

CENTRAL BANK of SWAZILAND

APPLICATION FOR GOVERNMENT TREASURY BILLS

This Tender must be delivered by hand to the Central Bank before 10:00 hrs the morning of the auction day and a time-dated receipt must be obtained.

To: Investment & Exchange Department, Central Bank Swaziland

3rd Floor Emntsholi Building, Mbabane, Swaziland

From: **(Primary Dealer)**

Pursuant to the terms and conditions of the Framework document dated 22, October 2003, we hereby offer to purchase the following bills:

Auction Date	Settlement Date	Maturity Date	Tenor (days to maturity)	Local Code #	ISIN Code #

In the amounts indicated in parts A., B. and C. below.

A. COMPETITIVE TENDER BIDS FOR OWN ACCOUNT (Minimum bid; Emalangeni 5,000,000)

Bid Number	For Own Account	Nominal Amount (to nearest Emalangeni 1,000,000 e.g. 6,000,000)	Bid Discount (%) (to 3 decimal points e.g. 8.354%)
1.			
2.			
3.			
4.			
5.			
6.			
7.			

B. COMPETITIVE TENDER BIDS FOR CLIENT ACCOUNTS (Minimum bid; Emalangeni 5,000,000)

Bid Number	Name of Client	Nominal Amount (to nearest Emalangeni 1,000,000 e.g. 6,000,000)	Bid Discount (%) (to 3 decimal points e.g. 8.350%)
CC-1.			
CC-2.			
CC-3.			
CC-4.			
CC.5			

Note: In the Tables above, yield should be quoted per annum on a discount basis and must be expressed with three decimal places. Each submitted bid above will be treated separately. Please use additional forms if necessary. The Central Bank will use the following formulae in calculating yield and going from yield to price.

$D = (F-P)/F \times 365/t$ and $P = F \times (1 - (t \times D)/365)$ (D expressed as a decimal) where:

D = discount as a %
F = face value of the Treasury bill
P = price per 100
t = actual number of days remaining to maturity

C. NON- COMPETITIVE TENDER BIDS (Minimum bid; E10, 000)

Bid Number	Name of customer	Amount of Bid (to nearest Emalangeni 10,000 e.g. 70,000)
N-C 1.		
N-C 2.		
N-C 3.		
N-C 4.		
N-C 5.		
N-C 6		

You are hereby authorized to debit the cost of the bills allotted against our settlement account with you.

Names of contact persons:	
Signatures:	
Address:	
Telephone No:	
Fax No.:	Date:

Instructions:

Step one: Identify yourself by filling in your primary dealer's name on page 1.

Step two: Identify the issue you are bidding for by filling in the details in the first table on page 1. All this information will be in the "Tender announcement" issued approximately one week in advance of the tender itself.

Step three: Enter bids for your own account in table A. Use another form if you have more than 7 bids. **Remember minimum bid is E5 million.**

Step four: Enter competitive bids on behalf of your clients in table B. Use another form if you have more than 5 bids. **Remember minimum bid is E5 million.** Please identify each client by name in column two. This is so bills won can be properly registered.

Step five: Enter non-competitive bids on behalf of your clients in table C. Use another form if you have more than 6 bids. Remember minimum bid is **E10, 000 and in multiples of E10,000.** Please identify each client by name in column two so the bills can be properly registered.

Step six: Please complete and sign the authorization box on page 2.

Primary Dealers will be notified of their winning bids as soon as possible after the Auction. Primary Dealers should then inform their clients.

Payment for bills won must be credited to the Primary Dealer's designated settlement account at the Central Bank before 12:00 noon on the settlement day (normally the Friday after the tender.) The CBS will maintain a registry of bills as per the names shown on these bidding sheets. Primary Dealers should inform the Central Bank of any subsequent secondary market activity so that the registry can be kept up to date.