

GOVERNMENT OF THE REPUBLIC OF FIJI

PROSPECTUS OF CASH OFFER

VITI BONDS

(Authorised by Parliament via 2019 -2020 Appropriation Act 2019 on 20 June, 2019 the raising of domestic loans totalling \$412,464,563 for approved capital expenditure by the Fijian Government (**“Government”**) from August 2019 to July 2020).

\$10,000,000 TO BE ISSUED BY TENDER WITH FIXED COUPON.

Term	Repayable at Par	Fixed Coupon Rate (per annum)
5 years	30/01/2025	4.00%
7 years	30/01/2027	4.50%
10 years	30/01/2030	5.00%

1. Issuance Method

Viti Bonds (‘Bond or Bonds’) will be issued on tap and available for investment from the date of signed Prospectus until 17 July 2020.

2. Lodgement of Tenders

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 at least one working day before the issue date and between the hours of 9:00am to 3:00pm. Allotment of tenders will be carried out on the same day and bidders will be notified of their results accordingly.

3. Minimum and Maximum Tender Amounts

All tenders will be accepted for a minimum nominal amount of \$1,000 and for multiples of \$1,000 thereafter. Each tender must be for one maturity only and should be made on the tender form attached to the prospectus.

Investments in Viti Bonds are limited to a maximum amount of \$200,000 per investor per financial year.

4. Payment Instructions

Settlement for the full face value of the amount tendered must be made either through a bank cheque made payable to the “Reserve Bank of Fiji”, or with the FIJICLEAR payment system through any of the commercial banks in Fiji (Annex 1).

5. Allotment

Allotment will be made at par. The Government reserves the right to reject any tender or to allot a lesser amount than that tendered for.

Letters of allotment will be despatched on the settlement date.

6. Certificates

Bond certificates will be issued within thirty days of the settlement date.

7. Interest and Repayment

Interest will be paid quarterly each financial year on 30 October, 30 January, 30 April and 30 July until maturity. The first interest will be calculated on a pro-rata basis, from the settlement date to the first interest payment due date using the following formula:

$$\text{Interest amount} = \left[\frac{\text{amount allotted} \times \text{coupon rate}}{4} \right] \times \frac{\text{number of days of accrued interest}}{\text{number of days in quarter}}$$

For example:

Amount Allotted: \$100,000

Settlement Date: 15/04/2020

First Interest Payment Date:
30/04/2020

Coupon Rate: 5.00%

Number of days in the quarter i.e.
number of days from last interest date
to next interest date: 91 days

Number of days of accrued interest i.e.
number of days from settlement date to
first interest payment date: 15 days

Maturity Term: 10 years

Therefore; the first interest payment received by the bondholder will be:

$$\left[\frac{\$100,000 \times 5.00\%}{4} \right] \times \frac{15}{91} = \$206.04$$

Note: Interest thereafter will be \$1,250 every quarter.

Interest due will be paid by the Registrar directly into the bondholder's nominated commercial bank account through the FIJICLEAR payment system. The initial nominated commercial bank account will be the default interest payment account for any additional investment into Viti Bond. In the case of joint bondholders, interest will be paid to the person first named on the tender form. Bondholders may liaise directly with their commercial banks to confirm receipt of funds.

The Bond certificate must be presented to the Registrar for payment at maturity. Bondholders will be notified by post of the pending maturity of their Bond approximately two weeks prior to maturity date. Bondholders are required to notify the Registrar of any changes in address or contact details without delay to assist with the above.

8. Registration of Viti Bonds

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

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

9. Non-Resident Investors

The invitation to purchase Viti Bonds is also extended to non-residents. Non-residents are however required to hold an account with any commercial bank operating in the Republic of Fiji to receive coupon and principal payments.

10. Transfer of Bonds

Bondholders are entitled to sell or transfer their Viti Bonds to any person prior to the maturity date. Transfer of Bonds must be in multiples of \$1,000.

The Reserve Bank of Fiji stands ready to purchase Viti Bonds at par from the bondholder at any time. Transfer forms 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.

Bond transfers are liable for capital gains tax and should be included in income returns submitted to the Fiji Revenue & Customs Service.

11. Income Tax Exemption

Interest income on Viti Bonds are exempt from income tax.

12. Trustee Investment

Viti Bond is an authorised investment for trustees in Fiji.

13. Security

The Bond and interest payable on the Bond are a charge on and payable out of the Consolidated Fund of the Government.

14. Public Debt

The Government domestic debt amounted to \$4,278,488,500 on 31 July 2019.

15. Tender Form

A tender form is attached to this Prospectus.

16. Registry

The Registry of Viti Bonds will be at the office of the Reserve Bank of Fiji in Suva, Republic of Fiji.

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



Aiyaz Sayed-Khaiyum
ATTORNEY-GENERAL & MINISTER FOR ECONOMY

Date: 21 August 2019

Annex 1

Payment Instruction

1. Provide your Viti Bond Tender Form

- Investor to present the completed Viti Bond tender form at Tower 2, Domestic Markets Unit, Reserve Bank of Fiji
- The tender form can also be scanned and sent through email (domesticmarkets@rbf.gov.fj) or courier (Domestic Markets Unit, Reserve Bank of Fiji, Pratt Street, Suva)
- Tender form to be accompanied by a TIN and photo ID

2. Visit your Bank Branch

- Visit your commercial bank branch to transfer funds
- Option 1 - Cheque. Request bank officer to provide bank cheque made payable to the Reserve Bank of Fiji
- Option 2 - FIJICLEAR. Request bank officer that you wish to transfer funds to the Reserve Bank of Fiji through FijiClear. Fill out the necessary forms provided by the bank

3. Transfer Details for FIJICLEAR

- Investment funds to be transferred with the below details
- SWIFT: RBFJFJFA
- Beneficiary Name: Fiji Government Central Account
- Beneficiary Account No: 31501
- Narration: Purchase of Fiji Government Viti Bond

APPLICATION FOR FIJI GOVERNMENT VITI BONDS

VB 2019-2020/1

To: RESERVE BANK OF FIJI, Private Mail Bag, Suva.

Lodgement Date:

Investor Type: ☐ Individual(s) ☐ Corporate Body ☐ Trust

Do you currently have an outstanding investment in Fiji Government Viti Bonds?

☐ YES☐ NO

Investors Details (For Individuals, Surname to be stated first):

1	Mr/Mrs/Miss/Ms (Please state clearly if acting as trustee for a minor): Residential Address: Postal Address (if different from Residential):	Telephone: Mobile: Email:	DOB: / / Occupation: Tax Identification Number (TIN)* <div style="border: 1px solid black; width: 100px; height: 15px; margin: 2px 0;"></div>
2	Mr/Mrs/Miss/Ms (Please state clearly if acting as trustee for a minor): Residential Address: Postal Address (if different from Residential):	Telephone: Mobile: Email :	DOB: / / Occupation: Tax Identification Number (TIN)* <div style="border: 1px solid black; width: 100px; height: 15px; margin: 2px 0;"></div>
3	Mr/Mrs/Miss/Ms (Please state clearly if acting as trustee for a minor): Residential Address: Postal Address (if different from Residential):	Telephone: Mobile: Email:	DOB: / / Occupation: Tax Identification Number (TIN)* <div style="border: 1px solid black; width: 100px; height: 15px; margin: 2px 0;"></div>

* A copy of the TIN letter/card and another valid photo ID (Voter ID, Driving license etc.) must be submitted with the tender form.

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INVESTMENT DETAILS

Minimum investment \$1,000.00/Maximum investment \$200,000.00

Terms & Fixed Coupon Rate (per annum)	Amount	Source of Funds ¹
Tick one: <input type="checkbox"/> 5 years - 4.00% <input type="checkbox"/> 7 years - 4.50% <input type="checkbox"/> 10 years - 5.00%		

¹ As part of the Anti-Money Laundering requirement, please state clearly the source of funds used for this investment.

VB 2019-2020/1

COLLECTION OF VITI BOND CERTIFICATES:

Tick one: ☐ Bank Cheque payable to "Reserve Bank of Fiji" ☐ FIJICLEAR²

☐ Post to above address OR ☐ Collect Over The Counter

OR To (Bank) _____ Branch _____ for safe custody on our behalf.

[illegible]

I/We hereby apply for Fiji Government Viti Bonds upon the terms and conditions set out in the Viti Bond Prospectus dated August 2019.

I/We agree that any personal information about me/us received by the Registrar may be used to offer or provide me/us with information concerning securities issued by the Fijian Government.

1	2	3
Date	Date	Date

Custodian Initials		Date	Comments
1	2		

³ Date and Company Stamp (if applicable)