



## FIVE-YEAR AND FIFTEEN-YEAR FIXED COUPON TREASURY BONDS ISSUE NOS. FXD 1/2013/5 & FXD 2/2013/15 DATED APRIL 29, 2013.

### An opportunity to invest in Government of Kenya Five and Fifteen Year Fixed Coupon Treasury Bonds

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 Five & Fifteen year Fixed Coupon Treasury bonds whose terms and conditions are as follows:

1. **Issuer** : Republic of Kenya
2. **Amount** : Upto Kshs **25 Billion**
3. **Purpose** : Budgetary Support
4. **Period of Sale** : **04/04/2013 to 23/04/2013**
5. **Value /Payment date** : **29/04/2013.** 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 April 2013** for Cash and Cheques and 3.30 pm for RTGS. Please provide the following details with each payment: Investor's Name, Reference No. and Portfolio Account Number. The account to be credited when using RTGS is the Virtual Account at Central Bank of Kenya.
6. **Pricing** : Discounted/Par/Premium.
7. **Minimum amount** : Kshs. 50,000.00
8. **Tenors** : **Five Year - New**  
: **Fifteen Year – New**
9. **Coupon Rates** : **5 Year – Market Determined**  
: **15 Year – 12.000% p.a.**
10. **Interest payment dates** : **5 Year:**  
28/10/2013, 28/04/2014, 27/10/2014, 27/04/2015, 26/10/2015, 25/04/2016, 24/10/2016, 24/04/2017, 23/10/2017 and 23/04/2018.  
**15 Year:** 28/10/2013, 28/04/2014, 27/10/2014, 27/04/2015, 26/10/2015, 25/04/2016, 24/10/2016, 24/04/2017, 23/10/2017, 23/04/2018, 22/10/2018, 22/04/2019, 21/10/2019, 20/04/2020, 19/10/2020, 19/04/2021, 18/10/2021, 18/04/2022, 17/10/2022, 17/04/2023, 16/10/2023, 15/04/2024, 14/10/2024, 14/04/2025, 13/10/2025, 13/04/2026, 12/10/2026, 12/04/2027, 11/10/2027 and 10/04/2028.
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 tenor per investor.
15. **Bids Closure** : **2 p.m. on Tuesday April 23, 2013.**
16. **Auction Date** : **Wednesday, 24th April, 2013.**
17. **Results** : Investors should obtain details of amounts payable for successful bids, from Central Bank on **25/04/2013.**
18. **Redemption dates** : **5 Year – 23/04/2018**  
**15 Year – 10/04/2028**
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 bonds qualify for statutory liquidity ratio requirements for commercial banks and non-bank financial institutions
22. **Listing** : The bonds will be listed on the Nairobi Securities Exchange.
23. **Trading** : Secondary trading in multiples of Ksh 50,000 to commence on **Tuesday April 30, 2013.**
24. **Tax** : Discount/interest amount is subject to withholding tax at the rate of **15%** for the 5 year and **10%** for the 15 year bond.
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.
26. **Re-opening** : The Bonds may be re-opened at a future date.

For further details contact any of the following:-

- Your Bank
- Brokers of Nairobi Stock 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](http://www.centralbank.go.ke)