

**GOVERNMENT OF FIJI**  
**PROSPECTUS OF CASH OFFER**  
**FIJI INFRASTRUCTURE BONDS**

(Authorised by the Parliament via Appropriation Act 1/2014 of 15<sup>th</sup> December, 2014 the raising of domestic loans totalling \$257,722,000 for approved capital expenditure by the Government of Fiji during 2015)

**1. Purpose**

The proceeds of the loan will provide part of the \$1,321,877,423 required to finance the approved Government capital expenditures for 2015 which include, but is not limited to:

- Upgrade of various Roads;
- Upgrading of Ports, Jetties and Airports;
- Rural Electrification Project;
- Divisional Development Projects;
- Repair and Upgrade of Public Buildings, Water Supplies and Sewer Lines;
- Drainage, Dredging Works and Bridge Construction;
- Upgrade of school buildings and equipment's; and
- Upgrade and maintenance of hospitals and purchase of new machines and equipment's.

For more details and breakdown of the capital expenditure, refer to the 2015 Budget Estimates.

**2. Auction Calendar**

A tentative schedule of bond issuance for 2015 is attached to the prospectus.

**3. Competitive and Non-Competitive Tenders**

Tenders will be received on a competitive or non-competitive basis as follows:-

**Competitive Tenders** will be accepted for a minimum nominal amount of \$10,000 and for multiples of \$1,000. Each tender must be submitted on a percentage yield per annum basis and must be expressed to the second decimal place (e.g. 9.17%, 10.70%, 12.25%). Decimal points beyond two places will be disregarded. Each tender must be for one rate, and be made on the form attached to the prospectus.

**Non-Competitive Tenders** will be accepted for a minimum nominal amount of \$50 and for multiples of \$50 up to a maximum amount of \$100,000 limited to one tender only per

maturity. These tenders will be accepted at the weighted average yield of accepted competitive tenders only.

#### **4. Lodgement of Tenders**

All tenders must be lodged at the Reserve Bank of Fiji, Pratt Street, Suva and placed in the special tender box at the "Enquiries" counter at Tower 2 of the Bank. Details on the opening hours for lodgement of tenders will be published in the notices of issuance.

#### **5. Payment**

A separate cheque for each tender for the full face value of the amount tendered for, must accompany each tender lodged. Such cheque is to be made payable to the Reserve Bank of Fiji. If the settlement amount for an accepted tender exceeds the face value, the successful bidder is to settle the difference by **12.00pm on the issue date**. If, however, the settlement amount is lower than the face value, then any excess payment will be refunded on the day following the allotment of tenders.

#### **6. Allotment**

**Competitive Tenders:** Allotments will be made in ascending order of percentage yield tendered. The RBF reserves the right to accept tenders less than or in excess of the amount in the invitation to tender.

In the event of a shortfall in allotments, the Reserve Bank of Fiji may accept for its own account the balance of stock not allotted by tender at the weighted average yield for accepted and allotted competitive tenders. However, if no competitive bids are allotted, the Reserve Bank may use the yield for the relevant maturities as per the latest yield curve published by the Reserve Bank of Fiji.

Letters of allotment will be despatched on **the issue date** together with:-

- a) refund cheques (for the difference in the nominal amount tendered);
- b) cheques for unsuccessful tenders.

**Non-Competitive Tenders:** Will be allotted in full.

Registered stock certificates will be issued within thirty days of the closing of the Loan.

#### **7. Interest and Repayment**

Interest is due every six months over the duration of the loan and will be paid by the Registrar. Cheques will be forwarded at the stockholder's risk to the stockholder's registered address or to any bank in Fiji, which the stockholder may nominate. In the case of joint holders of stock, interest will be paid to the person first named in the tender form.

The Government of Fiji will have, on the expiry of the minimum period or any earlier period mutually agreed to by the Government and the investor, the option of redeeming all or part of this issue of Stocks at par on giving not less than three months notice in the Fiji Republic Gazette and at least one daily newspaper circulating in Fiji of its intention to do so and upon expiration of the said three months the principal shall become payable and interest shall cease to accrue.

The Registered Stock Certificate must be presented to the Registrar for payment at maturity.

#### **8. Registration and Transfer of Ordinary Stock**

Stock can be registered in the name of one, two or three individuals, or of corporate bodies, but not in the name of unincorporated trusts, clubs, societies etc.

No notice of any trust, expressed, implied or constructive, in respect of any stock shall be entered on the register, or be received by the registering authority.

Transfer of Fiji Stock must be in multiples of \$50.00. Forms of transfer are obtainable from the Registrar. The Registrar shall not be required to make transfer during a period of 14 days preceding any interest payment date. Transfers are free from Government Stamp duty.

#### **9. Trustee Investment**

Fiji Stock is an authorised investment for trustees in Fiji.

#### **10. Security**

The loan and interest payable on it are a charge on and payable out of the Consolidated Fund of the Fiji Government.

#### **11. Public Debt**

The Government of Fiji domestic debt amounted to \$2,825,767,500.00 on 31 December 2014.

#### **12. Tender Form**

A tender form is attached to this Prospectus.

#### **13. Income Tax**

Interest is subject to normal tax and should be included in returns of income submitted to the Commissioner of Inland Revenue.

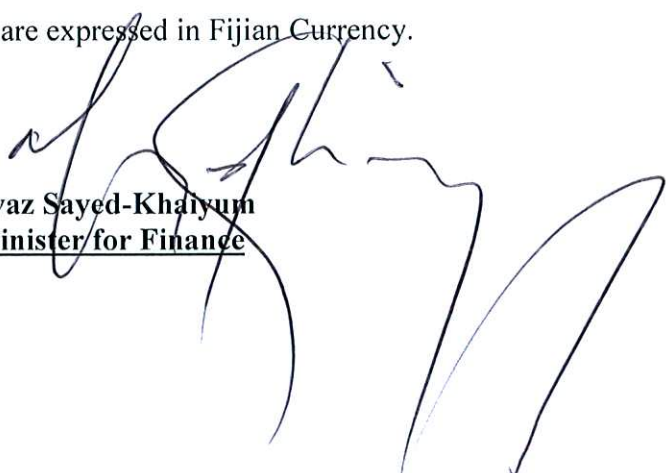
## **12. Registry**

The Registry of the Loan will be at the office of the Reserve Bank of Fiji in Suva, Fiji.

## **13. Over Subscriptions**

The Government of Fiji reserves the right to accept tenders in excess of the amount specified in this invitation to tender, within the limits for loan raising laid down by the Cabinet.

All the amounts in this Prospectus are expressed in Fijian Currency.



**Aiyaz Sayed-Khalil**  
**Minister for Finance**

**Date: 12 January 2015**