



PRESS RELEASE

CENTRAL BANK OF KENYA INTRODUCES LIQUIDITY SUPPORT FRAMEWORK FOR COMMERCIAL AND MICROFINANCE BANKS

The Central Bank of Kenya (CBK) is concerned about the anxiety that continued in the financial sector at the end of last week. This follows the placement of Chase Bank Limited under receivership on April 7, 2016, due to its inability to meet its financial obligations. This followed inaccurate social media reports and the stepping aside of two of its directors.

Although the CBK is confident about the strength of the banking sector, we wish to reinforce our support to the sector.

Consequently, from tomorrow Monday, April 11, 2016, we will avail a facility to any commercial or microfinance bank that comes under liquidity pressures arising from no fault of its own. We will avail this facility for as long as is necessary to return stability and confidence to the Kenyan financial sector.

We have confidence in the rigor and strength of our banking sector and will continue to monitor and oversee full compliance to our laws and regulations. As has also been indicated, firm action will be taken against those who have abused their fiduciary positions of management of our financial institutions.

CENTRAL BANK OF KENYA

April 10, 2016