



PRESS RELEASE

IMPERIAL BANK LIMITED (In Receivership)

Further to communication on the appointment of the Kenya Deposit Insurance Corporation (KDIC) to assume the management and control of Imperial Bank Limited pursuant to the provisions of Sections 34 (2) (b) of the Banking Act and Sections 43 and 53(1) of the Kenya Deposit Insurance Act, 2012, the Central Bank of Kenya (CBK) wishes to inform members of the public that the action taken is in accordance with the principle of Prompt Corrective Action to address unsafe banking practice.

As a result of this interventionary action by the CBK, the Capital Markets Authority (CMA) in accordance with the provisions of Section 22A of the Capital Markets Act, has directed the Nairobi Securities Exchange to suspend the introduction to listing and trading of the Corporate Bond issued by Imperial Bank which closed on September 17, 2015. This suspension has been imposed in the public interest and to protect the interests of investors.

The board of directors of Imperial Bank Limited brought to the attention of the CBK inappropriate banking practices that warranted immediate remedial action in order to safeguard the interest of both depositors and creditors. CBK and the board of directors of Imperial Bank Limited are working closely on a feasible resolution mechanism for Imperial Bank Limited (In Receivership). The appointment of KDIC to take control of the management of the bank is intended to provide a platform for KDIC to execute its statutory mandate with the support of the board of directors of Imperial Bank Limited towards restoring the safety and soundness of the bank.

CMA will be working closely with the Board of Imperial Bank and KDIC to ensure all material information is made available to investors to ensure the maintenance of the transparency and orderliness of the capital markets.

CBK assures members of the public that Kenya's banking sector remains safe and robust.

Dr. Patrick Njoroge
GOVERNOR
CENTRAL BANK OF KENYA

Paul Muthaura
AG. CHIEF EXECUTIVE
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