



**RE-OPENING OF FIFTEEN-YEAR TREASURY BOND ISSUE
NO.FXD1/2013/15 DATED 29/07/2013**

An opportunity to invest in Government of Kenya 15-year Fixed Coupon Treasury Bond

The Central Bank of Kenya acting in its capacity as a fiscal agent for the Republic of Kenya is offering the investing public an opportunity to invest in Fifteen year Fixed Coupon Treasury bond whose terms and conditions are as follows:

1. **Issuer** : Republic of Kenya
2. **Amount** : Upto Kshs**15 Billion**
3. **Purpose** : Budgetary Support
4. **Period of Sale** : **03/07/2013 to 23/07/2013**
5. **Value/Payment date** : **29/07/2013.** Payments above Kshs.1 Million must be made by RTGS, Payments below Kshs 1 Million may be made by Cash, Banker's cheque or RTGS and must reach the Central Bank of Kenya not later than 2 pm on **Monday 29th July 2013** for Cash and Cheques and 3.00 pm for RTGS. Please provide the following details with each payment: Investors' Name, Reference No. and CDS Account Number. The account to be credited when using RTGS is the investor's Virtual Account.
6. **Pricing** : Discounted/Par/Premium.
7. **Minimum amount** : Kshs. 50,000.00
8. **Tenor** : **FifteenYear** (14.65 years to maturity) **re-opening**
9. **Coupon Rate:** **11.250%p.a**
10. **Interest payment dates** : 26/08/2013, 24/02/2014, 25/08/2014, 23/02/2015, 24/08/2015, 22/02/2016, 22/08/2016, 20/02/2017, 21/08/2017, 19/02/2018, 20/08/2018, 18/02/2019, 19/08/2019, 17/02/2020, 17/08/2020, 15/02/2021, 16/08/2021, 14/02/2022, 15/08/2022, 13/02/2023, 14/08/2023, 12/02/2024, 12/08/2024, 10/02/2025, 11/08/2025, 09/02/2026, 10/08/2026, 08/02/2027, 09/08/2027, 07/02/2028
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. 20 Million** per investor.
15. **Bids Closure** : **2 p.m. on Tuesday July23, 2013.**
16. **Auction Date** : **Wednesday,24th July 2013.**
17. **Results** : Investors should obtain details of amounts payable for successful bids, from Central Bank on **25/07/2013.**
18. **Redemption date** : **07/02/2028**
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 qualifies for statutory liquidity ratio requirements for commercial banks and non-bank financial institutions
22. **Listing** : The bond will be listed on the Nairobi Securities Exchange.
23. **Trading** : Secondary trading in multiples of Ksh 50,000 commences on **30th July, 2013.**
24. **Tax** : Discount/interest is subject to withholding tax at rate of **10%.**
25. **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 Securities Exchange and Licensed Investment Advisors, CBK Headquarters, Branches in Mombasa, Kisumu, Eldoret and the Currency Centres in Nyeri, Nakuru&Meru or visit our website at www.centralbank.go.ke