CENTRAL BANK of SOLOMON ISLANDS

BOKOLO BILLS PROSPECTUS
Revision: 1/2026
Effective Date: 26 November 2026

Issued pursuant to Section 12 of the Central Bank of Solomon Islands 2012.

1. Introduction

The Central Bank of Solomon Islands (CBSI) issues Bokolo Bills pursuant to Section 12 of the CBSI Act 2012 as a monetary policy instrument to support monetary operations.

This Prospectus sets out the terms and conditions governing the tenor, issuance, subscription, allotment, registration, transfer, interest rates, and repayment of the Bokolo Bills.

All participants are required to comply with the provisions of this Prospectus and the conditions specified in each issuance announcement.

2. Bokolo Bills on Offer and Tenor Structure

2.1 Bokolo Bills are short-term securities issued by CBSI.
2.2 The standard tenor is seven (7) days, with issuance conducted weekly.
2.3 CBSI may suspend or vary the weekly issuance schedule. Any suspension or variation will be communicated to participants through an official CBSI notice.
2.4 CBSI may offer Bokolo Bills with alternative tenors. Any alternative tenor will be specified in the relevant issuance announcement.

3. Eligible Participants

3.1 Participation in the Bokolo Bills facility is restricted to commercial banks and other deposit-taking institutions licensed and regulated by CBSI, subject to CBSI approval.
3.2 CBSI determines and approves the institutions eligible to participate in the Bokolo Bills. Approved institutions will be formally notified by CBSI.

4. Issuance Announcements and Application

4.1 CBSI will issue an announcement at least two (2) business days before the scheduled allotment date.
4.2 Each issuance announcement will specify:

a. Issuance series number;
b. Tenor
b. Subscription closing;
c. Applicable interest rate;

e. Settlement date; and
f. Maturity.

4.3 Applications must be submitted through the designated CBSI email address or the Central Securities Depository (CSD) system, as applicable.
4.4 Applications must be received before the deadline specified in the issuance announcement. Late applications will not be accepted unless CBSI determines otherwise.
4.5 If a scheduled issuance date or settlement date falls on a public holiday, CBSI will notify participants of the revised date.

5. Interest Rate and Pricing

5.1 CBSI determines the interest rate applicable to each issuance. The rate will be communicated to participants in the relevant issuance announcement.
5.2 Bokolo Bills are issued at a discount to their face value.
5.3 The purchase price is calculated using the following formula:

$$P = \frac{FV}{1 + \left(\frac{d}{365}\right) i}$$

Where:
P = purchase price
FV = face value
d*= tenor of in calendar days*
i*= annual interest rate expressed as decimal*

5.4 The return earned by the holder is the difference between the face value and the purchase price.
5.5 The purchase price is payable on the settlement date, and the face value is payable on maturity.

6. Subscription and Allotment

6.1 Participants must submit their applications stating the face value of Bokolo Bills they wish to purchase. Applications must be in multiples of SBD 1 million, with a minimum face value of SBD 5 million.
6.3 CBSI will determine the total amount to be allotted for each issuance.
6.4 CBSI reserves the right to accept, reduce or reject subscriptions, in whole or in part, based on the total amount determined for allotment.
6.5 CBSI will notify participants of their respective allotments following the close of the subscription period.

7. Settlement

7.1 Participants must pay the purchase price of their allotted Bokolo Bills on the settlement date specified in the issuance announcement.
7.2 Settlement will be made through the participant's designated settlement account held with CBSI.
7.3 A Bokolo Bill will be considered issued once the allotment has been confirmed and payment has been received by CBSI.
7.4 CBSI may cancel an allotment where the participant fails to settle within the specified period.

8. Registration and Holding Certificates

8.1 CBSI will maintain an official register of Bokolo Bills issued and outstanding.
8.2 Following settlement, CBSI will issue a Certificate of Registration or confirmation letter to each registered participant.
8.3 The Certificate of Registration or confirmation letter will specify:

a. Registered participant;
b. Face value;
c. Issue date;
d. Maturity date; and
e. Applicable interest rate.

8.4 The CBSI register will serve as the official record of ownership of Bokolo Bills.
8.5 Participants may contact the designated CBSI officers to verify their holdings.

9. Transfer of Bokolo Bills

9.1 A registered participant may transfer its Bokolo Bills to another eligible participant, subject to CBSI approval.
9.2 Transfers must be submitted to CBSI using the prescribed instrument of transfer, signed by both parties.
9.3 CBSI will update its register upon approval and completion of the transfer.
9.4 Following registration of the transfer, CBSI will issue an updated Certificate of Registration to the transferee and, where applicable, to the transferor for any remaining balance.

10. Repayment at Maturity

10.1 Bokolo Bills are redeemable at face value on their maturity date.
10.2 On maturity, CBSI will credit the face value to the registered participant's designated settlement account held with CBSI.

11. Amendments and Interpretation

11.1 CBSI may amend this Prospectus in accordance with the applicable approval requirements.
11.2 CBSI will notify all registered participants of any amendments before they take effect.
11.3 Any amendment will not affect the terms of Bokolo Bills already issued unless otherwise agreed with the affected registered participants or required by law.

12. CBSI Contact and Enquiries

For enquiries relating to Bokolo Bills, participants may contact:

Doreen Monogari, Senior Analyst - email: dmonogari@cbsi.com.sb
Justin Asau, Debt Analyst - email: jasau@cbsi.com.sb

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