

GOVERNMENT OF FIJI

TREASURY BILLS – PROSPECTUS

(ISSUE AUTHORISED BY THE FINANCE ACT OF 1981)

ISSUE

1. Treasury Bills are issued under the authority of the Finance Act 1981.
2. The Reserve Bank of Fiji has been appointed to act as the agent of Fiji Government for the purpose of the Finance Act 1981 - Part VI.
3. Issues of Treasury Bills will be made at a discount and may be offered over a range of maturities from 7 days to a maximum of 1 year.

TENDERS

4. Invitations to tender for Bills will be made regularly by the Reserve Bank by announcement in nominated daily newspapers. Each invitation will include details of:
 - ❖ The amount offered and maturity dates of the Bills offered;
 - ❖ The date and closing time of tenders;
 - ❖ Settlement arrangements.

All invitations to the tender and all tenders for the Bills shall be made in terms of and pursuant to this prospectus or any prospectus issued by the Reserve Bank in substitution of this prospectus.

ALL TENDERS WILL BE ACCEPTED AT FIXED COUPON.

5. Tenders will be accepted for a minimum nominal amount of \$250 and for multiples of \$250. Each tender must be for one maturity only and be made on the form attached to the prospectus. There is no maximum limit on the number of tenders made by any investor.

6. Sealed tenders for Treasury Bills (on the special tender form provided) must be lodged in the "TENDER BOX" placed at **Tower 2, Reserve Bank of Fiji, Pratt Street, Suva.**

ALLOTMENT

7. Allotments of Treasury Bills will be made by the Reserve Bank of Fiji within the limits prescribed by the Minister of Finance. Notification will be sent on the same day set aside for the receipt of the tenders to tenderers advising of their allotment.

The Reserve Bank reserves the right to reject any tenders or allot a lesser amount than that tendered for.

SETTLEMENT

8. The settlement price shall be calculated on the basis of the following formula:

$$\text{Price} = \frac{\text{face value tendered}}{1 + (i \times n/365)}$$

where i = annual percentage yield tendered/100

n = days to maturity

Payment for Bills allotted must be made by cheque drawn on the Reserve Bank of Fiji, before 12.00 p.m. on the first business day after allotment.

REDEMPTION

9. Treasury Bills will be redeemed on the due date for the face value. If maturing on a weekend or statutory holiday then the Bills will be payable the first working after such holiday.

In the event the Government wants to redeem Treasury Bills before the maturity date, it may do so at a mutually agreed price between the Government and the investor.

TRANSFER OF TREASURY BILLS

10. Treasury Bills can be issued to order or bearer. Transfers of Bills can be made in multiples of \$250, by endorsement and delivery in the case of those issued to order, and by delivery if issued to bearer.
11. Treasury Bills may be presented to the Reserve Bank of Fiji for re-issue in smaller denominations totalling the original amount and on the original terms.

RE-DISCOUNTING

12. The Reserve Bank of Fiji may provide re-discount facilities for Treasury Bills.

GENERAL

13. Treasury Bills are an authorised investment for Trustees in Fiji.
14. The principal money represented by Treasury Bills issued under the Finance Act of 1981 are a charge on the Consolidated Fund of the Fiji Government.

**Reserve Bank of Fiji
Fiscal Agent, Government of Fiji
November 2009**