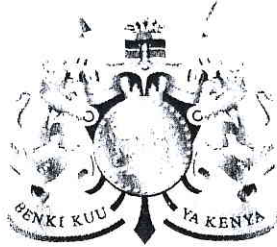


BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

22nd March 2012

Haile Selassie Avenue
P. O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 340192

BANKING CIRCULAR NO 2 OF 2012

TO: CHIEF EXECUTIVES OF COMMERCIAL BANKS

IMPLEMENTATION OF NEW BANKING SYSTEM

The Central Bank of Kenya is in the process of adopting new banking software that is scheduled to go-live on April 2, 2012. A meeting with Treasury Managers and Operations' officers of all commercial banks was held on 13th March 2012 and agreed that as part of go-live preparations the KEPSS system will close at 2.30pm on 30th March 2012 to enable the Bank prepare effectively for migration to the new system. The purpose of this Circular is to inform commercial banks that the **KEPSS Operating Schedule on 30th March 2012 will therefore be as follows:**

Window 1 8.45 AM to 1.30 PM (Initial Cut-Off)

- Participants can send & receive payments (MT102 MT103 & MT202)
- Net settlement instructions.

Window 2 1.30 PM to 2.30 PM

- Closed to new payments except for bank-to-bank and account transfers (MT202)
- Queue clearance and gridlock resolution
- Participants fund their accounts for ILF reversal.

Final cut-off (FCO) 2.30 PM

- No further inputs accepted
- Transaction in queue not settled are rejected
- **System close - 2.30 pm.**

Please note that there will be no window extension and future payment in KEPSS on 30th March 2012.


JACKSON M. KITILI

**DIRECTOR, BANKING SERVICES, NATIONAL PAYMENTS SYSTEM
& RISK MANAGEMENT DEPARTMENT**