

**BANKI  
KUU YA  
KENYA**

**CENTRAL  
BANK OF  
KENYA**

**RE-OPENING OF TREASURY BOND**

**ISSUE NO. FXD 1/2010/25**

**DATED JULY 26, 2010**

**An opportunity to invest in Government of Kenya 25-Year Fixed Coupon Treasury Bond**

The Central Bank of Kenya as a fiscal agent for the Republic of Kenya invites bids for the above bond whose terms are as follows:-

1. **Issuer** : Republic of Kenya
2. **Amount** : Upto Kshs **15 Billion**
3. **Purpose** : Budgetary Support
4. **Period of Sale** : **13/07/2010 to 20/07/2010**
5. **Value /Payment date** : **26/07/2010**. Bankers cheques payable to CBK must bear the investors' name and CDS account number and must be received by 2p.m. & RTGS payments must be received by 3p.m
6. **Pricing** : Discounted/Par/Premium.
7. **Minimum amount** : Kshs 50,000.00
8. **Issue No./Tenor** : **FXD 1/2010/25 Year**
9. **Coupon Rate** : **11.25%**
10. **Interest payment dates** : 27/12/2010, 27/06/2011, 26/12/2011, 25/06/2012, 24/12/2012, 24/06/2013, 23/12/2013, 23/06/2014, 22/12/2014, 22/06/2015, 21/12/2015, 20/06/2016, 19/12/2016, 19/06/2017, 18/12/2017, 18/06/2018, 17/12/2018, 17/06/2019, 16/12/2019, 15/06/2020, 14/12/2020, 14/06/2021, 13/12/2021, 13/06/2022, 12/12/2022, 12/06/2023, 11/12/2023, 10/06/2024, 09/12/2024, 09/06/2025, 08/12/2025, 08/06/2026, 07/12/2026, 07/06/2027, 06/12/2027, 05/06/2028, 04/12/2028, 04/06/2029, 03/12/2029, 03/06/2030, 02/12/2030, 02/06/2031, 01/12/2031, 31/05/2032, 29/11/2032, 30/05/2033, 28/11/2033, 29/05/2034, 27/11/2034 & 28/05/2035
11. **Eligibility** : Only CDS account holders with updated mandates.
12. **Issuance method** : Multi-Price Bid Auction.
13. **Bids** : All investors are required to complete bond application forms.
14. **Non- competitive bids** : Maximum Kshs. 10 Million per investor per tenor.
15. **Bids Closure** : **2 p.m. on Tuesday July 20, 2010.**
16. **Auction Date** : **21/07/2010.**
17. **Results** : Investors should obtain details of amounts payable for successful bids, from Central Bank on the next working day after the auction.
18. **Redemption date** : **28/05/2035**
19. **Placing Agents** :
  - Commercial Banks
  - Non-Bank Financial Institutions
  - Licensed Stock Brokers
  - Licensed Investment Advisors
20. **Rediscounting** : Possible as a last resort. The bond will be rediscounted at 3% above the higher of prevailing market yield or coupon rate
21. **Liquidity** : The bond qualify for statutory liquidity ratio requirements for commercial banks and non-bank financial institutions
22. **Listing** : The bond will be listed on the Nairobi Stock Exchange.
23. **Re-opening** : The bond may be re-opened at a future date.
24. **Trading** : Secondary trading in multiples of Ksh 50,000 to commence on **Tuesday July 27, 2010.**
25. **Tax** : Discount/interest amount is subject to withholding tax at the rate of 10%
26. **Right to accept applications** : The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.

**For further details contact any of the following:-**

- Your Bank
- Brokers of Nairobi Stock Exchange and Licensed Investment Advisors , CBK Headquarters, CBK Branches in Mombasa, Kisumu and Eldoret or visit our website at [www.centralbank.go.ke](http://www.centralbank.go.ke)