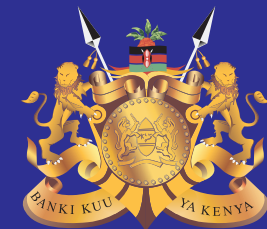


## IMPORTANT INFORMATION

The bond attracts Accrued Interest (AI) of Ksh.0.423 per Ksh 100. the settlement price is the clean price (Ksh.97.107) plus

AI (Ksh.0.423) which gives Ksh.97.530.



# **PROSPECTUS FOR GOVERNMENT OF KENYA TAP SALE OF INFRASTRUCTURE BOND**

---

**12-YEAR AMORTIZED BOND TAP SALE**

**ISSUE NO. IFB 1/2015/12**

---

**TOTAL VALUE: UP TO KSHS 25 BILLION**

---

**APRIL 2015**

*For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or any Central Bank of Kenya Branch in Mombasa, Kisumu or Eldoret or any of our currency centres in Meru, Nyeri, Nakuru or send an email to [NDO@centralbank.go.ke](mailto:NDO@centralbank.go.ke) or visit the CBK website on [www.centralbank.go.ke](http://www.centralbank.go.ke)*

## TAP SALE OF IFB 1/2015/12

The Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for Tap Sale of the above bond on a **first-come-first-served** basis. The terms and conditions are as follows:-

<b>Issuer</b>	: Republic of Kenya																								
<b>Amount</b>	: Up to Kshs. <b>25 Billion</b>																								
<b>Purpose</b>	: For final funding of Infrastructure projects in the following sectors: Transport(medium-term)-Kshs.20,000mn, Transport(long-term)-Kshs19,118.43mn and Energy-Kshs. 10,967mn																								
<b>Tenor</b>	<b>Twelve-year</b>																								
<b>Coupon</b>	: <b>11.000%</b> paid semi-annually on outstanding principal amount.																								
<b>Period of sale</b>	: <b>01/04/2015</b> to <b>08/04/2015</b> or on attainment of quantum, whichever comes first.																								
<b>Pricing</b>	: The tap bids shall be priced at the weighted average rate for successful bids for the initial auction value dated <b>30/03/2015</b> with adjustment for time to maturity. The bids for this tap sale will therefore be allotted at the fixed yield rate of <b>11.556%</b> per annum at the price stated below.																								
<b>Value Date and price</b>	: <b>13th April 2015- Ksh.97.530</b>																								
<b>Minimum Amount</b>	: <b>Kshs. 100,000.00</b> and multiples of Ksh.50,000 thereafter.																								
<b>Interest Payment Dates:</b>	<table><tr><td>28/09/2015</td><td>23/09/2019</td><td>18/09/2023</td></tr><tr><td>28/03/2016</td><td>23/03/2020</td><td>18/03/2024</td></tr><tr><td>26/09/2016</td><td>21/09/2020</td><td>16/09/2024</td></tr><tr><td>27/03/2017</td><td>22/03/2021</td><td>17/03/2025</td></tr><tr><td>25/09/2017</td><td>20/09/2021</td><td>15/09/2025</td></tr><tr><td>26/03/2018</td><td>21/03/2022</td><td>16/03/2026</td></tr><tr><td>24/09/2018</td><td>19/09/2022</td><td>14/09/2026</td></tr><tr><td>25/03/2019</td><td>20/03/2023</td><td>15/03/2027</td></tr></table>	28/09/2015	23/09/2019	18/09/2023	28/03/2016	23/03/2020	18/03/2024	26/09/2016	21/09/2020	16/09/2024	27/03/2017	22/03/2021	17/03/2025	25/09/2017	20/09/2021	15/09/2025	26/03/2018	21/03/2022	16/03/2026	24/09/2018	19/09/2022	14/09/2026	25/03/2019	20/03/2023	15/03/2027
28/09/2015	23/09/2019	18/09/2023																							
28/03/2016	23/03/2020	18/03/2024																							
26/09/2016	21/09/2020	16/09/2024																							
27/03/2017	22/03/2021	17/03/2025																							
25/09/2017	20/09/2021	15/09/2025																							
26/03/2018	21/03/2022	16/03/2026																							
24/09/2018	19/09/2022	14/09/2026																							
25/03/2019	20/03/2023	15/03/2027																							
<b>Taxation</b>	: Discount/interest will be tax free as provided for under the Income Tax Act.																								

<b>Redemption Structure</b>	: <b>22nd March, 2021- 39.932%</b> of outstanding principal amount. <b>18th March, 2024- 63.547%</b> of outstanding principal amount. <b>15th March, 2027 - 100%</b> - Final Redemption of all outstanding amounts
<b>Amortization Amount</b>	: Any outstanding amount up to Kshs. 1.0 million per CDS account at the time of amortization will be redeemed in full.
<b>Issuing and Paying Agent</b>	: Central Bank of Kenya
<b>Placing Agents</b>	: Commercial Banks, Non-Bank Financial Institutions, Licensed Stock Brokers and Licensed Investment Advisors
<b>Auction Method</b>	: Tap
<b>Non-Competitive Bids</b>	: Maximum <b>Kshs 20 Million</b> per investor.
<b>Bids Closure</b>	: Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box by <b>2.00 p.m on Wednesday, 8th April, 2015.</b>
<b>Auction Date</b>	: <b>Wednesday, 08/04/2015</b>
<b>Results</b>	: Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>Thursday, 09/04/2015.</b>
<b>Payments</b>	: Payments must be received by Central Bank by 2.00pm on <b>Monday,13/04/2015.</b>
<b>Eligibility</b>	: Only CDS Account holders whose accounts are active.
<b>Secondary Trading</b>	: Secondary trading to commence on <b>Tuesday,14th April 2015.</b>
<b>Right to accept applications:</b>	The Central Bank reserves the right to accept bids in full or part thereof or reject them in total without giving any reason.
<b>Terms and conditions</b>	: Other terms and conditions remain unchanged as outlined in the initial prospectus.