

GOVERNMENT OF THE REPUBLIC OF FIJI

TREASURY BILLS – PROSPECTUS

(ISSUE AUTHORISED BY THE FINANCIAL MANAGEMENT ACT 2004)

ISSUE

1. Treasury Bills are issued under the authority of the Financial Management Act 2004.
2. The Reserve Bank of Fiji (**'Bank'**) has been appointed to act as the agent of the Government of the Republic of Fiji (**'Government'**) for the purpose of the Financial Management Act 2004 – Part 9.
3. Issues of Treasury Bills will be made at a discount and may be offered over a range of maturities from 14 days to a maximum of 364 days (**'Bills'**).

TENDERS

4. Invitations to tender for Bills will be made regularly by the Bank by announcement via electronic mails, in nominated daily newspapers and/or other media forms. 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 Bank in substitution of this prospectus.

5. Tenders will be received on a competitive or non-competitive basis as follows:
 - ❖ Competitive tenders will be received in multiples of \$10,000 (face value) and the minimum tender will be \$10,000 (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% or 4.05%). 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 in multiples of \$250 for a minimum amount of \$250 (face value) up to a maximum amount of \$100,000 (face value). Non-competitive tenders will be limited to one tender per maturity. These tenders will be accepted at the weighted average annual yield of the accepted competitive tenders.

6. All tenders must be emailed to tender-markets@rbf.gov.fj.

With an exception to commercial banks, direct payment of tenders for the full **Face Value** of the tendered amount must be made through FIJICLEAR through any of the commercial banks in Fiji and must accompany all tender forms lodged.

The transfer details for FIJICLEAR are provided below:

- SWIFT: RBFJFJFA
- Beneficiary Name: Fiji Government Securities Proceeds & Refunds
- Beneficiary Account No.: 36019
- Narration: Purchase of Treasury Bills

ALLOTMENT

7. Allotments of Treasury Bills will be made by the Bank within the limits prescribed by the Minister for Economy. Letters of allotment or unsuccessful tenders will be dispatched on the issue date together with refunds amounts settled through FIJICLEAR.

For competitive tenders, allotments will be made in ascending order of annual percentage yield tendered. The Bank reserves the right to accept tenders less than or in excess of the amount in the invitation to tender. In the event of an under subscription in tenders, the Bank may accept for its own account the balance of Treasury Bills not allotted by tender at the weighted average yield of allotted competitive tenders. However, if no competitive bids are allotted, the Bank may use the yield for the relevant maturities as per the latest yield curve published by the Bank.

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 to the Bank through FIJICLEAR before 12.00 p.m on the issue day.

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 on the first working day 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 Bank for re-issue in smaller denominations totalling the original amount and on the original terms.

GENERAL

12. Treasury Bills are authorised investment for Trustees in Fiji.
13. The loan and interest payable on it are a charge on and payable out of the Consolidated Fund of Government.
14. Interests on Treasury Bills are exempt from income tax with an exception to Financial Institutions.
15. All the amounts in this Prospectus are expressed in Fijian Currency.



Aiyaz Sayed-Khaiyum
ATTORNEY-GENERAL & MINISTER FOR ECONOMY

Date: 6 August 2022