



**RE-OPENING OF TWENTY-YEAR TREASURY BOND ISSUE NO.
FXD1/2012/20 DATED 27/05/2013**

An opportunity to invest in Government of Kenya 20-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 Twenty year Fixed Coupon Treasury bond whose terms and conditions are as follows:

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| 1. Issuer | : | Republic of Kenya |
| 2. Amount | : | Up to Kshs 10 Billion |
| 3. Purpose | : | Budgetary Support |
| 4. Period of Sale | : | 10/05/2013 to 21/05/2013 |
| 5. Value/Payment date | : | 27/05/2013. 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 27th May 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 | : | Twenty Year |
| 9. Coupon Rates | : | 20 - Year - (19.5 years to maturity) - 12.000% p.a re-opening |
| 10. Interest payment dates | : | 20 – Year: 27/05/2013, 25/11/2013, 26/05/2014, 24/11/2014, 25/05/2015, 23/11/2015, 23/05/2016, 21/11/2016, 22/05/2017, 20/11/2017, 21/05/2018, 19/11/2018, 20/05/2019, 18/11/2019, 18/05/2020, 16/11/2020, 17/05/2021, 15/11/2021, 16/05/2022, 14/11/2022, 15/05/2023, 13/11/2023, 13/05/2024, 11/11/2024, 12/05/2025, 10/11/2025, 11/05/2026, 09/11/2026, 10/05/2027, 08/11/2027, 08/05/2028, 06/11/2028, 07/05/2029, 05/11/2029, 06/05/2030, 04/11/2030, 05/05/2031, 03/11/2031, 03/05/2032 and 01/11/2032. |
| 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 May 21, 2013. |
| 16. Auction Date | : | Wednesday, 22nd May 2013. |
| 17. Results | : | Investors should obtain details of amounts payable for successful bids, from Central Bank on 23/05/2013. |
| 18. Redemption date | : | 01/11/2032 |
| 19. Placing Agents | : | <ul style="list-style-type: none"> • 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 28th May, 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