

**GOVERNMENT OF FIJI**  
**PROSPECTUS OF CASH OFFER**

**VITI BONDS**

(Authorised by the Cabinet in the National Budget on 08<sup>th</sup> November 2013, the raising of domestic bonds totalling \$230,235,100 for approved capital expenditure by the Government of Fiji during 2014.)

**\$10,000,000.00 TO BE ISSUED BY TENDER WITH FIXED COUPON.**

Term	Repayable at Par	Fixed Coupon Rate (per annum)
5 years	30/06/2019	4.00%
7 years	30/06/2021	4.50%
10 years	30/06/2024	5.00%

**1. Issuance Method**

Viti Bonds will be issued on tap and available for investment on 03 February 2014 until 15 December 2014.

**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 Reserve Bank at least one working day before the issue date and between the hours of 9.00am to 12.00pm. 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 \$1,000.00 and for multiples of \$1,000.00 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 outstanding amount of \$200,000.00 per investor.

**4. Payment**

A separate bank 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.

**5. Allotment**

Allotment will be made at par. The Government of Fiji 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**

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

**7. Interest and Repayment**

Interest will be paid quarterly each year on 30 March, 30 June, 30 September and 30 December until maturity. The first interest will be calculated on a pro-rata basis, from the settlement date to the first interest payment due date. For example;

Amount Allotted - \$100,000.00	Settlement Date – 15/06/2012
First Interest Payment Date – 30/06/2012	Coupon Rate – 5.00%
Maturity Term – 10 years	
Number of days from Settlement Date to First Interest Payment Date – 15 days	

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

$$\left[ \frac{\$100,000.00 * 5.00\%}{365} \right] * 15 \text{ days} = \$205.48.$$

Note: Interest thereafter will be \$1,250.00 every quarter.

Interest due will be paid by the Registrar directly into the bondholder's nominated commercial bank account through the FIJICLEAR Payments System. 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 Viti Bond certificate must be presented to the Registrar for payment at maturity. Bondholders will be notified by post of the pending maturity of their Viti 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 \$1,000.00.

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.

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 Commissioner of Inland Revenue.

## **11. Income Tax Exemption**

Interests on Viti Bonds are exempt from normal tax.

## **12. Trustee Investment**

Viti Bond is an authorised investment for trustees in Fiji.

## **13. Security**

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

## **14. Public Debt**

The Government of Fiji domestic debt amounted to \$2,737,864,500.00 on 31 December 2013.

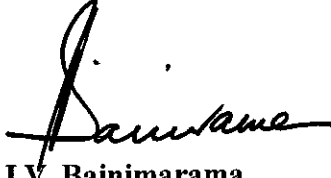
## **15. Tender Form**

A tender form is attached to this Prospectus.

## **16. Registry**

The Registry of the Viti Bond 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.



**J.V. Bainimarama**  
**Prime Minister and Minister for Finance**

**Date: 07 January 2014**