

## MONEY &amp; MARKETS

# Chase Bank owners to lose control on sale

**EQUITY** CBK invites bids for a majority stake in the lender

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Chase Bank owners are set to be squeezed out of the industry after the Central Bank of Kenya (CBK) invited bids for a majority stake from local and foreign financial institutions.

Bidders have to submit proposals in three weeks, according to a statement issued by the regulator.

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Interested investors in taking an equity interest in CBL (Chase Bank Limited) are hereby invited to provide an EoI, (Expression of interest) not later than 5pm (East Africa Time) on Friday, April 21, 2017," said CBK in a statement.

The regulator expects to seal

a deal with the successful bidder by the end of quarter one. Chase Bank was placed under receivership in April last year following a run on deposits after reports of liquidity problems spread online.

A sale will reduce main shareholders of the previously fast-growing bank, including former chairman Zaf Khan, into minority owners.

"The process and timing beyond June 26, 2017, will be informed by the structure proposed in the preferred investor proposal, but is currently intended that any resultant transaction will be completed before September 30, 2017," said CBK.

The selected investor would have to inject capital to raise Chase Bank's equity under a restructuring being pursued by the CBK.

CBK said that shareholders

## RECEIVERSHIP

### Bank's journey

Chase Bank was put under receivership on April 7, 2016.

**OPENING** The bank was re-opened on April 27, last year under the management of Kenya Commercial Bank.

**LOSERS** A sale will reduce shares of top owners of the bank, including former chairman Zaf Khan, into minority owners.

of the bank as well as funding creditors had been informed of the process.

CBK has appointed KPMG as its advisors in the process.

The bank was re-opened on April 27, last year, under the management of Kenya Commercial Bank and allowed to do all transactions including



**NAIROBI** Central Bank of Kenya Governor Patrick Njoroge. ---SALATON NJAU

foreign exchanges and issuing loans albeit with reduced activities. To facilitate the sale process, CBK has extended the appointment of Kenya Deposit Insurance

Corporation (KDIC) as a receiver manager for six months from April 7. CBK governor Patrick Njoroge last week said the regulator was committed to returning the bank

## SKILLS

### Bamburi to train 3,500 local artisans

**James Kariuki**

Cement and concrete products maker Bamburi Cement has partnered with the National Construction Authority (NCA) to train 3,500 artisans across Kenya in building and construction.

Bamburi said it will fully fund the 14-week training to take place at 52 centres across the country.

The company's corporate affairs director, Susan Maingi, said The Builders' Academy beneficiaries will be certified and equipped with skills on site planning, drawings, setting-out and foundations, mix designs, causes of building defects and how to avoid them.

"Bamburi Cement's Builders Academy is a direct response to the growing technical skill gap in the country," she said.



## HUNGRY & THIRSTY; WHAT ARE KENYA'S OPTIONS?

**Monday 3<sup>rd</sup> April 2017**  
Moderator - Linus Kaikai

**7:30 - 9:00 p.m. Live on NTV**  
University of Nairobi Auditorium

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