction and financing and refinancing costs), provided that such security interest applies only to (a) the property so acquired, constructed, developed or expanded and any property that is reasonably incidental to the use of such property (and any right or interest therein), (b) any inventories or any other products of or revenue or profit of or from such property (or right or interest therein), and (c) any shares or other ownership interest in, or any indebtedness of, any person, substantially all of the assets of which consist of such property; and
- any security interest securing public external indebtedness not covered above, provided that the aggregate outstanding principal amount of public external indebtedness does not exceed US\$20,000,000 or its equivalent in another currency.

#### **Additional Covenant of Jamaica**

Jamaica has pledged that so long as the debt securities are outstanding, it shall maintain its membership in the International Monetary Fund, or IMF, and continue to be eligible to use the general resources of the IMF under the IMF Articles of Agreement.

#### **Default; Acceleration of Maturity**

Any of the following events will be an event of default with respect to any series of debt securities:

- Jamaica fails to pay principal or interest on that series of debt securities when due and such failure continues for a period of 30 days;
- Jamaica fails to perform any of its obligations described under “— Negative Pledge” or “— Additional Covenant of Jamaica” above and such failure continues for more than 30 days in the case of the negative pledge and 60 days in the case of the additional covenant, after Jamaica receives written notice from any holder;
- Jamaica fails to perform any of its other material obligations contained in any series of debt securities or the Fiscal Agency Agreement and such failure continues for more than 45 days after Jamaica receives written notice;
- Jamaica fails to pay (a) any of its external indebtedness (other than guarantees by Jamaica) with an aggregate principal amount in excess of US\$10,000,000 when such external indebtedness becomes due and payable or (b) any external indebtedness constituting guarantees by Jamaica with an aggregate principal amount in excess of US\$10,000,000 when such external indebtedness becomes due and payable, and such failure continues until the earlier of (1) the expiration of the applicable grace period or 30 days, whichever is longer, or (2) the acceleration of any such public external indebtedness by any holder. For the purposes of the above only,

“Indebtedness” means any obligation (whether present or future, actual or contingent) for the payment or repayment of money which has been borrowed or raised (including money raised by acceptances and leasing), and every Net Obligation under any Interest, Currency or Security Protection Agreement;

“Interest, Currency or Security Protection Agreement” of Jamaica means any forward contract, futures contract, swap, option, hedge or other financial agreement or arrangement (including, without limitation, caps, floors, collars and similar agreements), in any

such case, relating to, or the value of which is dependent upon, interest rates or currency exchange rates or indices or a security or group or index of securities (including any interest therein or based on the value thereof); and

“Net Obligation” means, at any date of determination, the net amount, exclusive of any commissions or administrative fees that Jamaica would be obligated to pay upon the termination of an Interest, Currency or Security Protection Agreement as of such date;

- the validity of any series of the debt securities or the Fiscal Agency Agreement is contested by Jamaica or any legislative, executive or judicial body or official of Jamaica authorized to do so, or Jamaica denies its obligations under any series of the debt securities or the Fiscal Agency Agreement or declares a suspension or moratorium on payment of its external indebtedness; or
- any authority necessary for Jamaica to make or fulfill its obligations under any series of the debt securities becomes invalid, expires or otherwise ceases to remain in full force and effect.

If any of the events described above occurs, then the holders of at least 25% of the principal amount of any series of the debt securities outstanding may declare the principal and any accrued interest on all the debt securities of that series immediately due and payable. Holders of debt securities may exercise this right only by providing a written demand to the fiscal agent when the event of default is continuing unless prior to the receipt of that demand by the fiscal agent, all defaults have been cured.

## **Meetings**

Jamaica may call a meeting of the holders of any series of the debt securities at any time regarding that series of debt securities or the Fiscal Agency Agreement. Jamaica will determine the time and place of the meeting. Jamaica will notify the holders of that series of debt securities of the time, place and purpose of the meeting between 30 and 60 days before the meeting.

- The fiscal agent will call a meeting of holders of any series of the debt securities if:
- an event of default has occurred and is continuing; and
- the holders of at least 10% in aggregate principal amount of the debt securities of that series then outstanding have delivered a written request to the fiscal agent setting forth the action they propose to take.

Only holders of that series of the debt securities and their proxies are entitled to vote at a meeting of the holders. Holders or proxies representing a majority of the principal amount of the outstanding debt securities of that series will normally constitute a quorum. However, if a meeting is adjourned for a lack of a quorum, then security holders of that series of debt securities or proxies representing 25% in aggregate principal amount of the outstanding debt securities of that series will constitute a quorum when the meeting is rescheduled. The fiscal agent will set the procedures governing the conduct of the meeting.

## **Modifications; Collective Action Securities**

The debt securities will contain provisions, commonly known as “collective action clauses,” regarding future modifications to the terms of, or other actions taken in respect of, the debt securities. These clauses are described below.

Jamaica, the fiscal agent and the holders of any series of the debt securities may generally modify or take action with respect to the Fiscal Agency Agreement or the terms of a series of debt securities:

- with the affirmative vote of the holders of not less than 66 2/3% in aggregate principal amount of the outstanding debt securities of that series that are represented at a meeting; or
- with the written consent of the holders of 66 2/3% in aggregate principal amount of the outstanding debt securities of that series.

However, special requirements apply with respect to any amendment, modification, change or waiver with respect to the debt securities that would:

- change the due dates for the payment of principal or interest;
- reduce any amounts payable on a debt security;

- reduce the amount of principal payable upon acceleration of the maturity of a debt security;
- change the payment currency;
- reduce the proportion of the holders of the principal amount of debt securities necessary to change the terms of the Fiscal Agency Agreement or the debt securities; or
- change Jamaica's obligation to pay any additional amounts.

We refer to the above subjects as "Reserved Matters."

Jamaica, the fiscal agent and the holders of any series of the debt securities may generally modify or take action that constitutes a Reserved Matter with respect to the Fiscal Agency Agreement or the terms of the debt securities with the affirmative vote or written consent of the holders of not less than 75% in aggregate principal amount of the outstanding debt securities of that series.

If Jamaica proposes any modification or other action that constitutes a Reserved Matter with respect to the terms and conditions of the debt securities of two or more series, or to the Fiscal Agency Agreement insofar as it affects the debt securities of two or more series, in either case as part of a single transaction, Jamaica may elect to proceed pursuant to provisions of the Fiscal Agency Agreement providing that Jamaica, the fiscal agent and the holders may make such modifications if made:

- with the affirmative vote or written consent of the holders of not less than 85% in aggregate principal amount of the outstanding debt securities of *all* series that would be affected by that modification or action (*taken in aggregate*), and
- with the affirmative vote or written consent of the holders of not less than 66 2/3% in aggregate principal amount of the outstanding debt securities of *each* series that would be affected by that modification or action (*taken individually*).

Any modification or action consented to or approved by the holders as set forth above of the debt securities of one or more series pursuant to the modification or action provisions above will be conclusive and binding on all holders of the debt securities of that series, whether or not they have given such consent or were present at a meeting of holders at which such action was taken, and on all future holders of the debt securities of that series whether or not notation of such modification or action is made upon the debt securities of that series. Any instrument given by or on behalf of any holder of a debt security in connection with any consent to or approval of any such modification or action will be conclusive and binding on all subsequent holders of such debt security.

Notwithstanding the foregoing, Jamaica and the fiscal agent may, without the vote or consent of any holder of any series of the debt securities, amend the Fiscal Agency Agreement or the debt securities to:

- add to Jamaica's covenants for the benefit of the holders;
- surrender any of Jamaica's rights or powers;
- provide collateral for the debt securities;
- cure any ambiguity or correct or supplement any defective provision; or
- make any other change that does not adversely affect the interest of any holder of any series of the debt securities in any material respect.

## Enforcement of Claims

Jamaica has appointed its Consul General in New York City as its authorized agent for service of process in any action based on the debt securities or the Fiscal Agency Agreement which a holder may institute in any Federal or New York State court in the Borough of Manhattan, The City of New York.

It may be difficult for investors to obtain or realize upon judgments of courts in the United States against Jamaica. The Government of Jamaica is a foreign sovereign government, which are generally immune from lawsuits and from the enforcement of judgments under United States law. Foreign sovereign governments, however, may waive this immunity and limited exceptions to this immunity are set forth in the US Foreign Sovereign Immunities Act of 1976 (the "Immunities Act").

Except as provided below, Jamaica will irrevocably waive and agree not to plead any immunity (including sovereign immunity) from the jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York, to which it might otherwise be entitled in any action arising out of or based upon the debt securities, to the fullest extent permitted by applicable law. However, Jamaica reserves the right to plead sovereign immunity under the Immunities Act with respect to actions brought against it under United States federal securities laws or any state securities laws. In the absence of a waiver of immunity by Jamaica with respect to such actions, it would not be possible to obtain a US judgment in such action unless a court were to determine that Jamaica is not entitled to sovereign immunity under the Immunities Act with respect to that action. Even if you obtained a US judgment in any such suit, you may not be able to enforce the judgment in Jamaica. Moreover, you may not be able to enforce a judgment obtained under the Immunities Act against Jamaica's property located in the United States except under the limited circumstances specified in the Immunities Act.

Jamaica will, in the Fiscal Agency Agreement and in the debt securities, irrevocably submit to the jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York, in respect of any claim or action arising out of or based upon the Fiscal Agency Agreement or debt securities which may be instituted by any holder of a debt security, such as, for example, a claim for breach of any obligation under the Fiscal Agency Agreement or the debt securities. Any process or other legal summons in connection with any such action may be served upon Jamaica by delivery of letters rogatory to the Consul General of Jamaica in New York, New York or by any other means that may have become permissible under the laws of the State of New York and Jamaica at the time of such service. However, Jamaica has not consented to service for suits made under the US federal or state securities laws and, as explained above, Jamaica's waiver of immunity does not extend to those actions.

A judgment obtained in New York against Jamaica can be sued upon in the courts of Jamaica as a valid cause of action. Furthermore, a Jamaican court, subject to certain conditions, will grant a judgment in Jamaica without any re-trial or re-examination of the merits of the original action. Jamaica is also subject to suit in competent courts in Jamaica. Section 20(4) of the Crown Proceedings Act provides that no execution or attachment shall be issued by any court in Jamaica for the purpose of enforcing payment by Jamaica of any money or costs. Execution or attachment means a legal process whereby the debtor property is taken under an order of the court and may be sold to satisfy the judgment debt. No such order can be made against Jamaica. Instead, the Crown Proceedings Act provides that where in any civil proceedings by or against Jamaica, any order (including an order for costs) is made by any court in Jamaica in favor of any person against Jamaica, the proper officer of the court shall, on an application and after taxing of costs, issue a certificate to such person which may be served upon the Attorney General of Jamaica. If the order provides for the payment of money or costs, the Ministry of Finance and Planning shall pay the amount due to such person. It is possible that the courts of Jamaica may not enforce the judgments of a foreign court against Jamaica on the grounds of public policy where Jamaica has not appeared in the relevant proceedings or has unsuccessfully claimed immunity in such proceedings and has not otherwise submitted to the jurisdiction of such foreign court.

## **Governing Law and Submission to Jurisdiction**

The Fiscal Agency Agreement and the debt securities will be governed by and interpreted in accordance with the laws of the State of New York, except that all matters governing Jamaica's authorization and execution will be governed by the laws of Jamaica.

## **Further Issues**

Jamaica may from time to time, without notice to or the consent of the registered holders of any series of debt securities, issue further debt securities which will form a single series with any series of debt securities. These further debt securities will have the same terms as to status, redemption or otherwise as the debt securities of the existing series and will rank equally with the debt securities of the existing series in all respects, except for the payment of interest accruing prior to the issue date of these further debt securities or except for the first payment of interest following the issue date of these further debt securities. Furthermore, Jamaica will only issue further debt securities that are fungible for US federal income tax purposes with the existing debt securities of the same series.

## **Global Securities**

The prospectus supplement relating to a series of debt securities will indicate whether any of that series of debt securities will be represented by one or more global securities to be deposited with or on behalf of a depositary and its nominee. The prospectus supplement will also describe any unique specific terms of the depositary arrangement with respect to that series. Neither Jamaica nor the fiscal agent will be responsible for the depositary's or its respective participants or indirect participants', performance of their obligations under their rules and procedures. Unless otherwise specified in the prospectus supplement, Jamaica anticipates the following provisions will apply to depositary arrangements.

### *Registered Ownership of the Global Security*

The global security will be registered in the name of a depositary identified in the prospectus supplement, or its nominee, and will be deposited with the depositary, its nominee or a custodian. The depositary, or its nominee, will therefore be considered the sole owner or holder of debt securities represented by the global security for all purposes under the Fiscal Agency Agreement. Except as specified below or in the applicable prospectus supplement, beneficial owners:

- will not be entitled to have any of the debt securities represented by the global security registered in their names;
- will not receive physical delivery of any debt securities in definitive form;
- will not be considered the owners or holders of the debt securities;
- must rely on the procedures of the depositary and, if applicable, any participants (institutions that have accounts with the depositary or a nominee of the depositary, such as securities brokers and dealers) to exercise any rights of a holder of the debt securities; and
- will receive payments of principal and interest from the depositary or its participants rather than directly from Jamaica.

Jamaica understands that, under existing industry practice, the depositary and participants will allow beneficial owners to take all actions required of, and exercise all rights granted to, the registered holders of the debt securities.

Jamaica will register debt securities in the name of a person other than the depositary or its nominee only if:

- the depositary for a series of debt securities is unwilling or unable to continue as depositary or ceases to be a clearing agency registered under the Securities Exchange Act of 1934 and Jamaica does not appoint a successor depositary within 90 days;
- Jamaica determines, in its sole discretion, not to have a series of debt securities represented by a global security; or
- A default occurs that entitles the holders of the debt securities to accelerate the maturity date and such default has not been cured.

In these circumstances, an owner of a beneficial interest in a global security will be entitled to registration of a principal amount of debt securities equal to its beneficial interest in its name and to physical delivery of the debt securities in definitive form.

### *Beneficial Interests in and Payments on a Global Security*

Only participants, and persons that may hold beneficial interests through participants, can own a beneficial interest in the global security. The depositary keeps records of the ownership and transfer of beneficial interest in the global security by its participants. In turn, participants keep records of the ownership and transfer of beneficial interests in the global security by other persons (such as their customers). No other records of the ownership and transfer of beneficial interests in the global security will be kept.

All payments on a global security will be made to the depositary or its nominee. When the depositary receives payment of principal or interest on the global security, Jamaica expects the depositary to credit its participants' accounts with amounts that correspond to their respective beneficial interests in the global security. Jamaica also expects that, after the participants' accounts are credited, the participants will credit the accounts of the owners of beneficial interests in the global security with amounts that correspond to the owner's respective beneficial interests in the global security.

The depositary and its participants establish policies and procedures governing payments, transfers, exchanges and other important matters that affect owners of beneficial interests in a global security. The depositary and its participants may change these policies and procedures from time to time. Jamaica has no responsibility or liability for the records or ownership of beneficial interests in the global security, or for payments made or not made to owners of such beneficial interests. Jamaica also has no responsibility or liability for any aspect of the relationship between the depositary and its participants or for any aspect of the relationship between participants and owners of beneficial interests in the global security.

## **TAXATION**

The following is a summary discussion of certain Jamaican and United States federal income tax considerations that may be relevant to a holder of a debt security. This discussion is based on laws, regulations, administrative and judicial rulings and decisions in effect on the date of this Registration Statement. There can be no assurance that the taxing authorities of the United States or Jamaica will not take a contrary view, and no rulings from such authorities will be sought on the issues discussed herein. Further, the relevant legal provisions and interpretations are all subject to change, possibly with retroactive effect, and any such changes may affect the discussion set forth herein.

In addition, you may be subject to additional tax consequences in connection with gains or losses you obtain from the exchange of debt securities issued or guaranteed by Jamaica. Any such consequences may be further described in any prospectus supplement.

Investors are urged to consult their own tax advisors in determining the tax consequences of holding debt securities and exchanging debt securities issued or guaranteed by Jamaica, including the application to their particular circumstances of the tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

### **Jamaican Tax Considerations**

The taxation discussion set out below is intended only as a descriptive summary and does not purport to be a complete technical analysis or listing of all potential tax effects to holders of the debt securities. Prospective buyers of the debt securities should consult with their tax advisors concerning issues including: the application of Jamaican income tax laws to them arising from an investment in the debt securities; any consequences to them arising under the laws of any other taxing jurisdiction; the availability for income tax purposes of a credit or deduction for Jamaican taxes; and the consequences of buying the debt securities at a price other than the issue price.

#### *Income Taxation of Interest on the Debt Securities and Gain from Sale or Retirement of the Debt Securities*

Interest paid to a holder of the debt securities who is an individual is generally subject to Jamaican withholding income tax, at the rate of 25% or such other lower rate as is provided for in an applicable tax treaty between Jamaica and the country where the recipient of the payment is resident. Interest paid to a holder of the debt security which is a company, trust, organization or other entity is generally subject to Jamaican withholding income tax, at the rate of 33 1/3% or such other lower rate as is provided for in an applicable tax treaty between Jamaica and the country where the recipient of the payment is resident. Under the United States/Jamaica Double Taxation Agreement, or the Treaty, the rate of withholding income tax on interest is reduced to 12.5%. Section 12(m) of the Jamaica Income Tax Act provides that the interest on any borrowing charged to Jamaica's consolidated fund may be exempt from income tax by order of the Minister responsible for finance. Interest payments on the debt securities will be charged to Jamaica's consolidated fund, and, therefore, such payments will not be subject to income tax upon the issuance by the Minister responsible for finance of an exemption order under Section 12(m). The Minister responsible for finance intends to make an exemption order under Section 12(m) of the Jamaica Income Tax Act thereby relieving interest payments on the debt securities from income tax, but this exemption will not apply to Jamaican residents who own or hold, directly or indirectly, or have a beneficial interest in, the debt securities.

As a result of the foregoing, no Jamaican income tax would be payable on any gain arising on the disposal of the debt securities, unless the seller is engaged in the business of buying and selling investments. Even if the seller is engaged in the business of buying and selling investments, under the Treaty, if the seller is a United States resident within the meaning of the Treaty and does not have a permanent establishment in Jamaica, the seller would not be liable for Jamaican income tax on any such gain. Jamaica has similar provisions in other double taxation agreements, including those with the United Kingdom and Canada.

#### *Transfer Tax and Stamp Duty*

The Minister responsible for finance will remit any transfer tax which may become payable on transfers of the debt securities or interests in the debt securities, pursuant to his authority under Section 46 of the Transfer Tax Act. The Minister responsible for finance will remit any stamp duty which may become payable on the debt securities pursuant to his authority under Section 80B of the Stamp Duty Act.

### **United States Federal Income Taxation Considerations**

The following is a general summary of certain principal US federal income tax consequences that may be relevant with respect to the ownership of the debt securities. This summary addresses only the US federal income tax considerations of holders that acquire the debt securities at their original issuance and that will hold the debt securities as capital assets.

This summary does not purport to address all US federal income tax matters that may be relevant to a particular holder of debt securities. This summary does not address tax considerations applicable to holders of debt securities that may be subject to special tax rules including, without limitation, the following: (i) financial institutions; (ii) insurance companies; (iii) dealers or traders in securities, currencies or notional principal contracts; (iv) tax-exempt entities; (v) regulated investment companies; (vi) real estate investment trusts; (vii) persons that will hold the debt securities as part of a “hedging” or “conversion” transaction or as a position in a “straddle” or as part of a “synthetic security” or other integrated transaction for US federal income tax purposes; (viii) persons that have a “functional currency” other than the US dollar; (ix) persons who will hold the debt securities through partnerships or other pass-through entities; and (x) certain US expatriates and former long-term residents of the United States. Further, this summary does not address alternative minimum tax consequences or the indirect effects on the holders of equity interests of a holder of debt securities.

This summary is based on the US Internal Revenue Code of 1986, as amended (the “Code”), US Treasury Regulations and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this prospectus. All of the foregoing are subject to change, which change could apply retroactively and could affect the tax consequences described below.

This summary does not cover every type of debt security that may be issued under this prospectus. If we intend to issue a debt security of a type not described in this summary, or if there are otherwise special tax consequences with respect to the debt security that are not covered herein, additional tax information will be provided in the prospectus supplement for the applicable debt security.

Prospective investors should consult their own tax advisors with respect to the US federal, state, local and foreign tax consequences of acquiring, owning or disposing of the debt securities.

For the purposes of this summary, a “US Holder” is a beneficial owner of debt securities that is, for US federal income tax purposes: (i) a citizen or resident of the United States; (ii) a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia); (iii) an estate the income of which is subject to US federal income taxation regardless of its source; or (iv) a trust if (x) a court within the United States is able to exercise primary supervision over its administration and (y) one or more US persons have the authority to control all of the substantial decisions of such trust. A “Non-US Holder” is a beneficial owner of debt securities that is not a US Holder. If a partnership holds a debt security, the US federal income tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding any debt securities should consult its tax advisors.

#### *Payments of Interest*

Interest paid on a debt security, other than interest on a “Discount Debt Security” that is not “qualified stated interest” (each as defined below under “Original Issue Discount — General”), will be taxable to a US Holder as ordinary interest income at the time it is received or accrued, depending on the US Holder’s method of accounting for US federal income tax purposes.

A US Holder utilizing the cash method of accounting for US federal income tax purposes that receives an interest payment denominated in a currency other than US dollars (a “foreign currency”) will be required to include in income the US dollar value of that interest payment, based on the spot exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into US dollars. No exchange gain or loss will be realized with respect to the receipt of such interest payment, other than exchange gain or loss that is attributable to the actual disposition of the foreign currency received.

If interest on a debt security is payable in a foreign currency, an accrual basis US Holder is required to include in income the US dollar value of the amount of interest income accrued on such a debt security during the accrual period. An accrual basis US Holder may determine the amount of the interest income to be recognized in accordance with either of two methods. Under the first accrual method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period or, with respect to an accrual period that spans two taxable years, the part of the period within the taxable year. Under the second accrual method, the US Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. If the last day of the accrual period is within five business days of the date the interest payment is actually received, an electing accrual basis US Holder may instead translate that interest expense at the exchange rate in effect on the day of actual receipt. Any election to use the second accrual method will apply to all debt instruments held by the US Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the US Holder and will be irrevocable without the consent of the US Internal Revenue Service (the “IRS”).

A US Holder utilizing either of the foregoing two accrual methods will recognize ordinary income or loss with respect to accrued interest income on the date of receipt of the interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a debt security). The amount of ordinary income or loss will equal the difference between the US dollar

value of the interest payment received (determined on the date the payment is received) in respect of the accrual period and the US dollar value of interest income that has accrued during that accrual period (as determined under the accrual method utilized by the US Holder).

Foreign currency received as interest on the debt securities will have a tax basis equal to its US dollar value at the time the interest payment is received. Gain or loss, if any, realized by a US Holder on a sale or other disposition of that foreign currency will be ordinary income or loss and will generally be income from sources within the United States for foreign tax credit limitation purposes.

In the event that any additional amounts are paid on the debt securities, a US Holder will be required to include in income such additional amounts and any tax withheld from interest payments notwithstanding that such withheld tax is not in fact received by such US Holder. A US Holder may be entitled to deduct or credit such tax, subject to applicable limitations. Investors are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances, including the possible adverse impact on creditability to the extent a US Holder is entitled to either a refund of any Jamaican tax withheld or a reduced rate of withholding.

Interest income (including additional amounts and any tax withheld) on the debt securities will be treated as foreign source income for US federal income tax purposes, which may be relevant in calculating a US Holder's foreign tax credit limitation for US federal income tax purposes. The limitation on foreign taxes eligible for the US foreign tax credit is calculated separately with respect to specific classes of income. The foreign tax credit rules are complex, and US Holders should consult their own tax advisers regarding the availability of a foreign tax credit and the application of the limitation in their particular circumstances.

#### *Original Issue Discount*

*General.* A debt security, other than a debt security with a term of one year or less (a "Short-Term Debt Security"), will be treated as issued with original issue discount ("OID"), and a debt security issued with OID (a "Discount Debt Security"), for US federal income tax purposes if the excess of the sum of all payments provided under the debt security, other than "qualified stated interest payments" (as defined below), over the "Issue Price" of the debt security is more than a "de minimis amount" (as defined below). "Qualified stated interest" is generally interest paid on a debt security that is unconditionally payable at least annually at a single fixed rate. For US federal income tax purposes the "Issue Price" of the debt securities under the applicable prospectus supplement generally will be the first price at which a substantial amount of the debt securities are sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

In general, if the excess of the sum of all payments provided under the debt security other than qualified stated interest payments (the debt security's "stated redemption price at maturity") over its Issue Price is less than  $\frac{1}{4}$  of one percent of the debt security's stated redemption price at maturity multiplied by the number of complete years to its maturity, or the de minimis amount, then such excess, if any, constitutes "de minimis OID" and the debt security is not a Discount Debt Security. Unless the election described below under "Election to Treat All Interest as OID" is made, a US Holder of a debt security with de minimis OID must include such de minimis OID in income as stated principal payments on the debt security are made. The includible amount with respect to each such payment will equal the product of the total amount of the debt security's de minimis OID and a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the stated principal amount of the debt security.

A US Holder will be required to include OID on a Discount Debt Security in income for US federal income tax purposes as it accrues calculated on a constant-yield method (described below) before the actual receipt of cash attributable to that income, regardless of the US Holder's method of accounting for US federal income tax purposes. Under this method, US Holders generally will be required to include in income increasingly greater amounts of OID over the life of Discount Debt Securities.

The amount of OID includible in income by a US Holder of a Discount Debt Security is the sum of the daily portions of OID with respect to the debt security for each day during the taxable year or portion of the taxable year in which the US Holder holds that debt security, or accrued OID. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a debt security may be of any length selected by the US Holder and may vary in length over the term of the debt security as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the debt security occurs on either the final or first day of an accrual period.

The amount of OID allocable to an accrual period equals the excess of (a) the product of the debt security's "adjusted issue price" at the beginning of the accrual period and the debt security's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the debt security allocable to the accrual period. The "adjusted issue price" of a debt security at the beginning of any



accrual period is the Issue Price of the debt security increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the debt security that were not qualified stated interest payments.

For the purposes of determining the amount of OID allocable to an accrual period, if an interval between payments of qualified stated interest on the debt security contains more than one accrual period, the amount of qualified stated interest payable at the end of the interval (including any qualified stated interest that is payable on the first day of the accrual period immediately following the interval) is allocated *pro rata* on the basis of relative lengths to each accrual period in the interval, and the adjusted issue price at the beginning of each accrual period in the interval must be increased by the amount of any qualified stated interest that has accrued prior to the first day of the accrual period but that is not payable until the end of the interval.

The amount of OID allocable to an initial short accrual period may be computed using any reasonable method if all other accrual periods other than a final short accrual period are of equal length. The amount of OID allocable to the final accrual period is the difference between (x) the amount payable at the maturity of the debt security (other than any payment of qualified stated interest) and (y) the debt security's adjusted issue price as of the beginning of the final accrual period.

OID for any accrual period on a debt security that is denominated in, or determined by reference to, a foreign currency will be determined in that foreign currency and then translated into US dollars in the same manner as interest payments accrued by an accrual basis US Holder, as described under "Payments of Interest" above. Upon receipt of an amount attributable to OID in these circumstances, a US Holder may recognize ordinary income or loss.

OID on a Discount Debt Security will be treated as foreign source income for the purposes of calculating a US Holder's foreign tax credit limitation. The limitation on foreign taxes eligible for the US foreign tax credit is calculated separately with respect to specific classes of income. The foreign tax credit rules are complex, and US Holders should consult their own tax advisers regarding the availability of a foreign tax credit and the application of the limitation in their particular circumstances.

**Acquisition Premium.** A US Holder that purchases a debt security for an amount less than or equal to the sum of all amounts payable on the debt security after the purchase date other than payments of qualified stated interest but in excess of its adjusted issue price (as determined above under "Original Issue Discount — General") (any such excess being "acquisition premium") and that does not make the election described below under "Election to Treat All Interest as OID" shall reduce the daily portions of OID by a fraction, the numerator of which is the excess of the US Holder's adjusted basis in the debt security immediately after its purchase over the adjusted issue price of the debt security, and the denominator of which is the excess of the sum of all amounts payable on the debt security after the purchase date, other than payments of qualified stated interest, over the debt security's adjusted issue price.

**Market Discount.** A debt security, other than a short-term debt security, will be treated as purchased at a market discount, or a Market Discount Debt Security, if the debt security's stated redemption price at maturity or, in the case of a Discount Debt Security, the debt security's "revised issue price", exceeds the amount for which the US Holder purchased the debt security by at least 1/4 of one percent of such debt security's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the debt security's maturity. If such excess is not sufficient to cause the debt security to be a Market Discount Debt Security, then such excess constitutes "de minimis market discount" and such debt security is not subject to the rules discussed in the following paragraphs. For these purposes, the "revised issue price" of a debt security generally equals its issue price, increased by the amount of any OID that has accrued on the debt security and decreased by any payments previously made on the debt security that were not payments of qualified stated interest.

Any gain recognized on the maturity or disposition of a Market Discount Debt Security will be treated as ordinary income to the extent that such gain does not exceed the accrued market discount on such debt security. Alternatively, a US Holder of a Market Discount Debt Security may elect to include market discount in income currently over the life of the debt security. Such an election shall apply to all debt instruments with market discount acquired by the electing US Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS.

Market discount on a Market Discount Debt Security will accrue on a straight-line basis unless the US Holder elects to accrue such market discount on a constant-yield method. Such an election shall apply only to the debt security with respect to which it is made and may not be revoked without the consent of the IRS. A US Holder of a Market Discount Debt Security that does not elect to include market discount in income currently generally will be required to defer deductions for interest on borrowings allocable to such debt security in an amount not exceeding the accrued market discount on such debt security until the maturity or disposition of such debt security.

**Election to Treat All Interest as OID.** A US Holder may elect to include in gross income all interest that accrues on a debt security using the constant-yield method described above under the heading "Original Issue Discount — General", with the modifications described below. For the purposes of this election, interest includes stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium.

In applying the constant-yield method to a debt security with respect to which this election has been made, the issue price of the debt security will equal its cost to the electing US Holder, the issue date of the debt security will be the date of its acquisition by the electing US Holder, and no payments on the debt security will be treated as payments of qualified stated interest. This election will generally apply only to the debt security with respect to which it is made and may not be revoked without the consent of the IRS. If this election is made with respect to a debt security with amortizable bond premium, then the electing US Holder will be deemed to have elected to apply amortizable bond premium against interest with respect to all debt instruments with amortizable bond premium (other than debt instruments the interest on which is excludible from gross income) held by the electing US Holder as of the beginning of the taxable year in which the debt security with respect to which the election is made is acquired or thereafter acquired. The deemed election with respect to amortizable bond premium may not be revoked without the consent of the IRS.

If the election to apply the constant-yield method to all interest on a debt security is made with respect to a Market Discount Debt Security, the electing US Holder will be treated as having made the election discussed above under “Original Issue Discount — Market Discount” to include market discount in income currently over the life of all debt instruments held or thereafter acquired by such US Holder.

*Short-Term Debt Securities.* Short-Term Debt Securities will be treated as having been issued with OID. In general, an individual or other cash method US Holder is not required to accrue such OID unless the US Holder elects to do so. If such an election is not made, any gain recognized by the US Holder on the sale, exchange or maturity of the Short-Term Debt Security will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale or maturity, and a portion of the deductions otherwise allowable to the US Holder for interest on borrowings allocable to the Short-Term Debt Security will be deferred until a corresponding amount of income is realized. US Holders who report income for US federal income tax purposes under the accrual method, and certain other holders including banks and dealers in securities, are required to accrue OID on a Short-Term Debt Security on a straight-line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding).

#### *Certain Debt Securities Subject to Redemption.*

Certain of the debt securities may be redeemable at the option of Jamaica prior to their maturity, or a call option. Debt securities containing such a call option may be subject to rules that are different from the general rules discussed above. Investors intending to purchase debt securities with a call option should consult their own tax advisors because the OID consequences will depend in part, on the particular terms and features of the purchased debt security.

#### *Premium*

A US Holder that purchases a debt security for an amount in excess of its principal amount, or for a Discount Debt Security, its stated redemption price at maturity, may elect to treat such excess as “amortizable bond premium”. If such election is made, the amount required to be included in the US Holder’s income each year with respect to interest on the debt security will be reduced by the amount of amortizable bond premium allocable (based on the debt security’s yield to maturity) to such year. In the case of a debt security that is denominated in, or determined by reference to, a foreign currency, amortizable bond premium will be computed in units of foreign currency, and amortizable bond premium will reduce interest income in units of foreign currency. At the time amortizable bond premium offsets interest income, a US Holder realizes exchange gain or loss (taxable as ordinary income or loss) equal to the difference between exchange rates at that time and at the time of the acquisition of the debt securities. Any election to amortize bond premium shall apply to all bonds (other than bonds the interest in which is excludible from gross income) held by the US Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the US Holder and is irrevocable without the consent of the IRS. A US Holder that does not elect to take amortizable bond premium into account currently will recognize a capital loss when the debt security matures.

#### *Sale, Exchange and Retirement of Debt Securities*

A US Holder’s tax basis in a debt security will generally equal its “US dollar cost”, increased by the amount of any OID or market discount included in the US Holder’s income with respect to the debt security and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the US Holder’s income with respect to the debt security (each as determined above), and reduced by the amount of any payments with respect to the debt security that are not qualified stated interest payments and the amount of any amortizable bond premium applied to reduce interest on the debt security. The “US dollar cost” of a debt security purchased with a foreign currency will generally be the US dollar value of the purchase price on the date of purchase or, in the case of debt securities traded on an established securities market (as defined in the applicable US Treasury Regulations) that are purchased by a cash basis US Holder (or an accrual basis US Holder that so elects), on the settlement date for the purchase.

A US Holder will generally recognize gain or loss on the sale, exchange or retirement of a debt security equal to the difference between the amount realized on the sale, exchange or retirement and the tax basis of the debt security. The amount realized

on the sale, exchange or retirement of a debt security for an amount in foreign currency will be the US dollar value of that amount on (1) the date the payment is received in the case of a cash basis US Holder, (2) the date of disposition in the case of an accrual basis US Holder, or (3) in the case of debt securities traded on an established securities market (as defined in the applicable US Treasury Regulations), that are sold by a cash basis US Holder (or an accrual basis US Holder that so elects), on the settlement date for the sale.

Gain or loss recognized by a US Holder on the sale, exchange or retirement of a debt security that is attributable to changes in currency exchange rates will be ordinary income or loss and will consist of OID exchange gain or loss and principal exchange gain or loss. OID exchange gain or loss will equal the difference between the US dollar value of the amount received on the sale, exchange or retirement of a debt security that is attributable to accrued but unpaid OID as determined by using the exchange rate on the date of the sale, exchange or retirement and the US dollar value of accrued but unpaid OID as determined by the US Holder under the rules described above under “Original Issue Discount — General”. Principal exchange gain or loss will equal the difference between the US dollar value of the US Holder’s purchase price of the debt security in foreign currency determined on the date of the sale, exchange or retirement, and the US dollar value of the US Holder’s purchase price of the debt security in foreign currency determined on the date the US Holder acquired the debt security. The foregoing foreign currency gain or loss will be recognized only to the extent of the total gain or loss realized by the US Holder on the sale, exchange or retirement of the debt security, and will generally be treated as from sources within the United States for US foreign tax credit limitation purposes.

Any gain or loss recognized by a US Holder on the sale, exchange or retirement of a debt security would generally be US source capital gain or loss (except to the extent they are attributable to accrued market discount, accrued but unpaid interest or to changes in currency exchange rates) which will be taxable as such. If a US Holder’s basis in a debt security includes accrued but unpaid OID and the US Holder recognizes a loss on the transaction with respect to such amounts that exceeds certain specified thresholds, the US Holder may be required to specifically disclose certain information with respect to the transaction on its tax return under tax disclosure regulations. US Holders should consult their own tax advisors as to the applicability of these disclosure regulations.

**Prospective investors should consult their own tax advisors with respect to the treatment of capital gains (which may be taxed at lower rates than ordinary income for taxpayers who are individuals, trusts or estates that held the debt securities for more than one year) and capital losses (the deductibility of which is subject to limitations).**

A US Holder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a debt security equal to the US dollar value of the foreign currency at the time of the sale, exchange or retirement. Gain or loss, if any, realized by a US Holder on a sale or other disposition of that foreign currency will be ordinary income or loss and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes.

## **Taxation of Non-US Holders**

Subject to the backup withholding tax discussion below, a Non-US Holder generally should not be subject to US federal income or withholding tax on any payments on the debt securities and gain from the sale, redemption or other disposition of the debt securities unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-US Holder of a trade or business in the United States; (ii) in the case of any gain realized on the sale or exchange of a debt security by an individual Non-US Holder, that holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met; or (iii) the Non-US Holder is subject to tax pursuant to provisions of the Code applicable to certain expatriates. **Non-US Holders should consult their own tax advisors regarding the US federal income and other tax consequences of owning debt securities.**

## **Backup Withholding and Information Reporting**

Backup withholding and information reporting requirements may apply to certain payments and accrued OID on the debt securities, and of proceeds of the sale or other disposition of the debt securities, made to US Holders. Jamaica, its agent, a broker or any paying agent, as the case may be, may be required to backup withhold tax from any payment if a US Holder fails (i) to furnish its US taxpayer identification number, (ii) to certify that it is not subject to backup withholding or (iii) to otherwise comply with the applicable requirements of the backup withholding rules. Certain US Holders are not subject to the backup withholding and information reporting requirements. Non-US Holders may be required to comply with applicable certification procedures to establish that they are not US Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally may be claimed as a credit against such holder's US federal income tax liability provided that the required information is timely furnished to the IRS.

Certain US Holders may be required to report to the IRS certain information with respect to their beneficial ownership of the debt securities not held in an account maintained by a financial institution. US Holders that fail to report the required information

could be subject to substantial penalties. US Holders should consult their own tax advisors with respect to this and any other reporting requirement that may apply with respect to their acquisition of a debt security.

### **IRS Disclosure Reporting Requirements**

Certain US Treasury Regulations, or the Disclosure Regulations, meant to require the reporting of certain tax shelter transactions, or Reportable Transactions, could be interpreted to cover transactions generally not regarded as tax shelters. Under the Disclosure Regulations, it may be possible that certain transactions with respect to the debt securities may be characterized as Reporting Transactions requiring a holder of debt securities who is required to file a tax return to disclose such transaction, such as a sale, exchange, retirement or other taxable disposition of a debt security that results in a loss that exceeds certain thresholds and other specified conditions are met. Prospective investors in the debt securities should consult their own tax advisors to determine the tax return obligations, if any, with respect to an investment in the debt securities, including any requirement to file IRS Form 8886 (Reportable Transaction Statement).

**THE ABOVE SUMMARY DOES NOT DESCRIBE OTHER TAX CONSEQUENCES THAT WILL ARISE FROM PURCHASING, HOLDING AND DISPOSING OF THE DEBT SECURITIES BECAUSE THE PRECISE TERMS OF THE DEBT SECURITIES WILL VARY FROM ISSUE TO ISSUE. PERSONS WHO ARE UNSURE OF THEIR TAX POSITION ARE ADVISED TO CONSULT THEIR PROFESSIONAL ADVISORS.**

### **European Union Withholding Tax**

On June 3, 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income under which Member States will be required, if a number of important conditions are met and from a date not earlier than January 1, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

### **PLAN OF DISTRIBUTION**

- Jamaica may offer the debt securities: (a) through underwriters or dealers; (b) through agents; or (c) directly to one or more institutional purchasers (each prospectus supplement will include the names of any underwriters, dealers or agents);
- the purchase price of the debt securities of that series;
- the purchase price of the debt securities of that series or the outstanding debt securities issued or guaranteed by Jamaica to be delivered in exchange for such securities;
- the net proceeds to Jamaica from the sale of such debt securities;
- any underwriting discounts, agent commissions or other items constituting underwriters' or agents' compensation; and
- any discounts or concessions allowed or reallocated or paid to dealers.

The underwriters may change any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers.

Any underwriters or agents used in the same may sell the debt securities either on a "best efforts" or on a firm commitment basis. If the underwriters distribute debt securities on a firm commitment basis, the underwriters will acquire the debt securities for their own account and may resell the debt securities from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined by the underwriters at the time of sale. Jamaica may offer the debt securities to the public either through underwriting syndicates represented by managing underwriters or directly through underwriters or agents. Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase the debt securities will be subject to certain conditions precedent and the underwriters will be obligated to purchase all of the debt securities offered thereby if any are purchased. Jamaica may offer the securities of any series to present holder of debt securities issued or guaranteed by Jamaica as consideration for the purchase or exchange by Jamaica of these other securities. This offer may be in connection with a publicly announced tender, exchange or other offer for these securities or in privately negotiated transactions. This

offering may be in addition to or in lieu of sales of securities directly or through underwriters or agents as set forth in the applicable prospectus supplement.

In compliance with FINRA guidelines, the maximum compensation to any underwriters or agents in connection with the sale of any securities pursuant to this prospectus and any applicable prospectus supplement will not exceed 8% of the aggregate total offering price to the public of such securities as set forth on the cover page of the applicable prospectus supplement; however, it is anticipated that the maximum compensation paid will be significantly less than 8%.

Jamaica may agree to indemnify underwriters, dealers or agents against certain liabilities, including liabilities under the US Securities Act of 1933, or to contribute to payments which the underwriters, dealers or agents may be required to make in respect of any such liabilities. Underwriters, dealers or agents may engage in transactions with or perform services for Jamaica.

### **OFFICIAL STATEMENTS**

Information in this prospectus with a source identified as a publication of Jamaica or one of its agencies or instrumentalities relies on the authority of that publication as an official public document of Jamaica. All other information contained herein is included as an official public statement made on the authority of the Minister of Finance and Planning.

### **VALIDITY OF ANY SERIES OF DEBT SECURITIES**

The validity of the debt securities will be passed upon on behalf of Jamaica by the Attorney General's Department of Jamaica on matters relating to Jamaican law and by Allen & Overy LLP on matters related to United States law. The validity of any particular series of debt securities will be passed upon on behalf of Jamaica by the Attorney General's Department of Jamaica on matters relating to Jamaican law and by United States counsel to Jamaica on matters related to United States law, and on behalf of any underwriters, dealers or agents by United States and Jamaican counsel identified in the related prospectus supplement.

### **AUTHORIZED REPRESENTATIVE IN THE UNITED STATES**

The authorized agent of the Government of Jamaica in the United States is the Consul General, Consulate General of Jamaica, 767 Third Avenue, New York, New York 10017.

**ISSUER**

**Government of Jamaica**  
Ministry of Finance and Planning  
30 National Heroes Circle  
Kingston 4  
Jamaica

**FISCAL AGENT, PAYING AGENT AND TRANSFER AGENT**

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as to Jamaican law*

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*To the Government,  
as to United States law*

**Allen & Overy LLP**  
1221 Avenue of the Americas  
New York, New York 10020  
United States of America

You should read this prospectus supplement along with the accompanying prospectus dated July 11, 2013. You should rely only on the information contained or incorporated by reference in this document, including Jamaica's Form 18-K for the fiscal year ended March 31, 2012, filed with U.S. Securities and Exchange Commission on July 5, 2013 and the accompanying prospectus. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may be accurate only on the date hereof.

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**Government of Jamaica**

**US\$161,904,731**

**8.50% Amortizing Notes  
due 2021**