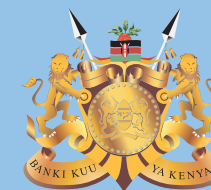


**PRICE GUIDE FOR THE 10- YEAR FIXED COUPON BOND  
RE-OPEN TREASURY BOND ISSUE FXD1/2013/010.**

YIELD(YTM)	CLEAN PRICE	YIELD(YTM)	CLEAN PRICE
9.000%	119.462	13.625%	93.816
9.125%	118.651	13.750%	93.233
9.250%	117.848	13.875%	92.654
9.375%	117.051	14.000%	92.081
9.500%	116.262	14.125%	91.512
9.625%	115.481	14.250%	90.949
9.750%	114.706	14.375%	90.390
9.875%	113.938	14.500%	89.836
10.000%	113.177	14.625%	89.287
10.125%	112.423	14.750%	88.742
10.250%	111.675	14.875%	88.202
10.375%	110.935	15.000%	87.667
10.500%	110.201	15.125%	87.136
10.625%	109.473	15.250%	86.610
10.750%	108.752	15.375%	86.088
10.875%	108.037	15.500%	85.571
11.000%	107.329	15.625%	85.058
11.125%	106.627	15.750%	84.550
11.250%	105.932	15.875%	84.045
11.375%	105.242	16.000%	83.545
11.500%	104.559	16.125%	83.049
11.625%	103.881	16.250%	82.558
11.750%	103.210	16.375%	82.070
11.875%	102.544	16.500%	81.587
12.000%	101.885	16.625%	81.108
12.125%	101.231	16.750%	80.632
12.250%	100.583	16.875%	80.161
<b>12.371%</b>	<b>99.961</b>	17.000%	79.694
12.500%	99.303	17.125%	79.230
12.625%	98.672	17.250%	78.770
12.750%	98.046	17.375%	78.315
12.875%	97.426	17.500%	77.863
13.000%	96.811	17.625%	77.414
13.125%	96.202	17.750%	76.970
13.250%	95.598	17.875%	76.529
13.375%	94.999	18.000%	76.092
13.500%	94.405	18.125%	75.658

**IMPORTANT INFORMATION**

The Bond attracts Accrued Interest (AI) of Ksh 1.903 per Ksh 100. Withholding tax is computed on clean prices. Example: If yield quoted is 12.371%, settlement price is the clean price (Ksh 99.961) plus AI (Ksh 1.903) which gives Ksh 101.864.



**CENTRAL BANK OF KENYA**

**PROSPECTUS FOR TWO YEAR &  
TEN YEAR (RE-OPEN)  
FIXED COUPON TREASURY BONDS**

**ISSUE NOs. FXD 1/2015/2 & FXD 1/2013/10**

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

**FEBRUARY 2015**

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers 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)

**FXD 1/2015/2 & FXD 1/2013/10**

The Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya invites bids for the above bonds whose terms and conditions are as follows:-

<b>Issuer</b>	:	Republic of Kenya
<b>Amount</b>	:	Up to <b>Kshs.25 Billion</b>
<b>Purpose</b>	:	Budgetary Support
<b>Tenor</b>	:	<b>Two Year-New</b>
	:	<b>Ten Year-Re-open (8.35 years)</b>
<b>Coupon</b>	:	<b>Two Year -Market determined</b>
	:	<b>Ten Year - 12.371%</b>
<b>Period of sale</b>	:	<b>05/02/2015 to 17/02/2015</b>
<b>Value Date</b>	:	<b>23/02/2015</b>
<b>Price Quote</b>	:	Discounted/Premium/Par
<b>Minimum Amount</b>	:	<b>Kshs. 50,000.00</b>
<b>Interest Payment Dates</b>	:	<b>2 -year</b>
		24/08/2015
		22/02/2016
		22/08/2016
		20/02/2017
		<b>10 -year</b>
		29/06/2015    24/12/2018    20/06/2022
		28/12/2015    24/06/2019    19/12/2022
		27/06/2016    23/12/2019    19/06/2023
		26/12/2016    22/06/2020
		26/06/2017    21/12/2020
		25/12/2017    21/06/2021
		25/06/2018    20/12/2021
<b>Taxation</b>	:	Discount/Interest is subject to withholding tax at a rate of <b>15%</b> for 2 year and <b>10%</b> for 10 year.
<b>Redemption Dates</b>	:	<b>2-year - 20/02/2017</b>
		<b>10-year - 19/06/2023</b>
<b>Issuing and Paying Agent</b>	:	Registrar, National Debt.
<b>Placing Agents</b>	:	<ul style="list-style-type: none"> <li>• Commercial Banks</li> <li>• Non-Bank Financial Institutions</li> <li>• Licensed Stock Brokers</li> </ul>
<b>Issuance method</b>	:	Multi-Price Bid Auction.

<b>Non-Competitive Bids</b>	:	Maximum <b>Kshs.20 Million</b> per CDS account per tenor.
<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 Tuesday,17th February 2015.</b>
<b>Auction Date</b>	:	<b>18/02/2015.</b>
<b>Results</b>	:	Investors should obtain details of amounts payable for successful bids, from Central Bank on <b>19/02/2015.</b>
<b>Defaulters</b>	:	Defaulters may be suspended from subsequent investment in government securities.
<b>Commission</b>	:	Licensed placing agents will be paid commission at the rate of <b>0.15%</b> of actual sales (at cost ) net of <b>5%</b> withholding tax.
<b>Rediscounting</b>	:	The Central Bank will rediscount the bonds as a last resort at <b>3%</b> above the prevailing market yield or coupon rate whichever is higher, <b>upon written confirmation to do so from the Nairobi Securities Exchange.</b>
<b>Liquidity</b>	:	The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.
<b>Listing</b>	:	The bonds will be listed on the Nairobi Securities Exchange.
<b>Classification</b>	:	These bonds are benchmark Bonds.
<b>Registrar</b>	:	National Debt, Central Bank of Kenya.
<b>Eligibility</b>	:	Only CDS Account holders with updated mandates.
<b>Re-opening</b>	:	The Bonds may be re-opened at a future date.
<b>Secondary Trading</b>	:	Secondary trading in multiples of Kshs. 50,000.00 to commence on <b>Tuesday, 24th February 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.