



Central Bank of Kenya

**PROSPECTUS FOR RE-OPENED FIFTEEN -YEAR AND
TWENTY -YEAR
FIXED COUPON TREASURY BONDS**

**FXD2/2010/15 , FXD1/2020/15
AND
FXD1/2011/20**

TOTAL VALUE: KSHS 50 BILLION

SEPTEMBER 2020

For enquiries please contact Central Bank of Kenya, Financial Markets Department on 2860000 or our Branches in Mombasa, Kisumu and Eldoret or Nyeri, Meru and Nakuru Currency Centres or any Commercial Bank, Investment Bank, Stock Brokers or send an email to NDO@centralbank.go.ke or visit the CBK website on www.centralbank.go.ke

FXD2/2010/15 , FXD1/2020/15 & FXD1/2011/20

Central Bank of Kenya, acting in its capacity as fiscal agent for the Republic of Kenya, invites bids for the above bonds whose terms and conditions are as follows:-

Issuer	:	Republic of Kenya			
Amount	:	Kshs. 50 Billion			
Purpose	:	Budgetary Support			
Tenor	:	FXD2/2010/15-(5.3 years)			
	:	FXD1/2020/15-(14.5 years)			
	:	FX1/2011/20- (10.7 years)			
Coupon Rate	:	FXD2/2010/15 -9.000% p.a.			
	:	FXD1/2020/15 -12.756% p.a.			
	:	FXD1/2011/20 -10.000% p.a.			
Period of sale	:	31/08/2020 to 15/09/2020			
Value Date	:	21/09/2020			
Price Quote	:	Discounted/Premium/ Par			
Minimum Amount	:	Kshs. 50,000.00			
Interest Payment Dates	:	FXD2/2010/15			
		14/12/2020	12/12/2022	09/12/2024	
		14/06/2021	12/06/2023	09/06/2025	
		13/12/2021	11/12/2023	08/12/2025	
		13/06/2022	10/06/2024		
		FXD1/2020/15			
		22/02/2021	19/08/2024	14/02/2028	11/08/2031
		23/08/2021	17/02/2025	14/08/2028	09/02/2032
		21/02/2022	18/08/2025	12/02/2029	09/08/2032
		22/08/2022	16/02/2026	13/08/2029	07/02/2033
		20/02/2023	17/08/2026	11/02/2030	08/08/2033
		21/08/2023	15/02/2027	12/08/2030	06/02/2034
		19/02/2024	16/08/2027	10/02/2031	07/08/2034
					05/02/2035
		FXD1/2011/20			
		16/11/2020	13/11/2023	09/11/2026	05/11/2029
		17/05/2021	13/05/2024	10/05/2027	06/05/2030
		15/11/2021	11/11/2024	08/11/2027	04/11/2030
		16/05/2022	12/05/2025	08/05/2028	05/05/2031
		14/11/2022	10/11/2025	06/11/2028	
		15/05/2023	11/05/2026	07/05/2029	
Taxation	:	Discount/Interest is subject to withholding tax at a rate of 10% for the three Bonds.			
Redemption Dates	:	FXD2/2010/15 -08/12/2025			
		FXD1/2020/15- 05/02/2035			
		FXD1/2011/20-05/05/2031			
Issuing and Paying Agent	:	Central Bank of Kenya.			
Placing Agents	:	• Commercial Banks			

Issuance method	:	• Non-Bank Financial Institutions
		• Licensed Stock Brokers
		• Licensed Investment Advisors
Non-Competitive Bids	:	Multi-Price Bid Auction.
		Maximum Kshs. 20 Million per CDS account per tenor. This does not apply to State corporations, public universities and Semi-Autonomous Government Agencies.
Bids Closure	:	Duly completed bond application forms must be submitted to any branch of the Central Bank in the specified tender box or via Treasury Mobile Direct (TMD) or CBK internet Banking by 2.00 p.m on Tuesday, 15th September, 2020.
		Wednesday, 16/09/2020.
Auction Date Results	:	Investors should obtain details of amounts payable for successful bids from Central Bank of Kenya on 17/09/2020.
Defaulters	:	Defaulters may be suspended from subsequent investment in Government Securities.
Commission	:	Licensed placing agents will be paid commission at the rate of 0.15% of actual sales (at cost) net of 5% withholding tax.
Rediscounting	:	The Central Bank will rediscount the bonds as a last resort at 3% above the prevailing market yield or coupon rate whichever is higher, upon written confirmation to do so from the Nairobi Securities Exchange.
Liquidity	:	The bonds qualify for statutory liquidity ratio requirements for Commercial Banks and Non-Bank Financial Institutions as stipulated in the Banking Act CAP 488 of the Laws of Kenya.
Listing	:	The bonds will be listed on the Nairobi Securities Exchange.
Classification Eligibility	:	The bonds are benchmark Bonds.
		Only investors with active CDS Accounts with the Central Bank of Kenya.
Re-opening	:	The Bonds may be re-opened at a future date.
Secondary Trading	:	Secondary trading in multiples of KShs 50,000.00 to commence on Tuesday, 22nd September, 2020.
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.