

**BANKI  
KUU YA  
KENYA**



**CENTRAL  
BANK OF  
KENYA**

**TWO AND FIFTEEN -YEAR GOVERNMENT TREASURY BONDS ISSUE NO.  
FXD 2/2011/2 & RE-OPENING OF FXD 2/2010/15 DATED 25/04/2011**

An opportunity to invest in Government of Kenya 2-year & 15-year Fixed Coupon Treasury Bonds.

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

1. Issuer : Republic of Kenya
2. Amount : Up to Kshs **18 Billion**
3. Purpose : Budgetary Support
4. Period of Sale : **05/04/2011 to 19/04/2011**
5. Payment date : **26/04/2011**. Payments below Kshs 1million may be made by Bankers cheques and must be received by 2p.m. Payments above Kshs 1million must be made through RTGS to be received by 3.30pm Please include the following details with your remittance: investors' name, reference no. and CDS account number to be credited to the 'Treasury Bonds Issues account no. 01-053-0001' when using RTGS.
6. Price Quote : Discounted/Premium/Par
7. Minimum amount : Kshs 50,000.00
8. Coupons : 2 - Year - **Market derived**  
15 - Year - **9.00%**
9. Interest payment dates : **2 - Year** 24/10/2011, 23/04/2012, 22/10/2012 and 22/04/2013  
**15 - Year** 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 and 08/12/2025
10. Eligibility : Only CDS accounts holders with updated mandates.
11. Issuance method : Multi-Price Bid Auction.
12. Bids : All investors are required to complete bond application forms.
13. Non-competitive bids : Maximum **Kshs. 20 Million** per investor per tenor.
14. Bids Closure : **2 p.m. on Tuesday April 19, 2011.**
15. Auction Date: **Wednesday April 20nd, 2011.**
16. Results : Thursday April 21st 2011
17. Redemption dates : 2 - Year - **22/04/2013**  
15 - Year - **08/12/2025**
18. Placing Agents :
  - Commercial banks
  - Non-bank Financial Institutions
  - Licensed Stock Brokers
  - Licensed Investment Advisors
19. Rediscounting : The bonds will be rediscounted at 3% above the higher of prevailing market yield or coupon rate
20. Liquidity : The bonds qualify for statutory liquidity ratio requirements for commercial banks and non-bank financial institutions
21. Listing : The bonds will be listed on the Nairobi Stock Exchange.
22. Trading : Secondary trading in multiples of **Kshs 50,000.00** to commence on **Wednesday April 27, 2011.**
23. Tax : Discount/interest amount is subject to withholding tax at rate of **15%** for the 2-yr bond and **10%** for the 15-yr bond.
24. 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.
25. CDS Account Opening : The Central Bank of Kenya has appointed on a pilot basis 5 banks namely Kenya Commercial Bank, Equity Bank, National Bank, Co-operative, Bank and Kenya Post Office Savings Bank To facilitate opening of CDS accounts receiving bid application forms and payment for successful bids.

**For further enquiries please contact:-** Central Bank, Head office our Branches in Eldoret, Kisumu & Mombasa and our currency centres in Nyeri, Nakuru & Meru or any commercial bank, investment bank, stock broker or email to [NDO@centralbank.go.ke](mailto:NDO@centralbank.go.ke) or visit our website [www.centralbank.go.ke](http://www.centralbank.go.ke)