

As guided by the Central Bank of Kenya, Kingdom Bank adopted the Revised Risk Based Credit Pricing Model (RBCPM) for Kenya Shilling (Ksh) denominated local currency variable rate loans, for new facilities. The model applies an effective rate comprising, the KESONIA Rate, plus a customer-specific risk premium ("K"), plus Fees and Charges.

Kingdom Bank wishes to inform all customers with running variable rate, local currency denominated loans that were issued on or before **30th November 2025**, that the new RBCPM will be applied to the outstanding loan balance on their facilities as at **28th February 2026**.

Key Highlights of the New Model:

1. That the base rate for all the existing variable rate (Ksh denominated) facilities will be converted to KESONIA and will henceforth keep changing as published by CBK from time to time with effect from **2nd March 2026**.
2. The KESONIA rate, published by CBK, will serve as the Common Reference Rate. Lending rates for new variable-rate loans will be based on this rate plus a customer-specific risk premium ("K"). This will be in addition to Fees and Charges as provided for in the RBCMP pricing framework by CBK.
3. To avoid disruption in scheduled installment, the bank will where the change leads to a higher installment amount, adjust the tenure of the loan upwards while retaining the scheduled installment amount.
4. The Total Cost of Credit will be fully disclosed in customer offer letters and loan terms and conditions, in line with the CBK requirements.

Thank you for choosing Kingdom Bank. We remain committed to empowering growth, with a strong focus on supporting the MSME sector.

For assistance, please contact your Relationship Manager or visit any Kingdom Bank branch nationwide.



0709 881 300



info@kingdombankltd.co.ke



Kingdom Bank Kenya