

RESERVE BANK OF FIJI



RESERVE BANK OF FIJI NOTES PROSPECTUS

ISSUE:

1. The RBF Notes are issued under the authority of the Reserve Bank of Fiji Act 1983 and RBF [Amendment] Decree, 1989.
2. Issues of RBF Notes will be made at a discount and may be offered over a range of maturities.

TENDERS:

3. Invitation to tender for Notes will be made by the Reserve Bank by announcement in nominated daily newspapers and through electronic mail. Each invitation will include details of:
 - (i) the amount offered and maturity dates of Notes offered not exceeding 365 days from date of issue;
 - (ii) the date and closing time for tenders;
 - (iii) settlement arrangements.

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

4. Tenders will be received in multiples of \$10,000 (face value) and the minimum tender will be for \$50,000 (face value). Each tender must be submitted on a percentage yield per annum basis and must be expressed to the second decimal place (e.g. 5.17%, 4.05%, 3.50%). 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.

5. Sealed tenders for RBF Notes (on the special form provided) must be lodged at the Reserve Bank of Fiji, Pratt Street, Suva and placed in the special tender box at Tower 2 between the hours of 9.00am and 11.00am on the day of the tender.

ALLOTMENT:

6. Allotments of RBF Notes will be made at the discretion of the Bank. The Reserve Bank reserves the right to reject any tender or to allot a lesser amount than that tendered for. Once placed, tenders cannot be retracted or changed. Notification will be sent, on the same day set aside for the receipt of tenders, to tenderers advising of their allotment.
7. The RBF reserves the right to accept tenders less than or in excess of the amount in the invitation to tender.

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 $i = \frac{\text{annual percentage yield tendered}}{100}$
 $n = \text{days to maturity.}$

Payment for Notes allotted must be made by FIJICLEAR on the Reserve Bank of Fiji, before 1.00pm on the day of allotment. Successful tenders will be informed when to collect their RBF Notes Certificates from the Reserve Bank of Fiji.

REDEMPTION:

9. RBF Notes will be redeemed on the due date for the face value only on presentation of the Note Certificate to the Domestic Markets Unit, Financial Markets Department, Reserve Bank of Fiji, Suva. If maturing on a weekend or statutory holiday then the Notes are payable the first working day after such holiday.

ISSUE & TRANSFER OF NOTES:

10. RBF Notes will be issued to order. The issue date will be the settlement date of this issue. Transfers of Notes can be made in multiples of \$10,000 [minimum] by endorsement and delivery.
11. RBF Notes may be presented to the Reserve Bank of Fiji for reissue in smaller denominations totalling the original amount and on the original terms.

GENERAL:

12. The Reserve Bank of Fiji Notes will qualify under Section 43 of the RBF Act 1983 for Unimpaired Liquid Assets Ratio.
13. The RBF may at its discretion offer to redeem the Notes by tender before the due date by advertisement.
14. Interest is subject to normal tax and should be included in returns of income submitted to the Commissioner of Inland Revenue.

Sada Reddy
Governor

Date: 19 MAY 2010