NATIONAL BIOSAFETY AUTHORITY

Operational Capability Criteria

The following matrix sets out the operational capability criteria against which bidder proposals shall be evaluated. Bidders must respond fully to each item; a negative response to a mandatory requirement may lead to disqualification at the preliminary stage.

Criterion	Guiding Notes	Yes/No
Comprehensive list of panel medical consultants/specialists provided	Evidence clearly attached	Yes
Evacuation arrangement clearly stated	Evidence clearly attached	Yes
Service providers/hospitals available in Nairobi and the 46 other counties	Evidence clearly attached	Yes
Medical inpatient cover — overall limit and cover type per category (Cat A: Kshs 2,000,000; Cat B: Kshs 4,500,000; Cat C: Kshs 4,000,000; Cat D: Kshs 3,500,000; Cat E: Kshs 3,000,000)	Clear statements of cover for all categories with no age limit for staff and Board members, within stated limits	Yes
Dental cover provided as indicated, no sub-limit (Board Members & JG E3–A3: Kshs 100,000)	Clear statements of cover for all categories with no age limit for staff and Board members, within stated limits	Yes
Optical cover provided as indicated, no sub-limit (Board Members & JG E3–A3: Kshs 100,000)	Clear statements of cover for all categories with no age limit for staff and Board members, within stated limits	Yes
Maternity cover up to Kshs 200,000 for JG E3–A3	Clear statements of cover for all categories with no age limit for staff and Board members, within stated limits	Yes
Hospital accommodation clearly indicating ward/bed type and limits (Board/CEO/Directors/Deputy Directors: Deluxe rooms, Kshs 30,000; other staff: Private/Standard rooms, Kshs 25,000/20,000)	Should clearly indicate ward/bed type and the limits	Yes

Medical smart cards provided within 3 working days of cover commencement (and for new joiners)	Evidence clearly attached	Yes

Criterion	Guiding Notes	Yes/No
No pre-authorization for consultations where members hold smart cards; preauthorization limited to major treatment	Should clearly indicate	Yes
Flexibility to include other service providers proposed by NBA	Evidence clearly attached on the flexibility	Yes
Members' upper age limit is 75 years	Should clearly stated	Yes
Last expense: Board Members Kshs 100,000; JG E3–A3 Kshs 200,000 for principal member and family	Should clearly provide	Yes
Maternity stand-alone Kshs 200,000 (normal delivery); Caesarean/subsequent Caesarean max Kshs 300,000 within inpatient	Should clearly provide	Yes
Pre-natal, post-natal and pregnancyrelated cases covered within inpatient/outpatient as applicable, not under maternity	Evidence clearly attached	Yes
Gynaecological conditions, including menopause, covered within inpatient and outpatient (full cover)	Should clearly provide	Yes
Disease prevention vaccines covered within inpatient and outpatient, no sublimit	Should clearly provide	Yes
Speech therapy for children within outpatient	Should clearly provide	Yes
Family Planning & Fertility / Impotence Matters	Should clearly provided	Yes

Baby clinic, immunization and vaccination up to 5 years (KEPI and baby-friendly), no sub-limit within outpatient	Evidence clearly attached	Yes
Prescription medicine, no sub-limit	Should clearly stated	Yes
Therapy and chemotherapy, no sub-limit	Should clearly stated	Yes
COVID-19 benefit, no sub-limit	Should clearly stated	Yes
No pre-authorization and no co-pay for consultations where members hold smart cards; pre-authorization limited to major procedures/admissions	Should clearly stated	Yes

Criterion	Guiding Notes	Yes/No
Medical inpatient cover: dental ailments (accidental/non-accidental) covered under sub-limit of Kshs 250,000	Should clearly provide and stay within the stated sub-limit	Yes
Medical inpatient cover: optical ailments (accidental/non-accidental) covered under sub-limit of Kshs 250,000	Should clearly provide and stay within the stated sub-limit	Yes
Congenital and prematurity covered within full inpatient limit, including pregnancy-related complications (Categories B–E)	Should be clearly indicated within full limits	Yes
Pre-existing, chronic, HIV & AIDS covered within full inpatient limit (Categories A–D); conditions clearly spelt out	Should be clearly indicated within full limits — award 10 if met, 0 if not	Yes
Post-hospitalization cover within inpatient limit, sub-limit Kshs 50,000 up to 3 weeks after discharge (Categories A–E)	Should be provided and clearly stated	Yes
COVID-19 related illness hospitalization within inpatient limit, sub-limit Kshs 1,000,000 (Categories A–E)	Should be provided and clearly stated	Yes

List and statement of exclusions clearly outlined with reasons indicated	Should be provided and clearly stated	Yes
Emergency C-Section cover within inpatient limit of Kshs 300,000 (Categories B–E)	Should be provided and clearly stated	Yes
Lodger accommodation cover for children 12 years and below (Categories B–E)	Should be provided and clearly stated	Yes
Group excess of loss for Categories A–E, stand-alone benefit of Kshs 300,000 shared per family	Should be provided and clearly stated	Yes
Psychiatry conditions covered within full inpatient limit (Categories A–E)	Should be provided and clearly stated	Yes
Outpatient: pre-existing, chronic, HIV & AIDS and COVID-19-related illnesses within full outpatient limit (Categories A–E)	Should be provided and clearly stated	Yes
Criterion	**Guiding Notes**	**Yes/No**
Outpatient counselling upon referral within full outpatient limit (Categories A–E)	Should be provided and clearly stated	Yes
General health check-up for member and family , stand alone Kshs 50,000 (Categories A–E)	Should be provided and clearly stated	Yes
Dental benefit — stand-alone, Kshs 100,000 per family (Categories A–E)	Should be provided and clearly stated	Yes
Optical benefit — stand-alone, Kshs 100,000 per family (Categories A–E)	Should be provided and clearly stated	Yes
Last expense — stand-alone, Cat A Kshs 100,000 and (Categories B–E); Kshs 200,000 per member	Should be provided and clearly stated	Yes
Smart medical cards provided within 7 days of commencement (and for midterm joiners)	Should be provided and clearly stated	Yes

Schedule for staff sensitization	Should be provided and clearly stated	Yes

Note: Bidders must respond to all statements above. Any negative response to a mandatory requirement will lead to disqualification at the preliminary evaluation stage.

Full Name**: RICHARD MARISIN**

Title or Designation**: MANAGING DIRECTOR**

15TH SEPTEMBER 2026





PRICE SCHEDULE FORM NATIONAL BIOSAFETY

PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS- UNDERWRITERS ONLY

Based on the information contained in the description of benefit packages, deliverables and technical requirements, we the undersigned herein provided a breakdown of costs as tabulated below as being the final and absolute price **(premium)** for Provision of Medical Insurance Cover for Staff and Board Members- Underwriters Only for a period of twelve (12) months from the date contract commencement **(To be filled on company letterhead).**

SUMMARY OF THE PRICE SCHEDULE

1	2	3	4	5	6	7	8
No of item to be insured	**Description of item to be insured**	**Value of item to be insured**	**Major contingencies requiring insurance**	**Insurance period**	**Insurance Premium per specified period (Tender Price)**	**Price discount (if any)**	**Total Tender Price**
1.	Inpatient	50	Hospitalization due to illness, disease, accident and other covered medical conditions	Twelve (12) months	3,272,209	Nil	3,272,209
2.	Outpatient	50	Outpatient medical treatment, consultations, diagnosis and treatment of illnesses and injuries		4,979,336	Nil	4,979,336
3.	Maternity	50	Pregnancy, childbirth and related maternity complications		1,566,005	Nil	1,566,005
4.	Dental	50	Dental treatment arising from dental conditions, illness or injury		2,053,913	Nil	2,053,913

5.	Optical	50	Optical treatment, eye examinations and related optical services		3,197,642	Nil	3,197,642
6.	Last Expense	50	Death of an insured member and related last expense/funeral expenses		-	-	-
Total Tender Price Before Tax							15,069,106
Add: 0.03% PPRA Capacity Levy							4,521
Add: 16% VAT (If applicable)							219,231
TOTAL TENDER PRICE							15,292,858

Name of Tenderer: **FIDELITY SHIELD INSURANCE COMPANY LIMITED**

Name of the Officer Signing: RICHARD MARISIN

Signature of Tenderer: 

Date: **15TH SEPTEMBER 2026**

Official Rubber Stamp/Seal: 

N/B: This Price Schedule Form shall NOT be modified at all by bidders and shall only be signed by the person whose name appears in the letter of Power of Attorney. Modification of this Price Schedule may lead to disqualification.

14TH SEPTEMBER 2026,

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

Dear Sir/Madam,

COMMITMENT LETTER – NO PREAUTHORIZATION FOR OUTPATIENT SERVICES

REF: PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS-UNDERWRITERS ONLY

TENDER NO. NBA/753/0001/2026-27

We, Fidelity Shield Insurance Company, being the proposed underwriter for the provision of medical insurance cover to the National Biosafety Authority, hereby confirm and undertake that there shall be no preauthorization requirement for all outpatient medical cases covered under the medical insurance scheme.

All eligible beneficiaries shall therefore be able to access outpatient medical services directly from the approved provider network without the need to obtain prior authorization from the underwriter.

We hereby commit to implementing this requirement throughout the contract period in accordance with the terms and conditions of the medical insurance cover.

For and on behalf of
FIDELITY SHIELD INSURANCE COMPANY LIMITED

RICHARD MARISIN

PRINCIPAL OFFICER.

REPUBLIC OF KENYA

OFFICE OF THE DATA PROTECTION COMMISSIONER

Serial N0.: 02965/1

CERTIFICATE OF REGISTRATION

REGISTERED

This certificate is awarded to

FIDELITY SHIELD INSURANCE COMPANY LIMITED

Identification

522-9397-4F1C as a

Data Processor

for a period of two (2) years starting from the date indicated below.

Data Commissioner

Place of Issuance: Kenya. Certifi m 15/06/2026 to 15/06/2028

*NOTE: This an d certificate

REPUBLIC OF KENYA

OFFICE OF THE DATA PROTECTION COMMISSIONER

Serial N0.: 01624/1

CERTIFICATE OF REGISTRATION

REGISTERED

This certificate is awarded to

FIDELITY SHIELD INSURANCE COMPANY LIMITED

Identification

522-9397-4F1C as a

Data Controller

for a period of two (2) years starting from the date indicated below.

Data Commissioner

Place of Issuance: Kenya. Certifi m 08/12/2025 to 08/12/2027

*NOTE: This an d certificate

ZEP-RE
(PTA Reinsurance Company)

MEDICAL EXPENSES QUOTA SHARE REINSURANCE AGREEMENT

Between

FIDELITY SHIELD INSURANCE COMPANY LIMITED
(Hereafter referred to as 'Reinsured')

And

ZEP-RE (PTA Reinsurance Company), NAIROBI, KENYA
(Hereafter referred to as 'Reinsurer')

And

AFRICAN REINSURANCE CORPORATION, NAIROBI, KENYA
(Hereafter referred to as 'Co-reinsurer')

And

KENYA REINSURANCE CORPORATION LIMITED, NAIROBI, KENYA
(Hereafter referred to as 'Co-reinsurer')

ZEP-RE
(PTA Reinsurance Company)

CONTRACTUAL DETAILS

Reinsured	**FIDELITY SHIELD INSURANCE COMPANY LIMITED**
Treaty Leader	**ZEP-RE (PTA REINSURANCE COMPANY)**
Period	Period Losses occurring from policies sold during the period commencing 1st January 2026 and ending on the 31st December, 2026.
Type	**MEDICAL EXPENSES QUOTA SHARE**
Class	In Patient and Out Patient Medical expenses, Dread disease benefits (including Chronic and HIV/AIDS related illnesses), Maternity, Dental, and Optical benefits underwritten by the Reinsured in its Medical department and designated by the department as Medical Insurance.
Territorial Scope	Losses occurring in Kenya and the rest of Africa for policies issued in Kenya. Treatment in India will be strictly on referral.
Treaty Limit	KES 20,000,000 Per Life/Family per annum, other sub limits as per the different benefits apply.
Retention	50% Quota Share of the Treaty Limit, that is, KES 10,000,000
Maximum Cession	50% Quota Share of the Treaty Limit, that is, KES 10,000,000
Reinsurance Commission	20%
Combined Ratio Cap	NIL
Profit Commission	20%, Management Expenses 10%, losses carried forward to 3 years at the close of the underwriting year as per formula shown in Appendix 3
Rates	Original Gross rates
Large Group Referrals	Pricing of any corporates with more than 1,000 lives to be referred to the lead reinsurer for approval. Reinsurer to give approval within 48hrs after full submission of the required information.
Underwriting Audit	Underwriting protocols, systems and processes to be reviewed periodically by lead reinsurer to satisfy sound governance processes.
Claims Audit	Claims management protocols, systems, and processes to be reviewed periodically by lead reinsurer to satisfy sound governance processes.
Tax and other charges	Where applicable as prescribed by the regulator (Insurance Regulatory Authority)

Accounts	To be submitted quarterly after closure of each quarter within 6 weeks of the end of the quarter. Each statement of accounts to be submitted with detailed claims and premiums bordereaux. Details required as set out in Appendix 4.
Sunset Clause	The underwriting year shall be closed 36 months after the inception date, i.e., 12th quarterly account will be the last account and reinsurers will not be liable for any claim or expenses incurred or reported after this period.
Confirmation/Settlement of Accounts	Confirmation within 7 days of receipt of accounts. Balances to be settled by the debtor party 30 days after confirmation of each quarterly account.
Delay in Payment Interest	Interest at 15% of market prime lending rate on balances due from due date to date of payment of overdue balances.
Currency	Contract Currency: Kenyan Shilling (KES) Settlement Currency: Kenyan Shilling (KES)
Exclusions/Conditions	As per original policy wordings as attached in Appendix 5 and in addition: Terrorism exclusion clause Computer Loss General Exclusion Political risks exclusion clause War and civil war exclusion clause Passive War clause Occupational diseases Nuclear energy risks exclusion clause (Reinsurance) (1994) NMA 1975 (a) (World-wide excluding USA and Canada) Ex-Gratia payments: Claim payments made by the reinsured on an ex-gratia basis because they do not fall within the scope of this agreement, or because the specific circumstances of such claims make them inadmissible under this agreement, are not recoverable.
Conditions	Special acceptances to be agreed by the treaty leader All terms and conditions of this reinsurance agreement are subject to the approval of the regulator
Arbitration	The seat of Arbitration shall be Nairobi, Kenya.
Applicable Law	It is understood and agreed that this Reinsurance Agreement (including arbitration tribunals) shall be governed by the Laws of Kenya and the Courts of Law in Kenya will have the sole jurisdiction in all matters relating to this Agreement. However, no indemnity shall apply to compensation for damages in respect of judgements delivered or obtained by a court of competent jurisdiction within the USA or Canada or any of their territories.

Special Acceptances	Special Acceptances to be agreed by the leading Reinsurer only and binding on all following reinsurers. Renewals of special acceptances agreed on previous underwriting year of the treaty to be automatically covered and advised to the leading reinsurer.
Intermediary	None.
Clauses	**CLAUSES ATTACHING TO AND FORMING PART OF THIS AGREEMENT:** Currency Conversion Clause. Inspection of Records Clause Modification to Treaty Clause Inadvertent Delay, Errors and Omissions Clause Self-Insurance Clause The Offset Clause Insolvency Clause Sanctions Limitation and Exclusion Clause
Information	EPI 2025 cession: KES 100,000,000
Signed Lines	ZEP-RE 75% KENYA-RE 20% AFRICA RE 5%

Lucy Nganga
2023.11.28
14:16:58 +03'00'
2023.006.20380

Africa Re's Written Line: 30%

ZEP-RE
(PTA Reinsurance Company)

Executed and signed in Nairobi, Kenya

on ……...

For and on behalf of FIDELITY SHIELD INSURANCE COMPANY LIMITED
In Nairobi, Kenya

and in Nairobi, Kenya

on 27-Nov-2025 ……...

DocuSigned by: C44B1A2437804A2...

DocuSigned by: EFB2254558FF4AB...

DS

For and on behalf of ZEP-RE (PTA Reinsurance Company)
in Nairobi, Kenya

and in Nairobi, Kenya

20% Share

Digitally signed by Elizabeth A Omondi
Date: 2023.11.28 15:17:10 +03'00'

on ……...

For and on behalf of Kenya Reinsurance Corporation)

and in Nairobi, Kenya

on ……...

For and on behalf of Africa Reinsurance Corporation
in Nairobi, Kenya

ZEP-RE
(PTA Reinsurance Company)

CONTRACTUAL WORDING

ATTACHING TO AND FORMING PART OF MEDICAL EXPENSES QUOTA SHARE REINSURANCE AGREEMENT

PREAMBLE

This Agreement is to reinsure a portion of the loss sustained by the Reinsured in respect of all business specified under "Class of Business" in the Contractual Details subject to any clauses, exclusions, special conditions and warranties applying to this Agreement.

Article 1: Reinsuring Clause

The Reinsured shall cede and the Reinsurer agrees to accept by way of Quota Share reinsurance the proportion stated in the Contractual Details (hereinafter called the "Reinsurer's participation") of the business specified in the Contractual Details but not exceeding the treaty limits stipulated therein.

Article 2: Period of Application Clause

This Agreement applies only to losses occurring during the period specified in the Contractual Details, both days inclusive Local Standard Time at the place where the loss occurs.

Article 3: Territorial Scope

The territorial scope of this Agreement is as specified in the Contractual Details.

Article 4: Exclusions

This Agreement shall not cover perils and risks specified in section 23 of the Contractual Details, subject to any special acceptances as defined herein.

Article 5: Extended Expiration Clause

If this Reinsurance Agreement should expire or be terminated while a loss occurrence covered hereunder is in progress it is understood and agreed that, subject to the other conditions of this Reinsurance Agreement, the Reinsurer hereon is responsible as if the entire loss or damage had occurred prior to the expiration of this Reinsurance Agreement, provided that:

a) No part of that loss occurrence is claimed against any renewal of this Reinsurance Agreement.

b) The loss does not exceed a period of 30 days from the date of expiry or termination of this agreement. If the 30-day window is exceeded, the Reinsurer shall be responsible only for losses up to the end of the 30-day window.

This condition shall however not apply to liability losses affecting multiple years.

Article 6: Premium Clause

6.1 Late Payment
Any amounts outstanding after the due date on which settlement is due shall be subject to the payment of interest by the debtor party to the creditor party at the rate stated in the Contractual Details. Late payment Interest shall be calculated on the amount due from the due date to the actual date of payment.

The Debtor party shall bear the Creditor party's loss through currency fluctuation.

Article 7: Currency Conversion Clause
7.1 Currency
The Contract and settlement currencies are specified in the Contractual Details.

7.2 Rates of Exchange
For the purpose of this Agreement currencies other than the currency in which this Agreement is written shall be converted into such currency at the rate of exchange used in the Reinsured's books. Where there is a specific remittance for a loss settlement, the conversion will be at the rate of exchange ruling on the date upon which settlement is effected.

7.3 Additional Charges
All additional charges incurred or to be incurred, including but not limited to bank charges in respect of any payment made after the due date shall be for the account of the Debtor party at the rate prevailing at the due date.

Article 8: Taxes and Deductions from Reinsurance Premium

Taxes and deductions from Reinsurance premium, if any, are as specified in the Contractual Details.

Article 9: Claims Reporting and settlement Clause

9.1 Claims Notification
The Reinsured shall as soon as practicable advise the Reinsurer in writing of any circumstance occurring during the currency of this Agreement which would result in a claim exceeding the amount specified in the Contractual Details and thereafter keep the Reinsurer fully informed of any developments regarding the claim or claims hereunder.

9.2 Claims Co-operation Clause
Whenever a claim or claims arising out of one accident appears likely to exceed the retention or priority or deductible limit stated in the Contractual Details, the course of action to be adopted in connection with the defence or settlement of such claim or claims shall be determined by agreement between the Reinsured and the Reinsurer or the representative of the Reinsurer. The Reinsured shall not without the consent of the Reinsurer or the representative of the Reinsurer litigate any such claim or claims.

Compliance with the terms of this clause shall be a condition precedent to the Reinsurer's liability in respect of any claim under this Agreement.

9.3 Loss Settlement Clause

All loss settlements made by the Reinsured, provided same are within the terms of the original policies and/or contracts and within the terms of this Agreement, shall be unconditionally binding upon the Reinsurer and amounts falling to the share of the Reinsurer shall be payable by them upon reasonable evidence of the amount paid being given by the Reinsured.

9.4 Unsettled Claims Clause.

In respect of the unsettled claims the Reinsured shall supply the Reinsurer as at the end of each quarter with the estimated amount from the ground up of the unsettled claims.

The information to be supplied by the Reinsured shall, in addition to the estimated amount aforementioned, include the Insured's name and date of loss.

This information shall be forwarded to the Reinsurer no later than six weeks from the end of the quarter.

Following cancellation of this Agreement the information above shall be so forwarded to the Reinsurer until all liability under this Agreement shall have been discharged.

Article 10: Offset Clause

Any confirmed balances due by either of the parties to this Agreement, whether they arise out of this Agreement or out of other insurance/reinsurance business relationship between the parties, may be set-off against confirmed balances of the other party. This right shall continue to exist after the termination of this Agreement or of any other insurance/reinsurance business relationship between the parties.

If bankruptcy or liquidation proceedings are initiated in respect of either of the parties to this Agreement, the other party may set off all amounts owing to it, whether they arise out of this Agreement or out of any other insurance/reinsurance business relationship between the parties, against all the amounts due or not yet due for payment by it, whether these arise out of this Agreement or out of any other insurance/reinsurance business relationship between the parties. The same right may be exercised by any party to this Agreement that exercises its right of special termination for any other reason indicated in this Agreement.

Where the Reinsurer has set up a deposit, it may, in the event of bankruptcy or liquidation proceedings being initiated against the Reinsured or in the event of special termination, exercise its rights in respect of the deposit or arising out of the deposit agreement wholly or in part as if they were immediately due debts of the Reinsured, and may set off such debts against any amounts payable to the Reinsured. To the extent that the Reinsurer exercises its right of set-off, it shall waive any rights accorded to it by the deposit agreement.

Article 11: Underwriting Policy Clause

It is a condition precedent to the Reinsurer's liability hereunder that the Reinsured shall not introduce at any time after the Reinsured enters into this Agreement any change in its established acceptance and underwriting policy which may increase or extend the liability or exposure of the Reinsurer hereunder in respect of the classes of business to which this Agreement applies without the prior written approval of the Reinsurer.

Article 12: Change in Law Clause.

In the event of any change in the law by which the Reinsurer's liability hereunder is materially increased, or extended, the parties hereto agree to take up for immediate discussion, a suitable revision in the terms of this Agreement. In the event of failure to agree upon a suitable revision, this Agreement shall operate from the effective date of the change of law as if the change had not occurred, or upon its termination the Reinsurer's liability will not be increased or extended by any change of law affecting this Agreement, which has not been agreed to by the Reinsurer.

Article 13: Inadvertent Delay, Errors and Omissions Clause

Any inadvertent delay, error or omission on the part of either the Reinsured or the Reinsurer shall not relieve the other party from any liability which would have attached to this Agreement, provided that such error or omission is rectified immediately upon discovery and shall not impose any greater liability on the Reinsured or the Reinsurer than would have attached had the error or omission not occurred.

Article 14: Self-Insurance Clause

In respect of self-insurance which may be effected by the Reinsured, the liability of the Reinsurer shall be determined without regard to the legal principle that a person, company or corporation cannot be liable to itself.

Article 15: Incorrect or Incomplete Information Clause

The terms of this Agreement are based on the information supplied by the Reinsured to the Reinsurer prior to the conclusion of this Agreement.

Should the Reinsured have supplied the Reinsurer with information which it knew or should have known to be incorrect or incomplete, this Agreement shall be affected as follows: if the Reinsurer, in possession of the true facts, would have declined to provide Reinsurance, this Agreement shall be void. If the Reinsurer, in possession of the true facts, would have provided Reinsurance but under less advantageous terms, this Agreement shall be modified accordingly with effect from the commencement of this Agreement.

The Reinsurer, if in possession of the true facts, will be deemed to have acted as reasonable Reinsurer would have acted under the same circumstances, unless the Reinsured is able to show otherwise.

Article 16: Inspection of Records Clause

The Reinsured shall, upon request by the Reinsurer, make available at the Reinsured's head office or wherever the same may be located, for inspection at any reasonable time by such representatives as may be authorised by the Reinsurer for that purpose, all information relating to business reinsured hereunder in the Reinsured's possession or under its control and the said representatives may arrange for copies to be made at the Reinsurer's expenses of any of the records containing such information as they may require.

It is agreed that the Reinsurer's right of inspection shall continue as long as either party has a claim against the other arising out of this Agreement.

Article 17: Modification to Treaty Clause

Any mutually agreed modification of the terms and conditions of this Agreement, whether by Addendum or correspondence, shall be deemed to be binding upon the parties hereto, and to form an integral part of this Agreement.

Article 18: Special Cancellation Clause

1. Either party shall have the right to terminate this Agreement immediately by giving the other party notice:-

(a) if the performance of the whole or any part of this Agreement be prohibited or rendered impossible de jure or de facto in particular and without prejudice to the generality of the preceding words in consequence of any law or regulation which is or shall be in force in any country or territory or if any law or regulation shall prevent directly or indirectly the remittance of any or all or any part of the balance of payments due to or from either party;

(b) if the other party has become insolvent or unable to pay its debts or has lost the whole or any part of its paid-up capital or has any authority to transact any class of business withdrawn, suspended or made conditional;

(c) if there is any material change in the ownership, management or control of the other party;

(d) if the country or territory in which the other party resides or has its head office or is incorporated shall be involved in armed hostilities with any other country whether war be declared or not or is partly or wholly occupied by another power;

(e) if the other party shall have failed to comply with any of the terms and conditions of this Agreement.

2. After the date of any such termination the liability of the reinsurer hereunder shall cease outright other than in respect of individual insured losses which have occurred prior thereto. Liability for

losses in progress at the date of termination shall be dealt with in accordance with the Extended Expiration Clause.

3. All notices of termination in accordance with any of the provisions of this Clause shall be given in writing by Registered Letter, Telex, Telegram, Facsimile or any other permanent means of instantaneous communication and shall be deemed to be served upon despatch or where communications between the parties are interrupted upon attempted despatch.

4. All notices of termination served in accordance with any of the provisions of this Agreement shall be addressed to the party concerned at its head office or at any other address previously designated by that party.

5. Following the termination, the Reinsured may commute any or all of the outstanding liabilities
under this Agreement, subject always to the Reinsurer's agreement and any predecessor Agreement. In the event the Reinsured and the Reinsurers do not agree to a mutually acceptable commutation, the parties respective rights and obligations shall continue as set forth in this Agreement

Article 19: Insolvency Clause

1. Where an insolvency event occurs in relation to a reinsured the following terms shall apply (and, in the event of any inconsistency between these terms and any other terms of the Agreement, these terms shall prevail):

1.1 Notwithstanding any requirement in this Agreement that a Reinsured shall actually make payment in discharge of its liability to its policyholder before becoming entitled to payment from the Reinsurer:

1.1.1 the Reinsurer shall be liable to pay the Reinsured even though the Reinsured is unable to actually pay, or to discharge its liability to, its policyholder; but

1.1.2 nothing in this clause shall operate to accelerate the date for payment by the Reinsurer of any sum which may be payable to the Reinsured, which sum shall only become payable as and when the Reinsured would have discharged, by actual payment, its liability for its current net loss but for it being the subject of an insolvency event.

1.2 The existence, quantum, valuation and date for payment of any sums which the Reinsurer is liable to pay the reinsured under this Agreement shall be those and only those for which the Reinsurer would be liable to the Reinsured if the liability of the Reinsured had been determined without reference to any term in any composition or scheme of arrangement, entered into between the reinsured and all or any part of its policyholders unless and until the Reinsurer serves written notice to the contrary on the Reinsured in relation to any composition or scheme of arrangement.

1.3 The Reinsurer shall be entitled (but not obliged) to off-set, against any sum which it may be liable to pay the reinsured, any sum for which the reinsured is liable to pay the Reinsurer.

2. An insolvency event shall occur if:

2.1 (in relation to 1.1, 1.2 and 1.3 above) a winding up petition is presented in respect of the Reinsured or a provisional liquidator is appointed over it or if the Reinsured goes into administration, administrative receivership or receivership or if the Reinsured has a scheme of arrangement proposed in relation to all or any parts of its affairs; or

2.2 (in relation to 1.1 above) if the Reinsured goes into compulsory or voluntary liquidation;

2.3 or, in each case, if the Reinsured becomes subject to any other similar insolvency process (whether under the laws of England and Wales or elsewhere) and

2.4 the Reinsured is unable to pay its debts as and when they fall due within the meaning under the relevant provision under the Law specified under the Choice of Law and Jurisdiction section of the Contractual Details.

Article 20: Interpretation Clause

The terms of this Agreement shall be construed in accordance with recognised reinsurance practice rather than being given a strictly literal or legal interpretation.

Article 21: Choice of Law and Jurisdiction Clause

This Agreement (including Arbitration Tribunals) shall be governed by the Law of the Country specified in the Contractual Details whose Courts shall have exclusive or final jurisdiction in any dispute, doubt or question arising hereunder and in the event of any action, claim or demand by any claimant under or by virtue of the original insurance, the liability of the Reinsurer to indemnify the Reinsured in such event shall be limited to judgements delivered or obtained by a Court of competent jurisdiction within the Country specified in the Contractual Details

Article 22: Arbitration Clause

All matters in difference between the Reinsured and the Reinsurer (hereinafter referred to as "the parties") in connection with this Agreement including its formation and validity and whether arising during or after the period of this Agreement shall be referred to an arbitration tribunal in the manner hereinafter set out.

Unless the parties agree upon a single arbitrator within thirty days of one receiving a written request from the other for arbitration, the claimant (the party, requesting arbitration) shall appoint one arbitrator and give written notice thereof to the respondent.

Within thirty days of receiving such notice, the respondent shall appoint a second arbitrator and give written notice thereof to the claimant, failing which the claimant may apply to the appointor hereinafter named to appoint the second arbitrator.

Before they enter upon a reference the two arbitrators shall appoint a third arbitrator. Should they fail to appoint such a third arbitrator within thirty days of the appointment of the second arbitrator then either of them or either of the parties may apply to the appointor for the appointment of the third arbitrator. The three arbitrators shall decide by majority. If no majority can be reached, the verdict of the third arbitrator shall prevail. He shall also act as Chairman of the Arbitration Tribunal.

Unless the parties otherwise agree, the arbitration tribunal shall consist of persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance as persons engaged in the business itself or advising such business in a professional capacity.

The arbitration tribunal shall, so far as it is permissible under the law and practice of the seat of arbitration, have power to fix all procedural rules for the holding of the arbitration, including discretionary power to make orders as to any matters which it may consider proper in the circumstances of the case with regard to pleadings, discovery, inspection of the documents, examination of witnesses and any other matter whatsoever relating to the conduct of the arbitration, and may receive and act upon such evidence, whether oral or written, strictly admissible or not, as it shall at its discretion think fit.

The appointor shall be as specified in the Contractual Details or if he is unavailable or it is inappropriate for him to act for any reason, such person as may be nominated by the Committee of that body. If for any reason such persons decline or are unable to act, then the

appointor shall be the judge of the appropriate Courts having jurisdiction at the seat of Arbitration.

All costs of the arbitration shall be at the discretion of the arbitration tribunal who may direct to and by whom and in what manner they shall be paid.

The seat of the arbitration shall be in the place specified in the Contractual Details and the law applicable to both the aforesaid Agreement and this arbitration Agreement shall be the law of that country.

A reasoned award of the arbitration tribunal shall be issued to the parties in writing and shall be final and binding upon the parties who enter a covenant to carry out the same. If either of the parties should fail to carry out the award, the other may apply for its enforcement to a court of competent jurisdiction in any territory in which the party in default is domiciled or has assets or carries on business.

It is understood and agreed that this arbitration agreement shall be construed as a separate and independent contract between the parties hereto and arbitration hereunder shall be a condition precedent to the commencement of any action at law.

Article 23: Sanctions Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America or African Union.

Article 24: Several Liability Notice LSW 1001 (Reinsurance)

In case there are other subscribing Reinsurers to this Agreement, the subscribing Reinsurers' obligations under this Agreement and/or any other contracts of reinsurance to which they subscribe are several and not joint and are limited solely to their individual subscriptions.

The subscribing Reinsurers are not responsible for the subscription of any co-subscribing reinsurer who for any reason does not satisfy all or part of its obligations.

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APPENDIX NO. 1

EXCLUSIONS
ATTACHING TO AND FORMING PART OF MEDICAL EXPENSES QUOTA SHARE

APPENDIX NO. 1.1

War and Civil War, Political Risk and Terrorism

The following shall be excluded from this Agreement:

Any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

1 War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.

2 Abandonment and/or permanent or temporary dispossession resulting from detention, confiscation, seizure, restraint, commandeering, nationalisation, appropriation, destruction or requisition by order of any government de jure or de facto or by any public authority.

3 Mutiny, civil commotion, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

4 Any act, including but not limited to labour disturbance, lock-out, riot or strike, which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government, or any political or local authority, or for the purpose of imposing fear in the public or any section thereof.

5 The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clauses 4 above.

6 Plundering, looting, war pillage in connection with civil commotion or any of the activities referred to in clause 4 above.

For the purposes of clauses 4, 5 and 6, any loss or damage occasioned directly by a labour disturbance, lock-out, riot or strike or in order to bring about any social or economic change which is not politically motivated as envisaged in clause 4 shall not be excluded.

In any action, suit or other proceeding where the Reinsurer alleges that by reason of these provisions any loss, damage, cost or expense is not covered by this Reinsurance Agreement, the burden of proving that such loss, damage, cost or expense is covered shall be upon the Reinsured.

Terrorism Exclusion Clause

Notwithstanding any provision to the contrary within this agreement or any endorsement thereto, this reinsurance agreement does not cover any liability, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, happening through or in connection with any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage, cost or expense.

For the purpose of this exclusion, terrorism means an act, including but not limited to the use of violence or force and/or the threat thereof, whether as an act harmful to human life or not, by any person or group(s) of person(s), whether acting alone or on behalf of, or in connection with any organisation(s) or government(s) or any person or body of persons, committed for political, religious, personal, ethnic or ideological reasons or purposes including any act committed with the intention to influence any government and/or for the purpose of inspiring fear in the public or any section thereof.
In any action, suit or other proceeding in which the Reinsurer alleges that by reason of this definition any loss, damage, cost or expense is not covered by this Reinsurance Agreement, the burden of proving that such loss, damage, cost, or expense is covered shall be upon the Reinsured.

APPENDIX NO. 1.2

Terrorism Clause for Contamination and Explosives

It is agreed that, regardless of any contributory causes, this reinsurance does not cover any loss, damage, cost or expense directly or indirectly arising out of
a) biological or chemical contamination
b) Missiles, bombs, grenades, explosives

due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

For the purpose of a) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

If the Reinsurer allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this reinsurance the burden of proving the contrary shall be upon the Reassured.

APPENDIX NO. 1.3
Nuclear Energy Risks Exclusion Clause NMA 1975A (Reinsurance) (1994) (World-wide excluding USA & Canada)

This Agreement shall exclude Nuclear Energy Risks whether such risks are written directly and/or by way of reinsurance and/or Pools and/or Associations.

For all purposes of this Treaty Nuclear Energy Risks shall mean all first and/or third party insurances or reinsurances (other than Workers' Compensation and Employers' Liability) in respect of:

(I) All **Property** on the site of a nuclear power station.

Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.

(II) All **Property** on any site (including but not limited to the sites referred to in (I) above) used or having been used for:

(a) The generation of nuclear energy; or
(b) The **Production, Use or Storage of Nuclear Material.**

(III) Any other **Property** eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association.

(IV) The supply of goods and services to any of the sites, described in (I) to (III) above, unless such insurances or reinsurances shall exclude the perils of irradiation and contamination by **Nuclear Material.**

Except as undernoted, Nuclear Energy Risks shall not include:

(i) Any insurance or reinsurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning of **Property** as described in (I) to (III) above (including contractors' plant and equipment), and/or

(ii) Any Machinery Breakdown or other Engineering insurance or reinsurance not coming within the scope of (i) above.

Provided always that such insurance or reinsurance shall exclude the perils of irradiation and contamination by **Nuclear Material.**

However, the above exemption shall not extend to:

(1) The provision of any insurance or reinsurance whatsoever in respect of:

(a) **Nuclear Material;**
(b) Any **Property** in the **High Radioactivity Zone or Area** of any **Nuclear Installation** as from the introduction of **Nuclear Material** or - for reactor installations - as fromfuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.

(2) The provision of any insurance or reinsurance for the undernoted perils:

- Fire, lightning, explosion.
- Earthquake.
- Aircraft and other aerial devices or articles dropped therefrom.
- Irradiation and radioactive contamination.
- Any other peril insured by the relevant local Nuclear Insurance Pool and/or Association.

in respect of any other **Property** not specified in (1) above which directly involves the **Production, Use or Storage of Nuclear Material** as from the introduction of **Nuclear Material** into such **Property.**

Definitions

"Nuclear Material" means:-

(i) Nuclear fuel, other than uranium and depleted uranium, capable of producing energy by self-
sustaining chain process of nuclear fission outside a **Nuclear Reactor**, either alone or in combination with some other materials; and

(ii) **Radioactive Products or Waste.**

"Radioactive Products or Waste" means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilisation of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"Nuclear Installation" means:

(i) Any **Nuclear Reactor**.
(ii) Any factory using nuclear fuel for the production of **Nuclear Material**, or any factory using nuclear fuel for the processing of **Nuclear Material**, including any factory using fuel for the reprocessing of irradiated nuclear fuel; and
(iii) Any facility where **Nuclear Material** is stored, other than storage incidental to the carriage of such material.

"Nuclear Reactor" means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without any additional source of neutrons.

"Production, Use or Storage of Nuclear Material" means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of **Nuclear Material.**

"Property" shall mean all land, building, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

"High Radioactivity Zone or Area" means:

(i) For nuclear power stations and **Nuclear Reactors**, the vessel or structure which immediately contains the core (including its support and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store; and

(ii) For non-reactor **Nuclear Installations**, any area where the level of radioactivity requires the provision of a biological shield.

APPENDIX NO. 1.4

Radioactive Exclusion Clause

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this Agreement does not cover loss, damage cost or expense of whatsoever nature directly or indirectly caused, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.

2. the radioactive, toxic, explosive or other hazardous or contamination properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.

3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

APPENDIX NO. 1.5

Nuclear Causes Clause

This Agreement does not cover legal liability, loss (including consequential loss), damage, cost or expense caused directly or indirectly by any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

Nuclear material; nuclear fission or fusion; nuclear radiation; nuclear waste from the use of nuclear fuels or nuclear explosives or any nuclear weapon.
Definitions:

Nuclear material as defined in NMA 1975.
Nuclear fission means a nuclear reaction in which a heavy nucleus splits spontaneously or on impact with other particle with the release of energy.
Nuclear fusion means a nuclear reaction in which atomic nuclei of low atomic number fuse to form a heavier nucleus with the release of energy.
Nuclear radiation means the absorption of electro-magnetic radiation by a nucleus having a magnetic moment when in an external magnetic field.
Nuclear waste as defined in NMA 1975.
Nuclear fuels means a substance that will sustain a fission chain reaction so that it can be used as a source of nuclear energy.
Nuclear explosives means an explosive involving the release of energy by nuclear fission or fusion or both.
Nuclear weapon means a nuclear device designed, used or usable for inflicting bodily harm or property damage.

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APPENDIX NO. 1.6
Computer Loss General Exclusion

General Exclusion applicable to this Agreement insuring damage to property or the consequences of damage to property or any liability

Notwithstanding any provision of this Agreement including any special exclusion, exception or extension or other provision not included herein which would otherwise override a general exclusion, this Agreement does not cover:

a) loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom

b) any legal liability of whatsoever nature

c) any consequential loss

directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all

i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or

ii) to capture, save, or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command, which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or

iii) to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or

iv) to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device in computer or non-computer equipment or any computer software, tools, operating system or any computer hardware or peripherals and the information or data electronically or otherwise stored in or on any of the above, whether the property of the insured or not.

APPENDIX NO. 1.7

Institute Chemical, Biological, Bio-Chemical, Electromagnetic Weapons and Cyber Attack Exclusion Clause.

This clause shall be paramount and shall override anything contained in this Agreement inconsistent therewith.

In no case shall this Agreement cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

1 any chemical, biological, biochemical or electromagnetic weapon;

2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

APPENDIX NO. 1.8

Occupational Diseases Exclusion Clause

It is hereby understood and agreed that this contract shall not apply to, and does not cover, any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the nature of their occupation.

APPENDIX NO. 1.9

Passive War Clause

This Contract is extended to provide cover to an insured person caused by violent accident external and visible means arising from War, Invasion, Act of Foreign Enemy, Hostilities or Warlike Operations, (whether war be declared or not) Civil War, Rebellion, Revolution, Insurrection, Political Risks, Terrorism or Military or Usurped Power but excluding cover consequent upon an Insured Person directly and actively participating or engaging in such activities whether whilst serving in the armed forces or otherwise save, whether applicable, to the extent only of adopting or taking such action or steps as were reasonably necessary for the protection of himself, his family or their property.

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APPENDIX NO. 2

ATTACHING TO AND FORMING PART OF MEDICAL EXPENSES QUOTA SHARE REINSURANCE AGREEMENT

Supplementary Exclusions List.

General exclusions

1) Insurance and Reinsurance Business written on an Excess of Loss, a layered basis including primary covers Stop Loss or First Loss Basis.

2) Business accepted by the Reinsured in any Pooling arrangement.

3) Business accepted by the Company under any obligatory reinsurance.

4) Liability arising from Insurance Loss Portfolio Transfers of any kind.

5) Retroactive cover for known loss occurrences and/or known incidents and/or circumstances.

6) Policies issued for periods longer than 12 months.

7) Surety, Libel and Slander, Credit, Financial Guarantee, Bankers Blanket Bond: Risks and Contingency Risks.

8) Any policy under which the insured carries an aggregation of losses or deductibles whatsoever, except as underwritten under Motor policies.

9) Liability arising from the delegation of underwriting Authority on any basis other than on conditions fully specified by the Reinsured.

Specific exclusions

Any direct or indirect consequences, loss or bodily injury or sickness relating to a disease declared by the World Health Organisation as a pandemic outbreak.

2) Direct involvement or participation in riot, felony or any illegal or unlawful act.

3) Life Assurance.

4) The above exclusions are in addition to the list of exclusions and limitations as laid down in the original policy by the Reinsured.

APPENDIX 3: PROFIT COMMISSION FORMULA

The Reinsurer shall pay to the Reinsured a profit commission as detailed in the Contractual Details calculated on the profit arising from all business ceded under this Agreement and included in all the accounts up to the end of the sunset period of this Agreement in accordance with the following formula:

Income (Credit):

1. Reinsurance premiums, net of cancellations, entered as failing due

Outgo (Debit):

1. Total reinsurance commission paid up to the last account
2. Any other agreed deductions as specified in the Contractual Details.
3. Total Paid Claims included up to the last account
4. The Outstanding Claims Reserve as at the end the sunset period
5. Reinsurer's Management Expenses calculated on the Reinsurance Premium Income for the current year at the rate specified in the Contractual Details.
   .

APPENDIX 4: BORDEREAUX REQUIREMENTS
Premium and claims bordereaux to include all the following:

Premium Data	Claims Data
Policyholder ID	Policy Holder ID
Family ID	Family ID
Member ID	Member ID
Date of Birth	Start Date of Cover
Gender	End Date of Cover
Relationship (Main Member/Adult Dependant/Child Dependant)	Date of Birth
Start Date of Cover	Gender
End Date of Cover	Relationship (Main Member/Adult Dependant/Child Dependant)
Premium Amount	Date of Claim/Treatment Date
Name of Plan	Date received/Reported
Type of Benefit (Inpatient/Day-to-Day/Maternity) if premium is split for the different benefits	Date of Payment
Benefit Limit	Approval Date
Premium Paid/Billed	Amount Claimed
Indication whether it is a family shared limit/individual limit	Amount Paid
In case of extensions, the extension period and premium applicable should be explicitly shown in the premium register	Name of Plan
Earned Premium (for the quarter being submitted)	Type of Benefit
	Benefit Limit
	Provider Name/Code
	Claim ID exists and is unique per each visit to the provider
	Diagnosis
	ICD10 Code

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APPENDIX 5: ORIGINAL POLICY WORDING
(Retail only below, Corporate to be appended once received)

FIDELITY SHIELD HEALTH COVER FOR INDIVIDUALS & FAMILY POLICY DOCUMENT

(Version 2.0)

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Police Data Sheet

POLICY NUMBER			
EFFECTIVE DATE			
INSURED D.O.B			
PRINCIPAL AND DEPENDANTS	**Name** **D.O.B**		
ADDRESS OF INSURED:			
PERIOD OFINSURANCE	**1st January, 2025 to 31st December, 2025 (both dates included)**		
PREMIUM PAYABLE	**As per acceptance letter**		
CURRENCY	**Kenya Shillings**		
GOVERNING LAW	**Laws of Kenya**		
PLAN(S)	**Benefit**	**Benefit Limit (KES)**	**Benefit Type**
WAITING PERIOD	1. Zero (0) days for accident cases 2. Twenty-eight (28) days for general illness 3. Twelve (12) months for pre-existing, chronic, HIV/AIDS and related conditions subject to full disclosure 4. Twelve (12) months for Maternity (if this option is purchased) 5. Twelve (12) months for psychiatric illnesses and organ transplant 6. Twelve four (24) months for cancer treatment 7. Twelve (12) months for Haemorrhoids, Fibroids, Hernias, Hysterectomy, Thyroidectomy, Tonsillectomy, Adenoidectomy and any gynaecological condition 8. Twenty-eight (28) days for Covid 19 9. Ninety (90) for Newly Diagnosed Chronic Conditions after inception of cover		
PROPORTION OF EXPENSES COVERED	Up to 100% of the set limit and payable invoice amount for each and every eligible inpatient credit and reimbursement claim per family/person and subject to reasonable and customary charges and for genuine reimbursement emergency cases only pre-authorised Up to 100% of the set limit and payable invoice amount for each and every eligible inpatient reimbursement claim per family/ person and subject to reasonable and customary charges and pre-authorised for overseas treatment Up to 100% of the set limit and payable invoice amount for each and every eligible outpatient, dental and optical credit claim per family/ person if the benefit is purchased and subject to reasonable and customary charges and for genuine emergency cases only Up to 100% the set limit and payable invoice amount for each and every eligible maternity credit claim per female employee/spouse if the benefit is purchased and subject to reasonable and customary charges. Up to 100% of the set limit and payable invoice amount for each and every eligible last expense credit claim per family/person if the benefit is purchased and subject to reasonable and customary charges		

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Preamble/Acceptance Letter

Fidelity Shield Insurance Company Ltd
Registered Office: Fidelity Shield Insurance Centre
5th Floor, Waridi Lane, Off Waiyaki Way, Westlands
P.O Box 47435, 00100 Nairobi, GPO Kenya.
Telephone (Main): +254 709 988 000
Telephone (Other): +254 733 620 001
Telephone (Claims): +254 701 300 300
E-mail:info@fidelityshield.com

Individual Policy No: xxxx

Individual Name: xxxx

Whereas the individual named in the Policy Data Page has by a duly completed and signed application form and declaration, applied to Fidelity Shield Insurance Company Ltd (herein referred to as Fidelity Shield) for the medical insurance (herein referred to as the benefits) specified in Section 3 and Section 4 in respect of the persons (herein referred to as the Members) named in the policy data sheet, Fidelity Shield issues this Policy to the Individual provided that the agreed premium as consideration for insurance has been paid.
It is understood and agreed that this contract shall consist of the application form and declaration made to Fidelity Shield by the Member and/or on behalf of his/her dependents, the letter of acceptance and any policy endorsement issued by Fidelity Shield. The application form and declaration shall be deemed to be incorporated herein.
Fidelity Shield hereby undertakes and agrees to provide coverage of otherwise non-recoverable eligible medical and surgical expenses necessarily and reasonably incurred by the Member (including his/her insured dependents) as a direct result of sustaining accidental bodily injury and/or eligible illness and/or disease within the period of insurance as follows, subject to the provisions, exclusions, and conditions herein:

(a) The proportion specified on the policy data page for all approved and registered surgeons, anaesthetists, operating theatre fees, ICU, CCU, HDU and hospital board and accommodation charges for bed/room benefit purchased, as a patient.
(b) The proportion specified on the policy data page for all registered and approved physicians, specialists and/or pathologists fees or nursing home and nursing attendance charges, x-ray and physiotherapy fees, clinic and laboratory fees, charges for drugs, dressings, surgical appliances for eligible illness and accidents during the insurance period; and
(c) The proportion, if any, specified on the policy data page for the cost of transportation, being one economy class return air-ticket by commercial airline, for the member for eligible inpatient medical treatment not available in Kenya where certified to be necessary and essential by a physician in Fidelity Shield's panel of Physicians. This benefit is subject to the plan purchased and terms applicable as guided in this policy document.
(d) Where the member is a child who is aged twelve (12) years and below, the cost of travel (airfare only, economy class return) for one parent/guardian accompanying the child will be covered subject to the plan purchased.

Provided that the stated proportions shall not exceed the amount specified in the Medical Insurance Cover Benefits (Section 3).
In witness whereof the undersigned has hereunto set his hand at NAIROBI on **01/02/202X**
Authorized Officer
xxxx

Section 1: Privacy Notice

1. About Personal Data

Fidelity Shield Insurance Kenya Limited ("we", "us" or "our"), as a data controller collect data directly from you and indirectly through intermediaries and third-party service providers with your consent to enable us to operate effectively and provide you with the best experience possible for our products and services. We respect your privacy, and we are committed to protecting your personal data and the personal data of third parties that you provide to us. This Privacy Notice is a summary of our Privacy Policy and describes how we collect, use, disclose, transfer, store or otherwise process your personal data and tells you about your data privacy rights and how the law protects you. For the full version of the Privacy Policy, please visit fidelityshield.co.ke or contact us for a copy.
Personal data means any information relating to you as an identified or identifiable natural person. For us to provide the services you have requested from us, it is necessary that we collect and process personal data from you.

2. Personal Data Collected

We may collect, use, store, transfer or otherwise process personal data about you or persons connected to you including identification information such as name and national ID number or passport number, KRA PIN, nationality, age, gender, marital status, descriptive data like height, weight, etc, relationship with other people you are applying products for, contact information such as email address, telephone number, physical address and postal address, previous or current product data like previous claims history in other products, policy details, and purchase history and information relevant to your insurance policy or relevant to your claim such as your health data and lifestyle data. We also collect employment related data where required and financial data to process your insurance policy payments where required.
If we require information about other people connected to you, we may request you to provide such information. If you disclose any personal data relating to other people, you represent that you have the authority to do so and to permit us to use the information in accordance with this privacy notice. In addition, unless we request it, please do not send us or disclose, any sensitive personal data.

3. Collection of the Personal Data

For most part, we will collect personal data directly from you and this may include the personal data you provide when you apply for our products or services, make enquiries, register for our products offered through mobile and online platforms, request mark eting information to be sent to you, give us feedback, or contact us.
In some instances, we may collect and receive your personal data from third parties or publicly available sources including medical professionals and hospitals; directly from an individual or employer (or your employer's service provider) who has a policy with us under which you are insured; directly from an employer who funds a cover that we administer where you are a beneficiary; dire ctly from a person who is making a claim or application to us and they include information about you which is related to that claim or application; insurance brokers or agencies; the Government of Kenya's e-citizen portal, Integrated Population Registration Services platform and other Government platforms; or publicly available sources such as the Companies Registry and the Business Registration Service.

4. Use and Handling of Personal Data

We use your personal data to provide you with our insurance services. In this regard, we rely on your personal data to achieve the following:

- Performance of contract: Including, setting up and administering the contract of insurance by providing you with a quote for the insurance policy, making assessments and decisions on the provision of service and on what terms, decline of risk, underwriting the risks to be insured or assessing and processing any claims and payments that might be submitted under the policy, managing renewals, settlement and dispute resolutions, conducting clinical assessments and supporting clinical improvements
- Communication with you and to other parties to enable them to provide you with service. For example, to respond to comments, queries, complaints and to provide customer service via various telephone calls and online platforms. The communication includes marketing and promotional communication which you can opt in or out of.
- Customer analysis, financial and data analysis, market research, audits, quality assurance, risk management including to ensure data accuracy and quality and for insurance risk modelling and product and pricing refinement as well as using the research and analytics to improve the products and customer engagement and experience and anonymization of data where applicable.
- Managing relationships with third parties e.g., insurance brokers, healthcare service providers and other third-party service providers
- Consent: We will also rely on your consent as a lawful basis for processing your personal data in the instances where we (a) process personal data relating to a child; (b) process sensitive personal data outside Kenya; and (c) provide you with marketing information.

- Legitimate interests: for our legitimate business interests, including prevention and detection of fraud, carrying out fraud, sanctions and anti-money laundering checks and other KYC obligations under various statutes. .
  In the event that you fail to provide us with your personal data when requested, we may not be able to fulfil the contract we have or that we wish to enter into with you. In that case, we may have to cancel a product or service you have with us. You have the right to withdraw your consent to our processing of your personal data at any time but please note, that your withdrawal will not affect the lawfulness of our processing of your personal data which was based on prior consent before your withdrawal, or which is based on other legal basis for processing of your personal data. Please further note we may not be able to provide you with our products and services if you withdraw your consent.

5. Sharing of Personal Data

In connection with the above purposes, we may share your personal data with third parties located within and outside Kenya such as our affiliates, public authorities or governments when required by law, our third-party service providers who help us manage our products and services including those service providers who maintain our IT and office systems, provide marketing and advertising services, provide application processing, fraud monitoring, call centre and/or other customer services, healthcare service providers and other third party vendors, data analysis, audit, payment processing and other relevant parties required to ensure performance of obligations and contracts. In that connection, we will take adequate steps to protect your personal data including entering into agreements with third party recipients of your personal data (as applicable) governing protection of personal data.

6. Protecting Personal Data

We have put in place appropriate security measures to prevent your personal data from being accidentally lost, used, or accessed in an unauthorized way, altered, or disclosed. In addition, we limit access to your personal data to those employees, agents, contractors and other third parties who have a business need to know. We have also put in place procedures to deal with any suspected personal data breach and will notify you and any applicable regulator of a breach where we are legally required to do so.

7. Retention and Storage of Your Personal Data

We will only retain your personal data for as long as may be necessary to fulfil the purpose we collected it for, including for the purposes of satisfying any legal, regulatory, tax, accounting or reporting obligations.

8. Data Protection Rights

You have the right to:

- Be informed of the use to which your personal data is to be put as we have endeavored to outline in this Privacy Notice and our Privacy Policy.
- Request access to your personal data that we hold about you.
- Object to the processing of all or part of your personal data.
- Request correction of inaccurate, false, or misleading data that we hold about you; and
- Request deletion of false or misleading data that we hold about you.

9. Contact Us

If you have any concerns about the use of your personal data, questions about this Privacy Notice or our Privacy Policy including any requests to exercise your data protection rights under the law, please contact us using the details set out below:

Email address: **dataprivacy@fidelityshield.com**
Postal address: **P. O Box 47435, 00100 Nairobi, GPO Kenya**
Physical address: **Fidelity Shield Centre**
Telephone number: **+254 709 988 000/+254 733 620 001**

We will aim to respond to your questions or concerns in a timely manner and in compliance with the relevant laws.

Section 2: Definitions

In this policy, the following words and expressions have the following meanings.

Terms	
Accident	An undesirable or unfortunate sudden, violent, and unexpected visible external event occurring during the period the policy is in force and resulting in death of or bodily injury to the Insured. The event should not have been pre-disposed by any pre-existing or known condition that the insured has been treated for in the past.
Acute conditions	Acute condition is the medical condition or an illness or medical problem that begins and progresses rapidly and has a definite end point and ends quickly and has a definite cure by treatment.
Chronic Condition	A disease, illness or injury which has at least one of the following characteristics: • has no known cure • likely to recur • needs indefinite prolonged supervision and treatment by a specialist • permanent in nature and caused by changes in the body that cannot be reversed.
Commencement Date	The date on which an eligible member or eligible dependent becomes a member on or after the effective date and subsequent renewal dates. This shall also be when the waiting period for the benefits purchased begins.
Comorbidities	The presence of one or more additional conditions often co-occurring (that is, concomitant or concurrent) with a primary condition. Comorbidity describes the effect of all other conditions an individual patient might have other than the primary condition of interest and can be physiological or psychological. Conditions described as comorbidities are often chronic or long-term conditions. Other names to describe comorbid conditions are coexisting or co-occurring conditions and sometimes also “multimorbidity” or “multiple chronic conditions.”
Congenital Conditions	A disorder, or disease, of genetic, physical or biochemical nature existing at birth and often before birth, regardless of when it is first diagnosed. This also includes complications arising as a result of congenital disorders or/ diseases.
Co-Pay	An out-of-pocket amount, which should be collected directly by the Healthcare Facility/ Service Provider from the member prior to receiving a service in accordance with the medical insurance cover.
Civil Commotion	A substantial disturbance of the public peace by three (3) or more persons assembled and acting with common intent.
Civil War	An internecine war or a war carried on between or among opposing citizens of the same country or nations.
Claim	The documents submitted to Fidelity Shield by the Healthcare Service Providers or the member following the provision of medical services to the member that shall include diagnosis and an itemization of services provided and cost (invoice and/or receipt where applicable) of the same.
Customary and Reasonable Costs	Means charges for medical care made by a healthcare service provider which shall be considered by Fidelity Shield to the extent that they do not exceed the general level of charges being made by other healthcare service providers of similar standing in the locality where the charge is incurred when providing like or comparable treatment, services or supplies to individuals of the same sex and of comparable age, for a similar disease or injury. The scales of charges agreed from time to time between Fidelity Shield and its Panel of healthcare service providers shall be indicative of such customary and reasonable charges.
Day Case Patient	A member who is admitted to a hospital for a procedure that cannot be performed in the doctor’s office or on outpatient basis and uses a hospital bed but does not stay overnight.

Dependents	Means one legal spouse of the member, own unmarried children, legally adopted and foster children who are dependent upon the member for support, provided always that such children are 38 weeks term born and discharged from hospital and not more than 18 years at the date of enrolment into the policy but extended to 25 years if the child is still attending fulltime school or college and is not married and living with the principle member. In addition, disabled children will be covered without any age limit as they are not self-supporting and are dependent upon the principle member for support, subject to provision of a medical report confirming their disability.
Effective/Inception Dates	The date shown on the policy data sheet on which this policy commences provided the whole premium due is paid.
Endorsements	Insurance policies can be changed and modified by using a technique called endorsing a policy. A policy endorsement can be done to change or modify coverage, add or delete items from a policy and modify a current policy without completely rewriting it. When an insurance policy is endorsed, the premium amount paid for the policy can change.
Epidemic/ Pandemic	An epidemic is a swift spread of infectious disease to a large number of persons in a given population within a short period of time. An epidemic may be restricted to one location; however, if it spreads to other countries or continents and affects a substantial number of people, it may be termed a pandemic. A pandemic is an epidemic occurring on a scale which crosses international boundaries and usually affecting many people.
Exclusion	Categories of treatment, conditions, activities and their related or consequential expenses that are excluded from this policy from which Fidelity Shield shall not be liable.
Fraud	An intentional act of deception by a healthcare service provider or member or both which has the objective of obtaining an unjustified (financial or other) benefit or advantage relating to the services or causing or exposing Fidelity Shield to (financial or other) loss or disadvantage related to the services, whether or not that act in fact achieves its intended purpose.
Genetic Testing	Is a type of medical test that identifies changes in chromosomes, genes, or proteins, the results of which can confirm or rule out a suspected genetic condition or help determine a person's chance of developing or passing on a genetic disorder.
Healthcare Facility/ Healthcare Service Provider	Shall include any of Fidelity Shield's approved medical providers who are licensed to offer care and treatment for the sick and injured. This shall include doctors, specialists, physicians, clinics, pharmacies, chemists and other facilities in the Fidelity Shield Panel of healthcare service providers. The term Hospital shall not be construed to include rest home, convalescent home for the aged, a place for custodial care or a place for the confinement and treatment or retreat for substance abuse, drug addicts and alcoholics.
Inpatient	A Member who has been admitted to a hospital, is assigned a bed and given diagnostic services or receives treatment for a disease, disorder or injury.
Insurrection	A violent rising of citizens or subjects in resistance to their government.
Limit of Indemnity	This is Fidelity Shield's liability as limited in events and amount to the limits and sub-limits specified in the medical insurance cover applying to each item or type of cover provided. The overall maximum limit stated thereon is the maximum amount recoverable under this policy as a whole by the insured during any one period of insurance and in total in respect of any one covered claim or event.

Medical Expenses	The cost of the medical, surgical or other remedial attention, treatment or appliances for the sole purpose of curing or relieving of disease and/or illness, condition or injury and which are recommended, approved and certified as medically necessary and reasonable by a Medical Practitioner and all hospital and nursing charges in connection therewith subject to the medical insurance cover and the exclusions.
Medical Condition	Any injury, illness or disease, including psychiatric illness.
Medically Necessary	A medical service or treatment, which in the opinion of a qualified Medical Practitioner is appropriate and consistent with the diagnosis and which in accordance with generally accepted medical standards, is clinically appropriate in terms of type, frequency, extent and duration and is considered effective for the patient's illness, injury or disease.
Medical Practitioner	A practitioner who holds a professional qualification in medicine or surgery from an internationally recognized university and is not disqualified from practice by any law, order or regulation of the country in which he is practicing, having been licensed by the relevant licensing Authority.
Medical Record	This includes but is not limited to patient information, patient history, medical reports, medical examination findings, test results or reports, prescriptions for medication, referrals ordered or received from healthcare service providers, case management plan, progress reports and return visits.
Members	These are eligible principal members and eligible dependents whose proposals have been accepted by Fidelity Shield and premium paid for. .
Neonate	Is a child under 28 days of life from date of birth. The baby can be preterm, term or post-term.
Neonatal Conditions	These are conditions, disorders, complications that appear or manifest during the first 28 days of life.
Newly Diagnosed Chronic Conditions	Any chronic condition or symptoms for which treatment or medication or advice or diagnosis has never been sought or received and was not foreseeable prior to the commencement date or renewal date for the member concerned.
Outpatient	A patient who does not require hospitalization to undergo medical treatment but instead receives treatment elsewhere, e.g. in a doctor's office, clinic or the outpatient facility in a hospital
Patient	An ill or injured member in need of treatment by a Physician, Surgeon or other healthcare service providers
Period of Insurance	Unless otherwise provided shall mean one calendar year from the date of inception of the medical cover.
Political Unrest	Widespread anger and dissatisfaction with the current government resulting in public protest and/or violent acts against the government or where an uprising might take place in the form of a coup by the military in a country.
Pre-existing medical condition	A medical condition, which can be proven that a member had, or was known by the member to exist prior to the commencement date or prior to the renewal of cover, whether or not treatment or advice or diagnosis was sought and received. It is any condition diagnosed before expiry of 90 days from the commencement date.
Pre-authorisation	Pre-authorization is a written approval that an insured member may need to access certain medical services according to the scope of their medical cover. It is a promise to cover the medical case as per the medical report received by Fidelity Shield.

Prematurity	The birth of a baby of less than 37 weeks gestational age and below, and before the developing organs are mature enough to allow normal postnatal survival. The infant is at greater risk of short- and long-term complications, including disabilities and impediments in growth and mental development.
Principal member/Main member	The oldest insured member in the family.
Proximate Cause	It is how an ailment and/or condition happened to the member and whether the primary underlying cause is as a result of an insured condition. It looks for what is the reason behind the loss, and whether it is an insured medical condition or not.
Riot	A violent disturbance by three (3) or more persons assembled together which threatens the public peace.
Sanctions	General trade, economic or financial sanctions or trade embargoes imposed, administered, or enforced by Sanctioning Bodies/Competent Authorities against countries, persons, groups and/ or legal entities.
Sanctioning Body/Competent Authority	Any one or a combination of the Office of Foreign Assets Control of the Department of Treasury of the United States of America, the United Nations Security Council, the European Union, Her Majesty's Treasury, the French Ministry of Economics, Finances and Industry and any other Sanctioning Body/Competent Authority as internationally recognized or as designated by Fidelity Shield from time to time.
Sequela	A result or condition that follows from a disease, condition or illness. Any abnormal bodily condition or disease related to or arising from a pre-existing disease. Any complication or a secondary result of a disease, an aftereffect of a disease, condition, or injury.
Strike	A work stoppage by three (3) or more workers to enforce demands made on an employer or to protest against and act or condition.
Terrorism	The use of organized intimidation, or extreme fear to coerce a government or community. An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in conjunction with any organization(s) or government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public or any section of the public in fear.
Waiting period	Waiting period is the period set by Fidelity Shield that the member cannot claim a benefit upon commencement of cover. The waiting period applies to specific illnesses, procedures, and medical treatment. Waiting period will be waived where renewals are effected with another insurance service provider within one month expiry subject to underwriting guidelines.

Section 3: Medical Insurance Cover

The Fidelity Shield retail plan will have the core plan being inpatient and the optional benefits i.e., outpatient, maternity, dental, optical, last expense, and personal accident.

Various benefits may have waiting period and sub limits applicable as shown in the table below.

1. **Inpatient Cover Benefits**

Fidelity Shield Insurance Company Limited Inpatient Cover Terms & Conditions Retail Medical Products							
		Plan Types	Plan A	Plan B	Plan C	Plan D	Plan E
Benefits	Terms	Waiting Period	500,000	1,000,000	2,000,000	3,000,000	5,000,000
Illness, accidental and surgical claims		30 days for illness claims, 60 days for surgical claims. No waiting period for accidents	Covered within the applicable sub limits and applicable waiting periods				
Bed Limits per day. NHIF rebate will be applied on the limits shown			General Ward Bed	General Ward Bed	Standard Private Room 12,500	Standard Private Room 15,000	Standard Private Room 18,000
Pre -existing and/or chronic conditions, hernias, HIV/AIDS, haemorrhoids, thyroidectomy, adenoidectomy and congenital, conditions		1 year	250,000.00	300,000.00	400,000.00	500,000.00	1,000,000.00
Newly diagnosed chronic conditions		Diagnosed after 90 days of cover inception	250,000.00	400,000.00	500,000.00	750,000.00	1,000,000.00
Cancer Treatment		2 years	Within the pre-existing and chronic sublimit				
Organ transplant (excluding cost of donor)		1 year	Within the pre-existing and chronic sublimit				
Psychiatric conditions		1 year	100,000.00	200,000.00	250,000.00	300,000.00	500,000.00
Pre-maturity and neonatal conditions treatment		1 year	100,000.00	150,000.00	200,000.00	250,000.00	300,000.00
Inpatient non-accidental related dental surgery/treatment (excluding dental fixtures)		1 year	75,000.00	100,000.00	125,000.00	150,000.00	200,000.00
Inpatient non-accident-related eye treatment including removal of cataracts (excluding correction of refractive errors and laser treatment)		1 year	75,000.00	100,000.00	125,000.00	150,000.00	200,000.00

Post hospitalisation treatment/review - up to 3 weeks after discharge from hospital	On reimbursement basis		10,000.00	20,000.00	25,000.00	30,000.00	30,000.00
Last Expense for one claimant per family	Within Inpatient		50,000.00	80,000.00	100,000.00	120,000.00	150,000.00
Personal Accident (Free for principal member)			50,000.00	100,000.00	200,000.00	300,000.00	500,000.00
COVID-19 coverage		28 days illness claims/ 60 days surgical claims.	200,000.00	300,000.00	400,000.00	500,000.00	600,000.00
Medically necessary home nursing (subject to preauthorisation)			Covered within the applicable sub limits, waiting periods and up to 60 days after discharge.				
Internal & External Surgical implants, appliances and prosthesis excluding dental fixtures			Covered within the applicable sub limits and applicable waiting periods				
External medical appliances on prescription e.g., wheelchairs, walking frames, crutches including assistive devices for persons with disability upon discharge			30,000.00	35,000.00	40,000.00	45,000.00	50,000.00
Discharge drugs following an admission			Up to 30 days dosage				
Lodger fees for a parent accompanying an insured child admitted in hospital			Covered for children of 12 years and below				
Local Road and Air Evacuation leading to an admission			Road Evacuation	Road Evacuation	Road & Air Evacuation	Road & Air Evacuation	Road & Air Evacuation
Commercial air fare for patient seeking treatment not available locally or not safe to undertake locally (Pre-authorisation required)			Economy Airfare				
General Practitioner, specialists, physicians, surgeon's fees as per panel rates			Covered	Covered	Covered	Covered	Covered
Diagnostic services like laboratory and radiology			Covered	Covered	Covered	Covered	Covered
Prescribed drugs and dressings			Covered	Covered	Covered	Covered	Covered
Nursing care, ICU/HDU & Theatre charges			Covered	Covered	Covered	Covered	Covered
Day Case surgery under General Anaesthesia including Pathology, radiology, etc			Covered	Covered	Covered	Covered	Covered

2. Outpatient Cover Benefits

Fidelity Shield Insurance Company Limited Outpatient Cover Terms & Conditions Retail Medical Products							
		Plan Types	Plan A	Plan B	Plan C	Plan D	Plan E
Illness, accidental and surgical claims		30 days for illness claims, 60 days for surgical claims. No waiting period for accidents	Covered within the applicable sub limits and applicable waiting periods				
Outpatient (Optional) - A rider of inpatient i.e., inpatient must be purchased to enjoy this benefit	Terms	Waiting Period	50,000	75,000	100,000	150,000	200,000
COVID-19 treatment upon diagnosis		28 days illness claims/ 60 days surgical claims.	Covered	Covered	Covered	Covered	Covered
Pre -existing and/or chronic conditions, hernias, HIV/AIDS, haemorrhoids, thyroidectomy, adenoidectomy and congenital, conditions		1 year	Covered	Covered	Covered	Covered	Covered
Newly diagnosed chronic conditions		1 year	Covered	Covered	Covered	Covered	Covered
Cancer Treatment		2 years	Covered	Covered	Covered	Covered	Covered
Psychiatric conditions		1 year	Covered	Covered	Covered	Covered	Covered
Pre-maturity and neonatal conditions treatment		1 year	Covered	Covered	Covered	Covered	Covered
Annual medical check-up applicable for main member and/ spouse		1 year	7,500.00	10,000.00	12,500.00	15,000.00	20,000.00
KEPI/Baby Friendly Vaccines			7,500.00	7,500.00	7,500.00	7,500.00	7,500.00
Routine Pre-natal and post-natal treatment. Prescribed ultrasounds, laboratory requests. Only applicable if maternity benefits have been purchased.		1 year					
General Practitioner, specialists, physicians, surgeon's fees as per panel rates			Covered	Covered	Covered	Covered	Covered
Diagnostic services like laboratory and radiology			Covered	Covered	Covered	Covered	Covered
Prescribed physiotherapy by a registered physiotherapist upon referral (pre-authorisation required)			Covered	Covered	Covered	Covered	Covered
Prescribed drugs and dressings			Covered	Covered	Covered	Covered	Covered
Prescribed counselling conducted by a psychiatrist			Covered	Covered	Covered	Covered	Covered

3. Maternity Cover Benefits

Fidelity Shield Insurance Company Limited Maternity Cover Terms & Conditions Retail Medical Products							
		Plan Types	Plan A	Plan B	Plan C	Plan D	Plan E
Maternity (Optional) - A rider of inpatient i.e., inpatient must be purchased to enjoy this benefit	Terms	Waiting Period	50,000	75,000	100,000	120,000	150,000
Normal and C-section deliveries, ectopic pregnancy, miscarriage and complications of pregnancy.		1 year	Covered	Covered	Covered	Covered	Covered

4. Dental Cover Benefits

Fidelity Shield Insurance Company Limited Dental Cover Terms & Conditions Retail Medical Products							
		Plan Types	Plan A	Plan B	Plan C	Plan D	Plan E
Dental (Optional) - A rider of outpatient i.e., outpatient must be purchased to enjoy this benefit	Terms	Waiting Period	10,000	15,000	20,000	30,000	40,000
Dental Consultations, extractions, fillings, dental x-rays and prescriptions, root canal treatment, impacted tooth removal.	-	28 days illness claims/ 60 days surgical claims.	Covered	Covered	Covered	Covered	Covered

5. Optical Cover Benefits

Fidelity Shield Insurance Company Limited Optical Cover Terms & Conditions Retail Medical Products							
		Plan Types	Plan A	Plan B	Plan C	Plan D	Plan E
Optical (Optional) - A rider of outpatient i.e., outpatient must be purchased to enjoy this benefit	Terms	Waiting Period	10,000	15,000	20,000	30,000	40,000
Consultation by an ophthalmologist or optometrist, eye check-up, prescription lenses and frames (excluding plano)		28 days illness claims/ 60 days surgical claims.	Covered	Covered	Covered	Covered	Covered
1 frame for every 2 years and limited to Kes. 10,000		28 days illness claims/ 60 days surgical claims.	Covered	Covered	Covered	Covered	Covered

Section 4: Scope of Cover

A. IN-PATIENT COVER

Cover for all eligible in-patient services is subject to the limits specified in section 3 – medical insurance cover and policy endorsements and is subject to the treatment costs being customary and reasonable.

Hospital treatment and services:
All medically necessary and active medical treatment and services provided by or on the order of a Physician to the Member when admitted as a registered patient to a hospital.
Cover includes hospital accommodation (up to the cost of general ward bed or room benefit purchased), nursing care, diagnostic, laboratory or other medically necessary facilities and services, physician's, surgeon's, anaesthetist's or physiotherapist's fees, operating theatre charges, intensive care unit charges, high dependency unit, cardiac care unit, specialist consultations or visits and all drugs, dressings or medications prescribed by treating physician for in-hospital use. This shall include discharge drugs for up to 30 days. The cost of nonmedical goods or services including such items as telephone, newspaper, toiletry items or accommodation for the Member's family is excluded. The policy will cover accommodation for a parent or legal guardian accompanying a member who is below 12 years of age. Fidelity Shield's liability in Kenya shall be determined after the deduction of any National Health Insurance Fund rebate which could and should have been claimed against the Hospital.
Day Care Surgery or treatment:
This covers when a member is admitted to a hospital for a procedure that cannot be performed in the doctor's office or on outpatient basis and uses a Hospital Bed but does not stay overnight.
Chronic Conditions and Pre-existing Conditions
Chronic conditions are covered to the sub-limit of inpatient indicated in section 3 – medical insurance cover or the policy endorsement.
Chronic conditions include but are not limited to, the chronic conditions and/or their complications, sequelae or associated comorbidities.
Chemotherapy
The treatment of disease such as cancer using chemical substances through cytotoxic and other drugs shall be carried as inpatient or day care based on the treatment required.
Radiation therapy
Treatment with high-energy radiation rays such as gamma rays are used to kill, shrink, damage cancer cells, and stopping them from growing and dividing.
Pre-Hospitalization Diagnostic Services
Covered services include laboratory, radiology or other necessary medical diagnostic procedures ordered by a Physician and which results in the member being admitted (on the same day the tests are done) as a registered patient to a hospital for treatment of the specific medical condition diagnosed, provided that such medical condition is covered.
Local Road and Air Ambulance Services:
Ambulance services for transportation of a sick Member for eligible inpatient treatment from an area where facilities for adequate care do not exist to the nearest suitable Hospital or licensed medical facility will be covered. The service is subject to the inpatient plan purchased and in-patient annual limit as specified in the section 3 - medical insurance cover or the policy endorsement and subject to preauthorization by Fidelity Shield based on medical necessity.
Post Hospitalization
Outpatient follow up including consultation, drugs, physiotherapy, and other treatment that is solely related to the condition that the member was hospitalized for. This shall be covered up to the limit indicated in section 3 - medical insurance cover or the policy endorsement from the date of discharge and is on a reimbursement basis.
Home Nursing
Medically necessary home nursing care shall be provided upon approval by Fidelity Shield. This shall be covered up to a maximum number of days or cover limit within inpatient as indicated in section 3 - medical insurance cover or the policy endorsement.
External prosthesis and external medical appliances
An external prosthesis is an artificial device that replaces an external missing body part, which may be lost/absent through trauma, disease, or congenital conditions which is required at time of a surgical procedure.
The external medical appliances shall be provided upon approval by Fidelity Shield including but not restricted to standard non-motorized wheelchairs, frames, crutches, and hearing aids. This should be part of treatment for an illness or condition that the member has been previously or is currently admitted for. This shall be covered up to a cover limit within the inpatient benefit, as indicated in section 3 - medical insurance cover or the policy endorsement.

Internal Prosthesis
An artificial body part or implant which is designed to form a permanent part of your body and is surgically implanted to replace a joint or ligament, replace one or more heart valves, replace the aorta or an arterial blood vessel, replace a sphincter muscle, replace a lens or cornea of the eye, act as a pacemaker, remove excess fluid from the brain or control urinary incontinence (bladder control).
Covid-19 Treatment
Treatment for Covid-19 moderate and critical cases based on the World Health Organization disease severity classification shall be covered up to the limits specified in section 3 - medical insurance cover or the policy endorsement.
Psychiatric Conditions
Treatment for mental health related ailments is covered up to the limits specified in section 3 - medical insurance cover or the policy endorsement.

B. OUT-PATIENT COVER

Cover for all eligible outpatient services is subject to the amounts specified in section 3 - medical insurance cover or the policy endorsement and to the treatment cost being customary and reasonable. Outpatient services entail medically necessary and eligible medical treatment provided to a member who is not a registered in-patient at a hospital and defined as:
General Out-patient Services
Outpatient services provided at the preferred provider panel by any registered and licensed clinician up to and including a medical officer (or on the order of a Physician who is licensed as a general practitioner)
Specialist Out-patient Services
Outpatient services provided by or on the order of a Physician who is licensed as a specialist or consultant and to whom the Member has been referred to by a General Practitioner.
Out-patient Laboratory and Radiology Services
Laboratory testing, radiographic procedures used to diagnose or treat medical conditions. Such services must be provided or ordered by a Physician and must be covered under the policy.
Out-patient Prescription Drugs
Drugs and medicines, the use of which is restricted to the order of a licensed clinician up to and including a medical officer and prescribed for use by the member as an outpatient for a period not exceeding one month dosage (30 days) for every prescription.
Other Outpatient Services
Other services rendered under outpatient include prescribed services by a medical practitioner for services such as psycho-social counselling, psychotherapy, nutritional counselling, and physiotherapy which shall be up to the limits indicated in section 3 - medical insurance cover or the policy endorsement. KEPI and KEPI baby friendly vaccines which include BCG, Pneumonia, Oral Polio, DPT, HEP B, Haemophiles Influenza Type B (Hib), and Measles. All other Private vaccines are excluded., Routine medical checks for principal member and spouse shall be to the limits indicated in section 3 - medical insurance cover or the policy endorsement and subject to pre-authorization.
External prosthesis and external medical appliances
Shall be covered based on medical necessity as prescribed by a consultant specialist and subject to approval by Fidelity Shield. This shall be on a pre-authorization basis.

C. MATERNITY COVER

The benefit is payable after one year (12 months) from the effective date, commencement date or date of purchase of the maternity benefit, whichever is later. Cover for all eligible maternity services is subject to the limits specified in section 3 - medical insurance cover or the policy endorsement and is subject to medically necessary and treatment costs being customary and reasonable. Further, maternity cover is limited only to the female principal member or female spouse and not available for dependent children.

Pregnancy and childbirth
Fidelity Shield will cover maternity up to the limits indicated in section 3 - medical insurance cover or the policy endorsement arising from childbirth provided the member is admitted in a hospital. The benefit shall cover delivery fees, consultation, and treatment for childbirth for the normal period of confinement/admission in hospital.

Complications of pregnancy

Fidelity Shield will also cover costs arising out of complications of pregnancy, miscarriage, and abortion provided that such abortion shall be certified by a gynecologist and/or a psychiatrist as being necessary to preserve the mental and/or physical health of the mother. Fidelity Shield reserves the right to require the mother to be examined by a specialist of its choice.

Complications of pregnancy are defined as those medical conditions which only ever arise as a direct result of pregnancy or childbirth. Conditions covered are ectopic pregnancy, gestational diabetes, hydatidiform mole and/or molar pregnancies, miscarriage (actual or threatened), pre-eclampsia, failure to progress in labor or stillbirth. Puerperal psychosis, post-partum hemorrhage and retained placental membrane that occur during childbirth are also covered by this benefit including complications of the above conditions.

Coverage for conditions resulting from treatment for premature babies or babies born with deformities will be under the neonatal, congenital or prematurity cover.

Pre-natal and post-natal care

Where outpatient is purchased, the maternity benefit will also include the cost of prenatal and postnatal visits for up to six weeks (6) after delivery. The prenatal visits include two (2) prescribed ultrasound scans, and pre-natal medications. Pre-natal and post-natal care will not apply in absence of an outpatient benefit being purchased.

D. OPTICAL COVER

Cover for all eligible optical services is subject to the limits specified in section 3 - medical insurance cover or the policy endorsement and is subject to medically necessary and treatment costs being customary and reasonable.

The cover shall cater for the cost of consultation by an optometrist or ophthalmologist, one sight/vision eye test each membership year, prescribed spectacles, which are to correct a sight/vision problem. The frames shall be limited to one pair for every two (2) years. Fidelity Shield shall not be liable for payments in respect of:

i. The replacement of frames unless directly caused as a result of an accidental injury.
ii. The replacement of lenses unless necessitated during further treatment in connection with the insured.
iii. Sunglasses, photochromatic lenses, anti glare lenses and plano lenses between +0.25D to -0.25D

E. DENTAL COVER

Cover for all eligible optical services is subject to the limits specified in section 3 - medical insurance cover or the policy endorsement and is subject to medically necessary and treatment costs being customary and reasonable.

Fidelity Shield will cover the member for dental services up to the limits indicated in section 3 - medical insurance cover or the policy endorsement. The cover shall cater for the cost of dental consultation resulting in examinations, tooth cleaning, normal compound filling (excluding the use of semi-precious or precious metals), simple or non-surgical extractions, dental x-rays, prescriptions and root canal treatment, inclusive of anesthetist's fees, hospital and operating theatre costs.

Fidelity Shield shall not be liable for payments in respect of:

i. The cost of replacement or repairs of old dentures, bridges, and plates unless damage to the said dentures, bridges and plates arises as the result of bodily injury sustained by the member caused solely and directly by accidental external and visible means.
ii. The cost of crowns, caps, bridges, orthodontics, dentures, self-prescribed treatment including scaling,
iii. The cost of orthodontic treatment of a cosmetic nature unless such treatment becomes necessary as the result of bodily injury sustained by the member caused solely and directly by accidental external visible means or as a result of disease other than normal decay.

F. LAST EXPENSE COVER

Should a member die during the currency of this policy, Fidelity Shield will upon receipt of satisfactory proof of death in writing pay the specified last expense sublimit as per section 3 - medical insurance cover or the policy endorsement to the designated beneficiary entitled thereto. The documents required shall include a burial permit, post-mortem report/ hospital summary, copy of beneficiary ID, the beneficiary KRA pin number and the bank details or registered M-Pesa number for payment.

The benefit shall not cover death resulting from death caused or resulting from any sickness or medical condition excluded under the policy and still births or deaths in womb before term.

G. PERSONAL ACCIDENT COVER

Cover for all eligible personal accident benefits is subject to the limits specified in section 3 - medical insurance cover or the policy endorsement. The benefit shall be extended to the principal member only and payable for accidental death only to the beneficiary entitled thereto.
Refer to Section 10 forming part of the policy document.

Section 5. General Exclusions

Notwithstanding anything to the contrary contained in this Policy, Fidelity Shield shall not be liable in respect of :

A. Bodily injury, illness and/or disease or medical expenses consequent upon or contributed to by the Member

1. Arising out of non-adherence to medical advice by a registered medical practitioner.
2. Having taken drugs orally or intravenously unless the member proves that the drug was taken in accordance with proper medical prescription and directions from a Medical Practitioner
3. Suffering from alcoholism and or alcohol intoxication which shall be defined as under:
   i. Alcohol intoxication – When the quantity of alcohol the person consumes exceeds the individual's tolerance for alcohol and produces behavioral or physical abnormalities or the person's mental and physical abilities are impaired.
   ii. Drug / Substance abuse- refers to the use of certain chemicals for the purpose of creating pleasurable effects on the brain. Substances can include alcohol and other drugs (illegal or not). Substance abuse, also known as drug abuse, is the use of a drug in amounts or by methods which are harmful to the individual or others.
4. Family planning, management of infertility and related complications/ailments.
5. Intentional self-injury, suicide or attempted suicide (whether sane or insane) or any bodily injury or illness willfully self-inflicted or due to negligent or reckless behaviour or as a result of result of committing or helping to commit a criminal act, except in an attempt to save a human life
6. Any claim for expenses related to benefits not covered under this policy.

B. **Bodily injury or disease and/or illness and medical expenses consequent upon:**

1. Sustained as a result of the member engaging in any of the excluded activities.
2. Claims and costs for treatment in respect of medical expenses incurred after the expiry date of the policy period arising from accidental bodily injury and/or illness occurring during the policy period unless the policy has been renewed.
3. Directly or indirectly occasioned by or happening through or as a consequence of ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion, combustion shall include any self-sustained process of nuclear fission.
4. Whilst the member is traveling by air as a member of the crew or for the purpose of engaging in any trade or technical operation or any other activities other than as a passenger on a registered commercial airline.
5. Costs arising from a member receiving experimental treatment or being a subject of medical research. New healthcare technology without prior approval by Fidelity Shield.
6. Whilst on service or duty with or undergoing training with any military organization, war notwithstanding that the injury occurred whilst the member was on leave and not in uniform.
7. Any injury or illness occasioned by or through or in consequence, directly or indirectly, of any of war invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, passive war, civil commotion, mutiny, rebellion, insurrection, coup d'état revolution, military or popular rising, military or usurped power, martial law or state of siege or any events or causes which determine the proclamation or maintenance or martial law or stage of siege, confiscation, seizure, nationalization or requisition or destruction of or damage to the property by order of Government (de jure or de facto) or local authority or any process of law.
8. Participation in riots and strikes, political unrest

9. Expenses incurred directly or indirectly as a result of participation hazardous, high risk, adventurous, dangerous and/or extreme sports activities which include but are not limited to in-winter and water sports, underwater activities, aqualung diving, hang gliding, polo, water ski-jumping and tricks, boxing, hunting, pot-holing, winter sports, climbing, hurling, power boating which includes the use of any combination of boat and engine capable of traveling faster than thirty knots, wrestling which shall include judo, karate, and any form of unarmed combat, ice hockey, racing, yachting, motor competition, show jumping, scuba diving, white water rafting, bungee jumping, parachuting, rock climbing which includes mountaineering, rock or cliff climbing necessitating the use of ropes or guides, or hang-gliding. Participation in professional sports; riding or driving in any kind of race or speed contest, motorized race or motorized speed contest including training; parasailing; spelunking; heli-skiing, skiing outside of marked trails; other dangerous sports or high-risk activities. Participation in racing on horseback, rugby, rodeo activity, unarmed combat, caving, league footfall, motorcycling or motor racing on machines greater than 125 c.c. Participation in sports as a professional player.
10. Cosmetic or plastic surgery unless necessary to correct traumatic bodily injury.
11. Maintenance or treatment received in health hydro's, nature cure clinics or homeopaths, chiropractors, acupuncture, herbal medicine (alternative medicine) or similar establishments, admissions to a nursing home attached to such establishments or any non-appointed medical provider.
12. Any residential stay in hospital or nursing home which is arranged wholly or partly for domestic reasons or in circumstances where the treatment could reasonably be given by a person other than a qualified registered nurse
13. Nursing unless provided by a qualified registered nurse or in circumstances where the care does not necessitate the use of a medically trained person
14. Inpatient dental expenses exceeding the specified sublimit unless occasioned by accidental injury and resulting to inpatient treatment excluding the cost of dentures, crowns, braces, bridges.
15. Inpatient optical or ophthalmologic expenses above the specified sublimit unless occasioned by accidental injury and resulting to inpatient treatment excluding the cost of glasses, surgery for refractive errors and optical/ophthalmologic transplants or grafts.
16. Donor cost when donating an organ or costs incurred while locating a replacement organ Including transport and administrative costs.
17. External prostheses and external medical appliances not covered include but are not limited to pregnancy belts, orthopedic mattresses, pillows, back rests, glucometers, diabetes testing strips, blood pressure machines, and oxygen concentrators.
18. Medical examinations and check-ups not incidental to diagnosis of an illness or injury outside of the annual wellness check-up benefit within the outpatient cover.
19. Any claim from a member whose application for medical insurance shall contain any willful misstatements or misrepresentation or who shall have willfully withheld any material information (including information withheld on the member's behalf).
20. Costs of specific medical or surgical treatment for an impairment, illness, or injury, which Fidelity Shield excluded when the member joined or on renewal.
21. Any expense for which the member has been or can be reimbursed from any other insurance, Government Schemes, NHIF or Compensation except for any excess expenditure beyond the amount recovered from such other insurance or source.
22. Illness claims incurred within the first 28 days of cove and surgical claims incurred within the first 60 days of cover.
23. Ritual circumcision except for medically necessary procedures.
24. Medical bills incurred by a member at a non-appointed hospital or under a non-appointed medical practitioner.
25. Vaccinations or any treatment undertaken or carried out as a preventative measure including complications thereof but not limited to check-ups, scans of any nature or any other form of disease and illness prevention including but not limited to preventative medications and supplements. Only the Kenya Expanded Program on Immunization (KEPI) vaccines and KEPI Baby Friendly vaccines are covered for children as per the KEPI schedule, where the Outpatient cover is purchased.
26. Pregnancy, childbirth, maternity benefits, abortion, miscarriage, ante-or-postnatal care, caesarean operation unless purchased. The benefit shall still exclude any treatment and expenses related to surrogacy and foetal surgery.
27. Costs of treatment for or related to perimenopause, menopause, andropause, ageing, puberty, and pre-menstrual tension syndrome.

28. Treatment for weight loss/gain, obesity, or weight problems. This includes but is not limited to the treatment of conditions such as anorexia, nervosa, bulimia, bariatric, and any treatment required for any condition caused as a result of these conditions.
29. Treatment for conditions such as, conduct disorder, attention deficit hyperactivity disorder, autism spectrum disorder, oppositional defiant disorder, antisocial behaviour, obsessive-compulsive disorder, attachment disorder, adjustments disorders, as well as all treatments that encourage positive social-emotional relationships, such as communication therapies, floor time and family therapy.
30. Costs for any illness, diseases or injuries arising from ear or body piercing and tattooing.
31. Costs related to any form of genetic testing.
32. Pandemics and epidemics, unless where Fidelity Shield has offered a buy-back option, usually by way of a sub-limit within the main cover limit, for a specified pandemic or epidemic.
33. Treatment to change the refraction of one or both eyes (laser eye correction) including refractive keratectomy (RK) and photorefractive Keratectomy (PRK), macular degeneration and similar conditions shall also be excluded.
34. Replacement of natural teeth and cost of orthodontic treatment of a cosmetic nature unless such treatment becomes necessary as a result of bodily injury sustained by the member, caused solely and directly by accidental external visible means or as a result of disease other than normal decay.
35. Occupational /speech therapy and treatment for speech disorders, including stammering, learning difficulties, speech therapy and, developmental, social or behavioural problems unless caused by an acute episode of an eligible condition or caused by an accident. Eligible therapies are limited to 6 months from the onset of episode within the cover period and subject to pre-authorization
36. Events of Force Majeure: For the purpose of this agreement, an “Event of Force Majeure” means any circumstance not within the reasonable control of the Party affected, but only if and to the extent that
    (i) such circumstance, despite the exercise of reasonable diligence and the observance of Good Utility Practice, cannot be, or be caused to be, prevented, avoided or removed by such Party, and
    (ii) such circumstance materially and adversely affects the ability of the Party to perform its obligations under this Agreement, and such Party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid the effect of such event on the Party’s ability to perform its obligations under this Agreement and to mitigate the consequences thereof.
37. Soaps, creams, moisturizers, shampoos, toothpaste, hospital toiletries, thermometers, sunscreen, diapers, and sanitary towels.

Section 6: General Conditions

Notwithstanding anything to the contrary contained in this Policy, the medical insurance cover given by Fidelity Shield is subject to the following General Conditions:

1. *Inception of Insurance*

   Insurance cover shall only be in force or effective once the member has submitted a dully filled and signed proposal form, has provided the required member and eligible dependent details, and paid the full premium. Fidelity Shield shall thereafter accept in writing the inception of cover.
2. *Acceptance*

   Fidelity Shield reserves the right to: -
   i. Refuse an application for cover without giving a reason.
   ii. Ask for proof of age and/or state of health of any person included in the policy/application.
   iii. Apply additional endorsements, exclusions, or premium increases to reflect the claims experience and material information that comes to our knowledge.
   iv. Refuse application for an upgrade in membership or renewal without giving reasons for doing so.
3. *Cover Period*

   This is a one-year term policy. Fidelity Shield shall assume risk from the inception date and the medical cover shall terminate on the last day after one year at midnight when the medical policy lapses, as long as Fidelity Shield or member has not terminated the cover as provided on clause (13). The insurance company shall not guarantee any liability thereafter unless cover is renewed, and premiums settled on or before the renewal date.
4. *Renewal of Insurance*

   This Policy shall remain in force for a calendar year from the effective date/commencement date. If premiums are not received within 14 days from the renewal date, the policy will be considered lapsed and on re-instatement, all waiting periods will be imposed.

As the anniversary of the Policy approaches, Fidelity Shield shall notify the Member on the terms of the next period of coverage and the premiums due. Any changes to the Policy will only take effect from the renewal date. The premium payable may be changed by Fidelity Shield from time to time. If you move into a higher age band, the premium will increase at the next renewal date. All renewal confirmation should be received prior to the expiry of the policy period. The member's policy is an annual contract and the member is responsible for the whole year's premium even if Fidelity Shield has agreed to payment in instalments through Insurance premium financing.

The rates provided may be subject to review at renewal due to reasons that include but not limited to inflation and claims experience.

5. *Premium*

   The Premium payable to Fidelity Shield shall be paid by the member on or before the Effective Date/commencement date and shall cover the ensuing year of insurance. No premiums or any part of any premiums so paid shall be refundable except as under clause (9).

6. *Cash and Carry*

   In Pursuant to the amendment of Section 156 Subsection (2) of the Insurance Act Cap 487, the policy holder is required to pay the insurance premium on or before the medical cover effective date/commencement date. Fidelity Shield shall only assume risk upon receipt of premium in full.

7. *Taxes*

   Fidelity Shield reserves the right to reflect any changes in insurance premium or other government levies as may be imposed on us.

8. *Premium Installment Payments Plan*

   i. The payment plan will be subject to the terms and conditions laid out under the insurance premium financing guidelines by Fidelity Shield

   ii. Where Insurance Premium Financing (IPF) applies, the primary responsibility of settling the premium financing loan account shall rest on the member – provided that, whereby a court order or under IPF arrangement, Fidelity Shield is compelled to reimburse the financier, the principal amount plus any interest applicable shall be recoverable from the member as a civil debt at the member's cost.

9. *Cancellation/Amendment of Insurance*

   Fidelity Shield reserves the right to amend the premium or benefits or vary the terms and conditions at any stage during the period of insurance, on giving a 14 days' written notice, to the last known address of the member.

   Fidelity Shield or the member may cancel this policy by giving 14 days' notice in writing to the other party at its last known address. Should Fidelity Shield enforce their right of cancellation at any other date other than at the end of the period of insurance, Fidelity Shield must refund the member the pro-rata portion of the inpatient premium only provided the member has not lodged any claim from the date of inception of cover to the date the notice expires. Outpatient Premium is not refundable.

10. *Alteration*

    Fidelity Shield reserves the right to alter the terms and conditions of the policy by issuing 14 days written notice to the member's address. The alterations or amendments to the policy will not be valid unless given in writing, accepted and signed by the duly authorized persons of the Member Fidelity Shield.

11. *Eligibility*

    i. All persons and their legal dependents from age 0 to 65 years are eligible for cover. Existing members can continue renewing in the scheme subject to renewal review by Fidelity Shield.

    ii. Eligible dependents include spouse, own children from birth provided the child is born at full term at 38 weeks and discharged from hospital up to 18 years of age but extended to 25 years if the child is still attending fulltime school or college is not married and living with the principle member.

    iii. Newborns will be added immediately from birth upon the newborn's duly filled application form and birth notification being submitted and the premium due being paid immediately.

    iv. Persons 50 years and above will be required to undergo a medical examination at Fidelity Shield 's appointed medical examiner at their own expense before they can be put on cover.

    v. All principal members and their eligible dependents will be subject to all waiting periods as per the medical insurance cover section. Eligible dependents can join cover any time after inception of the policy. Inpatient premium will be prorated however outpatient premium will be the full annual premium.

    vi. A member must present their Fidelity Shield identification at the hospital admissions desk and inform the admitting hospital that he/she is covered by Fidelity Shield.

12. *Adding and Removing Dependents*
The principal member may add or remove dependents after the plan start date by issuing written instructions. Cover will start on the date that upon receipt of the request subject to any waiting periods applicable. Dependents added will be subject to the eligibility clause. Children will not be accepted on cover, unless as a dependent of a legal parent and subject to identical benefits applying to all parties. Inpatient premium will be prorated however outpatient, maternity, dental and optical premium will be the full annual premium for all additions regardless of the start date.
13. *Termination*
The insurance shall cease in respect of:
    i. Members (children) who attain the age of 18 years at the point of the annual renewal date of this policy or otherwise at the next renewal date immediately following attainment of the age 18 years except when if in full time education (subject to provision of required proof of full time education) who can continue until they attain the age of 25 years at the point of the annual renewal date of this Policy or otherwise at the next renewal date immediately following attainment of the age of 25 years and provided such children are residing with the principal member in the same household.
    ii. A principal member and all the dependents who are stated to be members in the policy data sheet on the death of the principal member unless requested otherwise by the member in writing and Fidelity Shield has accepted the continuance of the insurance in respect of such persons shall be subject to the terms, conditions and limitations contained herein.
    iii. Any mis-statement or withholding of material facts that may have influenced the terms and conditions of the policy.
    iv. Any failure to observe the terms and conditions of this policy or act lacking utmost good faith.
    v. Members who fail to provide any reasonable information asked for within the required time frame.
14. *Inpatient Services & Case Management*
Medical treatment under the inpatient cover is accessed through the mode of identification provided by Fidelity Shield and governed by the following conditions:
    i. The service must be medically necessary and delivered in an appointed hospital, and by an appointed medical practitioner.
    ii. The service must have been pre-authorized in terms of the authorization procedure mentioned in sub-clause (25) below.
    iii. Only services delivered within the allocated length of stay are covered.
    iv. The service, medication or supplies that the member is charged for must relate to the reason for admission.
    v. Should the member undergo any further treatment that is deemed by Fidelity Shield to be medically unnecessary Fidelity Shield shall avoid all liability for such costs incurred.
15. *Outpatient Services*
Medical treatment under the outpatient cover is accessed through the mode of identification provided by Fidelity Shield and governed by the following conditions:

i. Co-pay is payable as per the co-pay schedule where applicable.

Co-payment structure
– Kes. 2,000 at Nairobi, Aga Khan University Hospital Nairobi, Aga Khan Mombasa, Aga Khan Kisumu, Mater Hospital, AAR Healthcare, Gertrudes, Karen, M P Shah and Nyali Healthcare Hospital including the satellite clinics
– Kes. 500 at all other facilities.

ii. Only covers treatment received from providers listed under the Fidelity Shield's outpatient panel for this product.
iii. Each patient will be required to complete a claim form provided by the healthcare service provider and sign all supporting documents e.g., copies of invoices where required. A separate claim form should be signed by each patient seen by the healthcare service provider.
iv. There will be no reimbursement for outpatient claims.

16. Maternity Cover

Maternity benefit has been provided as a rider benefit upon the payment of the full annual premium amount. The benefit will be provided on pre-authorisation basis for the admissions. There is no reimbursement for maternity benefits.

17. Dental Cover

Dental benefit has been provided as an additional benefit upon the payment of the full annual premium amount. The benefit will be provided on pre-authorisation basis. There is no reimbursement for dental benefits.

18. Optical Cover

Optical benefit has been provided as a rider benefit upon the payment of the full annual premium amount. The benefit will be provided on pre-authorisation basis. There is no reimbursement for optical benefits.

19. Last Expenses Cover

Should a member die during the currency of this policy Fidelity Shield will, upon receipt of satisfactory proof of death in writing, pay the designated beneficiary the amount according to the benefits in section 3 - medical insurance cover or the policy endorsement and upon provision of documents as per section 4 clause (f):

20. Treatment while abroad

Within the inpatient benefit, members are covered by way of reimbursements for emergency medical inpatient expenses incurred while the member is outside Kenya, for a period not exceeding eight (8) weeks. Reimbursement shall be as per the reasonable and customary expenses for similar services in Kenya. Claims must be submitted within 90 days of commencement of illness or date of accident or date of discharge and notification must be provided for pre-authorisation.

21. Evacuation

Local Evacuation

Fidelity Shield will indemnify the member in respect of medical expenses incurred for the use of a road or air ambulance by the member from the point of accident or illness to the hospital provided that the evacuation leads to in-patient hospitalization. The evacuation must be for life threatening conditions and must be preauthorized and approved by Fidelity Shield. The entitlement of either road or air evacuation benefit is subject to overall inpatient cover limit.

Access to Emergency Services

Emergency services that include evacuations, emergency transfers from one hospital to the other or from any other site can be accessed directly by the member from the appointed rescue/emergency service providers.

Note: Fidelity Shield will review the claims and if the clinical need does not meet the evacuation threshold, the claim will be rejected, and the member will be required to meet the costs directly to Fidelity Shield.

22. Overseas referral.

Fidelity Shield will indemnify the member for any costs incurred for a medical condition that warrants referral for treatment overseas provided the treatment is not available in Kenya based on the benefit in section 3 - medical insurance cover or the policy endorsement.

The overseas referral for treatment not available locally will be to a medical facility approved by Fidelity Shield. Credit facilities are available with selected hospitals in India.

Overseas referral must meet below requirements.

a) Authorized in writing by the Director of Medical Services (DMS) as per government of Kenya guidelines on overseas referrals.
b) Authorized by Fidelity Shield and certified by an independent Medical Practitioner as being necessary in advance of such travel and treatment.
c) The independent Medical Practitioner's opinion shall be binding upon all parties to this Policy.

Travel and Accommodation.

a) This policy will provide air ticket to the patient and one accompanying person on economy class return.
b) In case it is a child eligible for lodger fees, this policy will cater for the economy air ticket of the accompanying adult and accommodation under lodger's fee at the medical healthcare facility.
c) Hotel accommodation, taxi, car hire and related charges are not covered.
d) Air ticket shall be settled on 100% reimbursement however air ticket(s) amendment fees and penalties e.g., ticket date changes, cancellations, flight no show, seat upgrades and other related charges shall be borne by the member. One-way tickets are not allowed.
e) Air tickets are reimbursable ONLY where the DMS letter of no objection is issued prior to travel.
f) All overseas claim documents (invoices, receipts, medical reports, prescriptions, discharge summary etc.) incurred where the documentation is not in English, must be translated to English in full before the claims are submitted to Fidelity Shield for processing in line with the policy. This shall be the responsibility of the member to ensure that this is done.

23. Use of Healthcare Facilities/ Service Providers

i. Treatment costs and professional fees charged will be paid as per Fidelity Shield's pre-negotiated tariffs.
ii. Fidelity Shield can vary, without notice, the panel of healthcare service providers.
iii. Appointed healthcare service providers can vary or arbitrarily suspend the services without giving Fidelity Shield due notice. Where Fidelity Shield is duly notified of such suspension, they shall promptly inform the members of such suspension and advise on alternative healthcare service providers.
iv. Fidelity Shield offers no guarantees and assumes no responsibility or liability of any type of Third-Party services.

24. Indemnity

In consideration of Fidelity Shield having agreed to arrange credit facilities with healthcare service providers, the member will hold Fidelity Shield fully indemnified for any medical expenses outside the insurance contracts scope of cover whether Fidelity Shield has settled to the providers or not. The member shall be liable to fully reimburse Fidelity Shield whether the policy is renewed or lapsed, and such reimbursement shall be made to Fidelity Shield by the member within a period of not more than 14 days after submission of such expenses.

25. Pre-Authorization Review

In the event of any illness or accident giving rise to a claim under this policy the member shall notify Fidelity Shield within 48 hours prior to a scheduled admission or 24 hours after emergency admission. Fidelity Shied shall confirm eligibility, verify benefits limits and issue an approval to the healthcare service provider. At the hospital and before discharge, the member must complete and sign the claim forms and copies of invoices where required. The hospital shall submit the duly completed claim form including other supporting documents e.g. the discharge forms and medical reports within Ninety (90) days of commencement of illness or date of accident or date of discharge. The member shall obtain and furnish Fidelity Shield with all original bills, receipts, and other documents upon which a claim is based and shall also give Fidelity Shield any such additional information and assistance as Fidelity Shield may require. All claims shall be supported by original invoices and benefits will be paid subject to the provisions of this policy once all the verifications have been done by Fidelity Shield. Further the bills shall be paid at customary and reasonable rates. The following benefits must be preauthorized in advance of treatment:

i. Scheduled inpatient hospital admission
ii. Scheduled day-case hospital admission
iii. Scheduled outpatient advanced radiology (CT scans/MRI's)
iv. Childbirth/delivery hospital admission
v. Home nursing
vi. Evacuation (within Kenya and out of Kenya)
vii. Out of country inpatient treatment
viii. Dental and Optical treatment
ix. Physiotherapy sessions
x. Radiotherapy and Chemotherapy

26. Call Centre Support

All members can access our medical emergency lines which are available 24 hours a day, 365 days a year. Members will need to provide some verification details.

27. Notification and Submission of Claims

For reimbursement claims incurred upon authorization, the final claim must be submitted in writing to Fidelity Shield by the member within Ninety (90) days after the date of treatment, commencement of illness or date of accident or date of discharge. Claims submitted after the Ninety (90) day period shall not be payable. All claims shall be supported by original detailed receipts, a claim form, and discharge report and medical reports for admissions and benefits will be paid subject to provisions of this policy once all the verifications have been done by Fidelity Shield.

28. Recovery of Expense Already Paid

If after submission of documents required to substantiate a claim, it is discovered that Fidelity Shield should not have made any payment under this option or the claim is an exceeded claim or the benefits were incurred outside the policy, the claim will be deemed invalidated, and the member shall forthwith reimburse the whole amount paid to Fidelity Shield.

29. Fraudulent/Unfounded Claims

If any claim under this policy is in any respect fraudulent, false, intentionally exaggerated, or unfounded or if any false declaration or statement shall be made in support thereof then, all benefits paid and/or payable in relation to that claim shall be forfeited and shall be recoverable by Fidelity Shield. In addition, all cover in respect of the member(s) shall be cancelled with immediate effect without refund of premiums, and the member(s) shall no longer be eligible for cover for any future periods. Fidelity Shield reserves the right to institute legal charges and/or proceedings against the member(s).

30. All certificates of information and evidence required by Fidelity Shield.

All certificates of information and evidence required by Fidelity Shield at the time of accessing benefits shall be furnished free of expense to and in the form prescribed by Fidelity Shield. The member shall, when required by Fidelity Shield, submit himself to be examined by the Medical Practitioner or other officer of Fidelity Shield and shall at all times send by post, by email or physical delivery to Fidelity Shield's premises or branches within seven days after receipt of demand all such further evidence and information by way of certificates, declarations or otherwise as may be from time to time required by Fidelity Shield in order to ascertain and prove the nature and extent of the injuries and, in case of death, there must be delivered to Fidelity Shield a certificate from the Medical Practitioner who attended to the member stating as fully as possible the nature, extent and duration of the injuries, the cause of death and all such other information and evidence as Fidelity Shield may require or consider necessary to satisfy itself of its liability and of the identity of the member and of the title of the claimant. In case of the death of the member, Fidelity Shield shall have the right to have a postmortem examination made at its own expense.

31. Fidelity Shield shall be entitled at any time in Fidelity Shield's or the member's name to take proceedings at its own expense and for its own benefit to secure reimbursement from any third party in respect of anything covered by this Policy. The member shall give all such assistance as Fidelity Shield may require.

32. Fidelity Shield shall not be bound to accept or be affected by any notice of any trust, charge, lien, assignment or dealing with or related to this policy.

33. Confidentiality

Fidelity Shield agrees that they will not use or disclose any identifiable patient information (whether received or created before or after the date of this agreement) except for the purposes necessary to perform services for providing insurance cover of the member or with the prior consent of the member.

Fidelity Shield represents that it has safeguards in place, equal or superior to protect the security of patient information. Fidelity Shield agrees to securely dispose of identifiable patient information once it is no longer required for the purposes of insurance and after any document holding periods as covered by the Insurance Act are served.

Exceptions to Confidentiality:

The undertakings and duties and obligations with regard to confidential information in this clause do not apply where:

i. Fidelity Shield can demonstrate that the information is already in the public domain or has become available to the public through no breach by themselves or agents or assigns.
ii. The information was rightfully in its possession, prior to receipt from the other party, as proven by the first mentioned party's written records, without an infringement of an obligation or duty of confidentiality.
iii. In the event that Fidelity Shield is required by law, regulation, or court order to disclose any confidential information about the member, Fidelity Shield shall restrict its disclosure to only the portion of confidential information required. They shall exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be according to the confidential information so disclosed.

34. Compliance Clauses

Sanctions Clause

Each party warrants and undertakes that:

i. As at the date of this policy, it is not subject to sanctions.
ii. For the duration of this policy, each party warrants that they shall not engage in any action which would result the other party becoming subject to sanctions; and will not use, directly or indirectly, the activities of any person or entity which is subject to any sanctions or in a country which is subject to any sanctions.
iii. It is not involved in any illegal activities, terrorism and terrorism financing and will indemnify and hold the other party harmless against any actions, proceedings, claims and/or demands that may be brought against them in connection with or arising out of the seizure, blocking, or withholding of any funds as a result of sanctions.

In the event of a breach of the provisions of this clause notwithstanding any provision to the contrary, either party shall be entitled to terminate this policy immediately on written notice to the other party without prejudice to any other rights in terms of this policy or otherwise in law.

Anti-Bribery

Each party agrees that it has not and shall not, either directly or indirectly, engage in the following conduct: bribery or make any improper payment of any monies or financial or other advantage, anything of value, or any other perceived benefit to improperly obtain or retain a business advantage in violation of any Anti-bribery Laws and further, each party agrees that it shall not take any action that would cause the other party to be in violation of such Anti-bribery Laws.

35. Arbitration

i. Any dispute on matters involving a medical decision including reasonable and customary medical services and charges which cannot be settled by the parties may be referred to the arbitration of three qualified doctors to be agreed upon by the parties and in default of such agreement both to be nominated by the Medical Practitioners and Dentists Board.

ii. If the dispute is not settled between the parties, the parties shall refer the matter to the Insurance Regulatory Authority for resolution and if the dispute remains unresolved, to a court of competent resolution for final settlement.

iii. Any other dispute between the parties, not being a medical matter, with reference to or in connection with any part of the contract regarding the construction, meaning or effect of any provision hereof, the duties of the parties hereunder which cannot be settled by the parties may be referred to a single arbitrator to be agreed upon between the parties and in default of agreement, on to be nominated by the Chartered Institute of Arbitrators of Kenya, with each party bearing its own costs of Arbitrators.

iv. The place of Arbitration shall be Nairobi and the language of Arbitration shall be English.

v. The arbitral award shall be final and binding to the parties to the extent applicable by law.

vi. Obtaining an award and entering it in a court having jurisdiction by the Insured shall be a condition precedent to the liability of Fidelity Shield under this Policy.

36. Governing Law and Language

This policy document shall be construed in accordance with the Laws of Kenya in the English Language.

37. Notices

Any notice, direction or instruction given under this policy shall be in writing and delivered by hand, post or facsimile to: The Group Administrator / General Manager Health at the address specified in the policy document or at the changed address of which we must receive written notice.

The Chief Executive Officer,
Fidelity Shield Insurance Company Ltd
P.O Box 47435, 00100 Nairobi, GPO Kenya.
E-mail:info@fidelityshield.com

In addition, Fidelity Shield will send the Administrator and Members other information through electronic means with respect to the policy from time to time.

Section 7. Complaint Procedure

The policy administration provides for service level standards which outline the complaints procedures and processes. In the event that the above process fails to address the issues raised and to ensure customer satisfaction, complaints can be communicated via the following contacts:

Chief Executive Officer
Fidelity Shield Insurance Company Limited
P. O. Box 47435, 00100 Nairobi, GPO Kenya
Email: info@fidelityshield.com

Section 9: Proposal and Declaration (To be provided)
Section 10: Personal Accident Cover Summary

This insurance contract is made and accepted subject to all the provisions, conditions and warranties set forth herein and, in any forms, or endorsements attached hereto all of which are to be considered as incorporated herein, and any provisions or conditions appearing in any forms or endorsements attached hereto which alter the insurance provisions stated above shall supersede such insurance provisions in so far as they are inconsistent therewith. In addition, this policy, endorsement and the policy data sheet shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this policy or of the policy data sheet shall bear such specific meaning wherever it may appear.

Insured Person Address	
Beneficiary Names & Details	
Risks Covered	
Benefits	
Personal Accident (PA) Insurance period	
Conditions	1. 24- hour Worldwide Cover, Duty or Pleasure. 2. Age Limit - 18 to 65 years 3. Disappearance Clause 4. Exposure Clause 5. Hi-jack Clause 6. Riot, Strike & Civil Commotion
Exclusions	1. The Insured Person being under the influence of or being affected by alcohol, drugs venereal disease or insanity. 2. The Insured Person willfully exposing himself to needless peril (except in attempt to save human life) or committing or attempting to commit suicide 3. The Insured Person suffering from any physical defect or infirmity which existed prior to an Accident. 4. Childbirth or Pregnancy in the case of women. 5. War, civil war, political risks, and terrorism exclusion
Claims Procedure	The following documents are required in the event of a claim: 1. Duly completed and signed claim form 2. Medical certificate 3. Death Certificate/Burial Permit

Insurance Regulatory Authority
Bima Bora kwa Taifa
IRA

CFN/IRA/01/013/01

16th February 2026

The Principal Officer,
Fidelity Shield Insurance Company Limited,
P.O Box 47435-00100,
NAIROBI.

Dear Sir,

RE: APPROVAL OF REINSURANCE ARRANGEMENTS FOR THE YEAR 2026

Approval is hereby granted for the reinsurance arrangements of Fidelity Shield Insurance Company Limited for the year 2026 in line with Sections 8 and 29 of the Insurance Act as follows:

Treaty	Reinsurer	Share
Fire surplus treaty	African Reinsurance Corporation	25%
	Continental Reinsurance Limited	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
Engineering Surplus Treaty	African Reinsurance Corporation	15%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	40%
	East Africa Reinsurance Company Limited	15%
	WAICA Reinsurance (Kenya) Limited	10%
Miscellaneous Accident Surplus Treaty	Continental Reinsurance Limited	7.5%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	32.5%
	East Africa Reinsurance Company Limited	15%
	African Reinsurance Corporation	25%
Marine Surplus treaty	African Reinsurance Corporation	20%
	Continental Reinsurance Limited	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
	WAICA Reinsurance (Kenya) Limited	5%
Marine Hull & Cargo Excess of loss treaty	African Reinsurance Corporation	20%
	Continental Reinsurance Limited	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
	WAICA Reinsurance (Kenya) Limited	5%

Bonds Quota Share	African Reinsurance Corporation	20%
	WAICA Reinsurance (Kenya) Limited	20%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	25%
	East Africa Reinsurance Company Limited	15%
	African Reinsurance Corporation	20%
Travel Quota Share	MAPFRE ASISTENCIA Compañía Internacional de Seguros y Reaseguros, S.A.	50%
	African Reinsurance Corporation	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	20%
Aviation Quota Share	African Reinsurance Corporation	25%
	Continental Reinsurance Limited	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
Fire & Engineering Excess of Loss treaty	African Reinsurance Corporation	15%
	WAICA Reinsurance (Kenya) Limited	10%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	40%
	East Africa Reinsurance Company Limited	15%
Medical Quota Share	African Reinsurance Corporation	5%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	75%
Medical Expenses Catastrophe Excess of Loss	African Reinsurance Corporation	5%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	75%
Motor, Accident & Liability Excess of Loss	African Reinsurance Corporation	20%
	WAICA Reinsurance (Kenya) Limited	5%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	32.5%
	East Africa Reinsurance Company Limited	15%
	Continental Reinsurance Limited	7.5%
Political Violence & Terrorism Excess of loss treaty	African Reinsurance Corporation	25%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
	Continental Reinsurance Limited	10%
Political Violence & Terrorism Quota Share and Surplus Treaty	African Reinsurance Corporation	25%
	Kenya Reinsurance Corporation Limited	20%
	ZEP-RE (PTA Reinsurance Company)	30%
	East Africa Reinsurance Company Limited	15%
	Continental Reinsurance Limited	10%

This approval is issued pursuant to Section 29 of the Insurance Act strictly for regulatory compliance only and shall not be used by the insurer for business acquisition purposes.

Please be advised accordingly.

Yours faithfully,



Bernard Gitangi
Manager Supervision, Licensing
For: INSURANCE REGULATORY AUTHORITY

14TH September 2026

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

Dear Sir/Madam,

PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS- UNDERWRITERS ONLY

Tender Reference: NBA/753/0001/2026-27

Submit a statement in the bidder's letter head that the company is not insolvent, in receivership, bankrupt or in the process of being wound up.

The above matter refers.

We hereby confirm that the Company is not; insolvent, bankrupt, in receivership, bankrupt or being wound up and that the company business activities have not been suspended.

Kindly note that Fidelity Shield Insurance Company does not have any current litigation claims directly involving the company.

We look forward to providing insurance services to your esteemed organization and building an excellent working relationship.

FIDELITY SHIELD INSURANCE CO. LTD.

Richard Marisin
Managing Director

For and on behalf of
FIDELITY SHIELD INSURANCE COMPANY LIMITED

14TH SEPTEMBER 2026,

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

Dear Sir/Madam,

UNDERTAKING TO IMPLEMENT THE MEDICAL INSURANCE COVER BENEFITS

REF: PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS-UNDERWRITERS ONLY

TENDER NO. NBA/753/0001/2026-27

We, **Fidelity Shield Insurance Company**, being the proposed underwriter for the Provision of Medical Insurance Cover for Staff and Board Members of the National Biosafety Authority, hereby irrevocably undertake and commit to implement and provide all the medical insurance cover benefits as specified in the tender document, Schedule of Requirements and Technical Specifications.

We confirm that, upon award of the tender, we shall ensure the effective implementation and administration of the medical insurance scheme and provide the stipulated benefits to all eligible insured members in accordance with the requirements of the tender and the agreed terms and conditions of the contract.

We further undertake to ensure that the medical insurance cover is implemented in a timely and efficient manner and that all eligible beneficiaries have access to the services and benefits specified under the tender throughout the contract period.

This undertaking is issued in compliance with the requirements of the tender and constitutes our commitment to implement the proposed medical insurance cover and its associated benefits as specified by the National Biosafety Authority.

For and on behalf of
FIDELITY SHIELD INSURANCE COMPANY LIMITED

RICHARD MARISIN

PRINCIPAL OFFICER. 



SPECIFIC POWER OF ATTORNEY

FIDELITY SHIELD INSURANCE COMPANY LIMITED

TO

RICHARD KIPKIRUI MARISIN

DRAWN BY;

CAREN N. JAGUGA

ADVOCATE

P.O.BOX 622-00100

NAIROBI

Fidelity INSURANCE

KENYA 00001

THIS POWER OF ATTORNEY is hereby given on this 30th Day of December, Two Thousand and fifteen, by:

FIDELITY SHIELD INSURANCE COMPANY LIMITED a limited liability company registered in the said Republic and having its registered office at Fidelity Centre, Waiyaki Way, Nairobi in the Republic of Kenya and of Post Office Box Number 47435-00100 Nairobi (hereinafter referred to as "the Company").

LANDS DEPARTMENT 1127 12 FEB 2016 RECEIVED CENTRAL REGISTRY

THE COMPANY HEREBY APPOINTS:

RICHARD KIPKIRUI MARISIN OF ID. NO 20987867 and of Post Office Box Number **47435-00100 NAIROBI** (hereinafter referred to as 'the attorney') to be a true and lawful attorney of the company to conduct and execute on behalf of the company in all businesses of the company established in Kenya or in any other place in which the attorney may be appointed from time to time that is to say to perform the following acts:-

1. To execute, sign, seal, deliver, convey, perfect and do all and any acknowledgements, agreements, assignments, certificates(but not share certificates),contracts, customs bonds, other bonds,leases,licenses,letters and papers necessary and proper for effectively doing or causing to be done any or things in the conduct and management of the business of the company.

2. To insure from time to time against any risk the attorney thinks fit any immovable or movable property whatsoever of the company to pay all premiums necessary therefore.

3. To reinsure business accepted by the company directly and by way of facultative reinsurances and co-insurances through quota surplus and excess of loss treaties and also by facultative reinsurances at such rates of premium and upon such terms and conditions as the attorney shall think proper against risks situated in kenya and Kenyan interest abroad and execute and make such treaties with such covenants, powers and provisions as the attorney shall deem fit.

AND the Company hereby undertakes to ratify and confirm whatever the Attorney shall lawfully do or cause to be done in the company by virtue of this power of attorney and the company shall indemnify and keep indemnified the attorney for all losses and expenses incurred by the attorney as a result of the exercise of the rights granted by this power of attorney.

Fidelity
INSURANCE

IN WITNESS WHEREOF the seal of the company has been hereunto affixed at the registered office of the company by the directors of the company this.....30TH.....day of.....~~JANUARY~~ DECEMBER.....~~2016~~ 2015

CAREN JAGUGA
ADVOCATE
P. O. Box 622 - 00100
NAIROBI

SIGNED SEALED AND DELIVERED BY

FIDELITY SHIELD INSURANCE COMPANY LTD.

DIRECTOR MATHEW KOECH]

]

]

DIRECTOR RICHARD KEMOLI]

I CERTIFY that...MATHEW KOECH...RICHARD KEMOLI...being the directors of the company appeared before me on...30TH DECEMBER 2015.....and being known to me acknowledged the above signatures to be theirs and that they have freely and voluntarily executed this instrument and understood its contents.

CAREN JAGUGA
ADVOCATE
P. O. Box 622 - 00100
NAIROBI

.....

Name and Signature of person certifying.

Specimen signature of the Donee
Name: Richard Kipkirui Marisin
will sign as:

LAND TITLES REGISTRY - NAIROBI REGISTRY
REGISTRATION OF TITLE ACT
REGISTERED AS No. IP/A 65555/1
PRESENTED 12th February 2016
TIME 0955Hrs ③
Registrar of Titles

Insurance you can trust

Fidelity Shield Insurance Company Ltd, Fidelity Insurance Centre, Westlands, Waridi Lane off Waiyaki Way
M +254 (0) 709 988 000
+254 (0) 733 620 001
T +254 (20) 4225000
P.O.Box 47435, 00100 Nairobi, GPO Kenya.
E info@fidelityshield.com
W www.fidelityshield.com

Board of Directors: N. Kamere (Chairman), R. Marisin (MD), A. Kurji, G. Aminyi, L. Kibet, S. Merali, I. Koshev, K. Kangongo
ISO 9001: 2015 Certified and a member of Association of Kenya Insurers (AKI)

Fidelity
INSURANCE

JAMHURI YA KENYA REPUBLIC OF KENYA

SERIAL NUMBER: 246509965 ID NUMBER: 20987867

FULL NAMES
RICHARD KIPKIRUI MARISIN

DATE OF BIRTH
01. 01. 1978

SEX
MALE

DISTRICT OF BIRTH
BOMET CENTRAL

PLACE OF ISSUE
HDM BOMET

DATE OF ISSUE
17. 01. 2018

HOLDER'S SIGN.





DISTRICT
BOMET CENTRAL

DIVISION
BOMET CENTRAL

LOCATION
NDARAWETA

SUB-LOCATION
KABUSARE

PRINCIPAL REGISTRAR'S SIGN.

T0270081550

IDKYA2465099652<<3611<<<<<3613
7801011M1801178<B020987867E<<6
RICHARD<KIPKIRUI<MARISIN<<<<<<

Specimen signature

I Certify that this is a true copy
of the Original
20/03/2024
ESTHER WANJIKU NDUNG'U - ADVOCATE
P. O. Box 857-20300 NYAHURURU

Insurance you can trust

Fidelity Shield Insurance Company Ltd,
Fidelity Insurance Centre, Westlands,
Waridi Lane off Waiyaki Way

M +254 (0) 709 988 000
+254 (0) 733 620 001
T +254 (20) 4225000

P.O.Box 47435, 00100
Nairobi, GPO Kenya.

E info@fidelityshield.com
W www.fidelityshield.com

Board of Directors: N. Kamere (Chairman), R. Marisin (MD), A. Kurji, C. Ahinyi, L. Kibet, S. Merali, J. Koshey, K. Kahgongo

14TH SEPTEMBER 2026,

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

Dear Sir/Madam,

SUBMISSION OF AUDITED FINANCIAL STATEMENTS

REF: PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS-UNDERWRITERS ONLY

TENDER NO. NBA/753/0001/2026-27

We refer to the tender for the Provision of Medical Insurance Cover for Staff and Board Members of the National Biosafety Authority.

We hereby confirm that, due to the 5 MB maximum file size limitation applicable to the mandatory submission section, we have attached one (1) year of the required audited financial statements under the Mandatory Requirements section.

The remaining three (3) years of audited financial statements, making a total of four (4) years as required, have been included and will be submitted under the Technical Evaluation section of our tender submission.

We confirm that all four (4) years of the required audited financial statements have therefore been provided as part of our complete tender submission, with the documents distributed across the relevant sections solely due to the prescribed file-size limitation.

We kindly request that the attached documents, together with the three additional years submitted under the Technical Evaluation section, be considered as our complete submission for the audited financial statements requirement.

For and on behalf of
FIDELITY SHIELD INSURANCE COMPANY LIMITED

RICHARD MARISIN

PRINCIPAL OFFICER.

FIDELITY SHIELD INSURANCE COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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CORPORATE INFORMATION

Board of Directors	N. Kamere	- Chairman
	A. Kurji	
	L. Kibet	
	S. Merali	
	Tandala Investment Limited	- J. Koskey (Alternate Director)
	K. Kangogo	
	G. Akinyi	
	R. Marisin	- Managing Director
Audit, Risk, Compliance and Sustainability Committee	L. Kibet	- Chairman
	A. Kurji	
	G. Akinyi	
	K. Kangogo	
Board Finance & Investments Committee	K. Kangogo	- Chairman
	S. Merali	
	J. Koskey	
	G. Akinyi	
Ethics, Compensation & Remuneration Committee	J. Koskey	- Chairman
	N. Kamere	
	A. Kurji	
	S. Merali	
Management	R. Marisin	- Managing Director
	A. Kiragu	- Head of Operations
	J. Munene	- Finance Manager
	M. Njoroge	- Human Resources Manager
	P. Mukunzi	- Underwriting Manager
	S. Kamau	- Claims Manager
	I. Wekesa	- ICT Manager
	R. Ngetich	- Marketing & Business Devt. Manager
	D. Gitau	- Business Development Manager - Retail
	A. Andayi	- Branch Manager – North Rift
	N. Shariff	- Branch Manager - Coast
	T. Amina	- Branch Manager - Nakuru
	S. Kiano	- Branch Manager - Thika
	R. Boro	- Branch Manager – Nairobi CBD
	S. Chirchir	- Branch Manager – Kisumu

CORPORATE INFORMATION (CONTINUED)

Registered Office

Fidelity Insurance Centre
Waridi Lane off Waiyaki Way
P O Box 47435 – 00100
Nairobi, Kenya

Branches

Head office Branch
Fidelity Insurance Centre
Waridi Lane off Waiyaki Way
P O Box 47435 – 00100
Nairobi, Kenya

Nairobi CBD Branch
Transnational Plaza, 8th Floor
Mama Ngina Street
P O Box 47435 - 00100
Nairobi, Kenya

Mombasa Branch
Mombasa Trade Centre, 8th floor, Nkurumah Road
P O Box 90103
Mombasa, Kenya

Eldoret Branch
Daima Towers, Mezzanine 2, Uganda Road
P O Box 7877
Eldoret, Kenya

Kisumu Branch
Kenya Re Plaza, Oginga Odinga street
P O Box 2243
Kisumu, Kenya

Nakuru Branch
WestSide Mall, 3rd Floor.
Kenyatta Lane
P O Box 18622-20100
Nakuru, Kenya

Thika Branch
Twin Oak Plaza, 4th Floor.
Kwame Nkurumah Street
P O Box 6283-01000
Thika, Kenya

CORPORATE INFORMATION (CONTINUED)

Company Secretary	Millicent Chepkirui Ngetich Certified Public Secretaries (Kenya) P O Box 9287- 00100 GPO Nairobi, Kenya
Independent Auditor	PricewaterhouseCoopers LLP P O Box 43963, 00100 PwC Tower, Waiyaki Way, Westlands Nairobi
Principal Advocate	Coulson Harney LLP 5th Floor, West Wing, ICEA Lion Centre Riverside Park, Chiromo Road P O Box 10643 – 00100 Nairobi, Kenya
Consulting Actuary	Kenbright Actuarial and Financial Services Ground Floor ACK Garden House Upper Hill, 1st Ngong Avenue P O Box 28281 – 00200 Nairobi, Kenya
Principal Banker	NCBA Bank Kenya PLC Mara and Ragati Road, Upper Hill P O Box 30437 – 00100 Nairobi, Kenya

CHAIRMAN'S STATEMENT

INTRODUCTION

On behalf of the Board of Directors, I am pleased to present the annual report and financial statements for the year ended 31 December 2025, reflecting our continued commitment to delivering value to our shareholders and stakeholders.

ECONOMIC OVERVIEW

Kenya's economy remained on a solid footing through 2025 with an estimated real GDP growth of 5%, driven by a resilient agricultural sector, rebounding construction, and improved service sector activity. The private sector credit rebounded with a growth of 5% by September 2025, supported by lower lending rates and an accommodative monetary stance.

The country however remained at high risk of debt distress, underscoring the urgency of credible fiscal consolidation. Domestic borrowing increased, with a notable shift toward short-term treasury bills, heightening rollover risks. Labor market weaknesses persisted, with formal employment remaining at 15% of total jobs and real wages falling, reflecting structural weaknesses in productivity growth and job creation.

OPERATING ENVIRONMENT

The macroeconomic environment in 2025 remained broadly supportive, characterised by price stability, easing monetary conditions, currency resilience and strong capital market performance.

Inflation remained well anchored within the Central Bank of Kenya target range of 2.5%–7.5%, averaging 4.5%, below the 5% midpoint target. The stable inflationary environment was supported by steady exchange rate and stable fuel prices.

The Kenya Shilling appreciated by 0.2% against the US Dollar to close at Kshs 129.0 in 2025, compared to Kshs 129.3 at the end of 2024 a significant moderation from the 17.4% appreciation recorded in 2024. This stability has been achieved despite significant global shocks including US trade tariffs and Middle East conflicts, underscoring the strength of Kenya's foreign exchange management framework.

The Central Bank of Kenya (CBK) aggressively reduced its benchmark lending rate (CBR) throughout 2025, starting from over 10% and closing the year at 9% in December 2025, following a series of consecutive cuts. This monetary easing was aimed at supporting the private sector, enhancing liquidity and reinforcing economic recovery momentum.

In the fixed income market, yields on government securities trended downward in line with the easing monetary stance. Treasury bill rates declined from a peak of 11.4% to a range of 7.7%–9.2% by year-end. While rates remained relatively elevated, particularly on the 364-day tenor, the market experienced periods of volatility, including reduced bond turnover in the final quarter of the year.

The equities market delivered exceptional performance in 2025, driven by improved investor confidence, a more stable political environment, lower interest rates, and stronger corporate earnings. Major indices at the Nairobi Securities Exchange posted gains exceeding 50% year-on-year, with the NSE 20 and NASI rising by 52.5% and 48.9% respectively. Market performance was supported by strong domestic investor participation and a notable 65% appreciation in Safaricom's share price.

THE INSURANCE INDUSTRY

Kenya's insurance industry remains fragmented and characterized by intense price competition, slow innovation and inconsistent profitability. Structural challenges such as low penetration, high operating costs and limited product differentiation continue to limit industry growth and profitability.

According to IRA 2025 Q3 Insurance Industry report, the industry showed sustained growth in long-term insurance business, a stable general insurance segment and mixed performance across reinsurance lines. The robust growth in Q3 2025 was driven by digital transformation and regulatory reforms.

The general insurance business recorded gross premium income of KES 185.40 billion in Q3 2025 with the Medical and Motor classes maintaining leading positions in terms of contribution to premium at 41.2% and 26.3% respectively.

CHAIRMAN'S STATEMENT (CONTINUED)

THE INSURANCE INDUSTRY (CONTINUED)

The underwriters incurred claims worth KES 55 billion, translating to a claim incurred loss ratio of 73.0%, an improvement from 76.5% in Q2 2024. The moderation of the loss ratio signals a degree of recovery in underwriting performance despite continued pressure from high claims in medical and motor insurance classes. The high premium volume classes of general insurance business contributed the largest proportions of incurred claims; Medical (49.4%), Motor Commercial (20.4%) and Motor Private (20.2%). The motor classes of insurance business contributed 40.6% of total claims incurred under general insurance business compared to their business contribution of 25.1% of the total premium under general insurance business.

In 2025, the Kenyan insurance industry faced critical challenges including low market penetration (approx. 2.3% of GDP), high insolvency rates, and mounting public mistrust due to claims settlement delays. Key bottlenecks included intense competition from banks/telecoms, rising fraud, stringent regulatory compliance costs, and economic volatility.

Despite the challenges in general insurance business classes and reinsurance business, the industry recorded improving claims ratios and strengthening asset base.

PERFORMANCE HIGHLIGHTS

The Company closed the year 2025 with a 24% growth in insurance service revenue to Kes. 4.7 billion from Kes. 3.8 billion in 2024. The growth was boosted by exponential growth in Medical, Miscellaneous and Motor commercial classes which recorded growths of 320%, 77% and 63% respectively.

Insurance service expenses increased by 21% to Kes 3.6 billion from Kes 3 billion prior year. Even though the expenses increase was at a lower rate than the revenue growth, the core underwriting business results was affected by a marginal increase in claims incurred which pushed the overall loss ratio up from 75% in 2024 to 77% in 2025. Management have put in place robust strategies aimed at improving the loss experience downwards in the short run with a view of achieving positive Net Insurance Results.

Premium collection efforts and strategies employed during the year saw the business achieve a record 41 debtor days resulting to debtor's impairment writeback of Kes. 20M and a reduction reported management expenses. This enhanced debtor's performance resulted from collaborative efforts by all business functions aimed at timely collections and strict adherence to the credit control policy. The enhanced premium collection not only boosted the investment portfolio and income but also reduced the credit risk which consequently improved the Company's capital adequacy ratio from 129% to 156% at the end of the year.

The investment portfolio comprising of government securities, bank deposits and equities recorded an overall growth of 39% to Kes 3.7 billion compared to 2.6 billion in 2024 with government securities alone recording a growth of 28%. Investment income increased by 14% to Kes 516 million from Kes 452 million in 2024 largely driven by increased investment assets, mainly fixed income and equities. The property portfolio on the other hand registered a devaluation loss of Ksh 32 million due to the low property occupancy and reduction of rental rates.

Profit before tax grew by 8% to Kes 231 million from Kes 213 million in 2024 which was attributed to increased investment income, containment of management expenses and improvement in the performance of medical book.

FUTURE OUTLOOK

The leading macroeconomic indicators remain broadly supportive heading into 2026. The Kenya Shilling is projected to trade within a range of KSh 129.0 to KSh 132.0 against the US Dollar by year-end 2026, while inflation is expected to remain within the Government's target band of 2.5%–7.5%, reflecting continued price stability.

Domestic and external borrowing levels are, however, expected to remain elevated in 2026. This will largely be driven by the need to service and refinance existing obligations, including forthcoming external debt maturities such as the USD 1.0 billion Eurobond due in February 2028. Consequently, fiscal consolidation efforts and global market conditions will remain key factors shaping liquidity, interest rates, and investor sentiment.

CHAIRMAN'S STATEMENT (CONTINUED)

FUTURE OUTLOOK(CONTINUED)

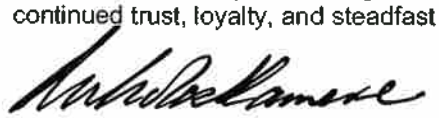
Against this backdrop, the external environment presents both opportunity and complexity. While macroeconomic stability and improving market confidence create avenues for growth, sustained success will require sharper execution, disciplined capital management, and clearly differentiated value propositions.
To strengthen competitiveness and restore performance momentum, the Company will focus on disciplined and strategic expansion, building liquidity and solvency buffers, driving growth through medical leadership, accelerating digitisation to enhance operational efficiency and customer experience, and fostering purposeful innovation to meet evolving client needs.

TRIBUTE

In closing, I wish to express my sincere appreciation to my fellow Directors for their unwavering support, commitment, diligent oversight, and collaboration, which have strengthened our governance framework, enhanced risk management, and ensured disciplined execution of our strategic priorities.

I commend Management and Staff for their professionalism and dedication in executing the Company's strategy and delivering outstanding results during the year under review. I assure you of the Boards continued support and look forward to another great year of performance.

Finally, I extend my heartfelt gratitude to our valued business intermediaries and customers for their continued trust, loyalty, and steadfast support.



Nicholas Kamere
Chairman
12 March 2026

CORPORATE GOVERNANCE STATEMENT

Fidelity Shield Insurance Company Limited considers the implementation of strong Corporate Governance practices essential for generating healthy and sustainable returns for its shareholders, while also fulfilling its responsibility to enhance the quality of life for all stakeholders. As a result, the Directors are dedicated to adhering to the highest standards of Corporate Governance in managing the Company's operations.

The Company ensures full compliance with all applicable rules, regulations, and laws in its business activities. It operates with the goal of building credibility in the market and creating greater value for its stakeholders. Decision-making and the exercise of authority are conducted with integrity, responsibility, accountability, and transparency.

BOARD OF DIRECTORS

Composition of the Board

The Company is guided by a strong Board that offers strategic direction, supervises Management, and ensures that Management is delivering value for all stakeholders.

The Insurance Regulatory Authority (IRA) has established Corporate Governance Guidelines for Insurers, outlining the minimum standards for insurers operating in Kenya. These guidelines specify that an insurance company's Board must have at least five members, with no fewer than one-third of the Board members, including the Chairman, being independent professionals. Additionally, the guidelines recommend the establishment of key committees, including Audit, Investment, Risk Management, Asset Liability Management, Policy-holder Protection, Ethics, and Nomination and Remuneration. The Board currently consists of seven members.

While the Board of Directors holds the ultimate responsibility for overseeing the Company's operational and financial performance, the day-to-day management has been delegated to the Managing Director.

Role of the Board

The primary responsibility of the Board of Directors is to provide overall strategic direction and governance for the company. This includes overseeing the company's operations, ensuring accountability, and making decisions that align with the long-term goals and interests of the shareholders and other stakeholders.

The Board of Directors meets at least quarterly and is chaired by a non-executive independent director.

Board Committees

To effectively fulfil its governance duties, the Board has established several standing committees, each with specific mandates. These committees operate based on clear terms of reference that outline their responsibilities and authority. They have unrestricted access to all company information and direct access to the Company Secretary and independent professionals to support them in carrying out their functions. Each committee reports to the Board at every meeting, summarizing the topics discussed and proposing actions for approval when necessary. Despite the delegation of authority to these committees, the Board retains full responsibility for the areas they oversee and the committees' activities.

Throughout the year, the Board held seven (7) meetings to assess the company's performance in relation to the business plan and budget. The attendance record for these meetings is outlined below:

Director	13.03.2025	15.05.2025	24.07.2025	07.11.2025
N. Kamere	√	√	√	√
K. Kangogo	√	√	√	√
S. Merali	√	x	x	√
J. Koskey	√	√	√	√
L. Kibet	x	x	x	x
G. Akinyi	√	√	√	√
A. Kurji	√	√	√	√

Key:

✓ - Present X – Absent with apology

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Board Committees (continued)

The mandates of the committees and their membership are summarized as follows:

(a) Audit, Risk, Compliance and Sustainability Committee

The Audit, Risk, Compliance and Sustainability Committee (ARCS) consists of four members, including a Chairman who is a non-independent, non-executive director, and three other directors. In terms of auditing, the committee's primary goal is to assist the Board by independently reviewing the effectiveness of the company's financial reporting process and internal control systems. Regarding risk, the committee's main objective is to ensure that the company has a robust risk management system in place. It is responsible for defining the nature, role, responsibilities, and authority of the company's risk management function and systems, as well as outlining the scope of risk management activities. In relation to sustainability, the committee's main role is to oversee the implementation of the company's sustainability strategy towards the management of sustainability related risks and opportunities and climate related risks and opportunities. The committee also reviews the performance and findings of the Internal Audit, Risk, Compliance and Sustainability functions and external audit and recommends any necessary corrective actions at least quarterly.

The record of attendance at the Board Audit, Risk, Compliance & sustainability Committee meetings is set out below:

Director	05.03.2025	07.05.2025	16.07.2025	23.10.2025
A. Kurji	√	√	√	√
L. Kibet	√	√	√	x
K. Kangogo	√	√	√	√
G. Akinyi	√	√	√	√

Key:

✓ - Present X – Absent with apology

(b) Board Finance and Investment Committee

The Board Finance and Investment Committee (FIC) consists of four members who bring extensive expertise in finance, accounting, and investments. Its primary goal is to support the Board by offering strategic direction and oversight to safeguard the company's financial well-being and long-term growth. The committee is responsible for overseeing financial management, shaping investment strategies, managing financial risks, handling capital structure and financing, and ensuring strong financial governance. FIC presents its findings and recommendations to the full board for final approval.

The record of attendance at the Board Finance and Investment Committee meetings is set out below:

Director	06.03.2025	08.05.2025	17.07.2025	23.10.2025
J. Koskey	√	√	√	√
S. Merali	√	√	√	√
K. Kangogo	√	√	√	√
G. Akinyi	√	√	√	√

Key:

✓ - Present

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Board Committees (continued)

(c) Ethics, Nomination and Compensation Committee

The Ethics, Compensation and Remuneration Committee (ENCC) consists of four members and its main goal is to support the Board in offering guidance to the various Management Committees, ensuring that human resources objectives and matters are effectively addressed. The committee reviews and advises on issues such as salary adjustments, bonus allocations, staff recruitment and resignations, as well as any disputes involving the company's workforce.

The record of attendance at the Board Compensation and Remuneration Committee meetings is set out below:

Director	04.03.2025	06.05.2025	17.07.2025	22.10.2025
J. Koskey	√	√	√	√
S. Merali	√	√	√	√
A. Kurji	√	√	√	√
N. Kamere	√	√	√	√

Key:

✓ - Present

(d) Management Committee

The Management Committee, made up of executive and senior staff, meets monthly with the primary goal of overseeing the implementation of the company's overall strategy. Each month, the committee evaluates the performance of all departments, with a particular focus on financial performance and the progress of strategy execution.

REPORT OF THE DIRECTORS

The Board of Directors is pleased to present the annual report along with the audited financial statements of Fidelity Shield Insurance Company Limited (the "Company") for the year ended 31 December 2025, which provide an overview of the Company's financial results and position.

PRINCIPAL ACTIVITY

The principal activity of the company is the transaction of general insurance business.

RESULTS

Some of the Company's key performance indicators are:

Performance indicator	2025	2024
Insurance service revenue (Kes million)	4,660	3,772
Insurance service expenses	3,613	2,971
Insurance service result (Kes million)	(58)	(7)
Net Investment income	516	452
Profit before income tax (Kes million)	231	213
Insurance contracts liabilities (Kes million)	5,297	4,386
Reinsurance contracts assets (Kes million)	1,054	1,038
Total assets (Kes million)	6,860	5,776
Total equity (Kes million)	1,364	1,224

DIVIDEND

The directors recommend payment of dividend in respect of the year ended 31 December 2025 of Kes 100 million (2024: Kes 75 million).

DIRECTORS

The directors who served the Company up to the date of this report are as listed on page 2.

BUSINESS REVIEW

The performance highlights have been discussed in the Chairman's statement.

OPERATIONAL RISK

The Company operates a strong risk management system that ensures any unfavourable risk exposures are promptly addressed upon identification. The risk management framework includes regular risk identification, assessment, monitoring, and management processes. Key risks, such as insurance, credit, financial, and capital risks, are continuously monitored by the board.

OUR PEOPLE

Our employees play a key role in the Company's success. Fidelity has consistently aimed to be an employer of choice in the insurance sector. As a result, the Company is dedicated to developing and enhancing staff capabilities, fostering innovation, and cultivating an engaged workforce. A robust talent management system is in place, offering a clear framework for training, career progression, and employee rewards. The total number of staff at the end of the year was 96 (2024: 87).

REPORT OF THE DIRECTORS (CONTINUED)

OUTLOOK

Despite current global and domestic challenges, Kenya's medium-term growth outlook remains positive. We are focused on executing our strong strategy to expand our market presence and continue enhancing profitability. We will also focus on making the medical business more profitable by targeting profitable accounts and using claims management strategies like tightening pricing and underwriting policies, negotiating improved rates with hospitals, educating new customers, and implementing tele-consultations to lower consultation and drugs costs. We are confident that the renewed energy and strategic direction will ensure the Company's performance stays strong and sustainable in the years ahead.

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

The directors confirm that with respect to each director at the time of approval of this report:

(a) There was, as far as each director is aware, no relevant audit information of which the Company's auditor is unaware; and

(b) each director had taken all steps that ought to have been taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

TERMS OF APPOINTMENT OF AUDITOR

PricewaterhouseCoopers LLP continues in office in accordance with the Company's Articles of Association and Section 719 of the Companies Act, 2015.

The directors monitor the effectiveness, objectivity, and independence of the auditors. The directors also approve the annual audit engagement contract, which sets out the terms of the auditor's appointment and the related fees.

By order of the Board



Sylvia Mwikali
Certified Public Secretaries (Kenya)
Company Secretary
12 March 2026

SUSTAINABILITY COMMITMENT STATEMENT

MANAGING DIRECTOR'S STATEMENT

Fidelity Insurance recognises that sustainability is essential to long-term value creation, business resilience, and stakeholder trust. As a regulated insurance provider, we are committed to progressively integrating environmental, social, and governance (ESG) considerations into our governance frameworks, and subsequently implement the disclosure requirements in line with IFRS S1, S2 and other standards to the extent that they are applicable to our business model.

In the current reporting period, we focused on establishing strategic, governance and risk management foundations to support a structured, forward-looking approach to sustainability. This included developing a Sustainability Strategy, which outlined our priority focus areas, governance arrangements, and a phased roadmap for implementation and reporting on the following areas:

Governance

Fidelity Insurance enhanced the mandate of the Audit Risk and Compliance Board Committee to include Sustainability oversight during the Committee's first meeting of the year held on 5th March 2025. The Committee's meetings and attendance are as outlined in the corporate governance statement above. The Company's sustainability strategy implementation was discussed in 4 out of the 4 meetings held.

Consequently, the company's sustainability structure was further enhanced by the creation of Sustainability Risk & Compliance department that is led by Sustainability, Risk & Compliance Officer who was appointed effective 1st March 2025. The department was then facilitated with a team of 13 Environmental Social and Governance (ESG) Champions drawn from 7 departments and 6 branches. The champions have been instrumental in the implementation of the ESG strategy in the company in the year under reporting.

To further support the Sustainability framework, the Board approved the ESG & Sustainability Policy on 15th May 2025. The policy enshrines our ESG principles and commitments to the Planet, the People, Sustainable Economy and Ethical Governance. This fulfilled our ESG commitment that was highlighted in our 2024 financial statement. The company also undertook efforts to increase female representation in management. This included facilitating female employees with professional trainings to equip them with skills for their career growth, followed by appointment of 3 women into managerial positions. Thus, our female representation in management grew from 23% in 2024 to 26% as at end of year 2025. The company targets 30% female representation in management by end of year 2026.

Risk Management

Fidelity Insurance established a robust Enterprise Risk Management (ERM) framework in the year 2016. Successful implementation of the framework has seen the company's ERM maturity grow consistently to attain 67% by 31st December 2025, as per KPMG's Maturity Assessment Report.

Management of Sustainability Related Risks and Opportunities (SRRO) and Climate Related Risks and Opportunities (CRRO) were embedded in the corporate ERM framework through development of ESG risk registers and dashboards. These tools were applied in identifying, assessing, evaluating, treating and reporting material sustainability and climate related risks. The table below shows key risks that were identified and further classified into Physical and Transition risks.

SUSTAINABILITY COMMITMENT STATEMENT (CONTINUED)

Risk Management (continued)



The following risks were later categorised into acute and chronic as follows.

Acute physical risks
- Portfolio exposure to adverse climatic events
- Operational disruptions by extreme weather events
- Illiquidity due to sudden, severe, climate-driven losses
- Disruption of the supply chain

Chronic physical risks
- Inadequate risk surveys for major assets in fire and engineering classes
- Unavailability of data for scenario & stress testing
- Increase in insurance gap

Acute transition risks
- Non-compliance to IFRS S1 & S2 requirements
- Misalignment of material issues
- Effects of emerging regulatory requirements on ESG

Chronic transition risks
- Inability to develop/innovate ESG-linked products
- High financed emissions
- Inaccurate baseline measurements
- Inadequate capacity building on management of ESG issues

SUSTAINABILITY COMMITMENT STATEMENT (CONTINUED)

Strategy

The company conducted ESG gap assessment based on the principles of sustainable insurance. Through the assessment, sustainability and climate related opportunities were identified and factored in the development of short, medium and long-term sustainability strategy for the next 3 years.

Adequate resources have been allocated to enable the implementation of the strategy. The company is committed to providing disclosures in line with IFRS S1 & S2 in the rolling years following it's successful actualisation of the sustainability strategy. The staff have also been provided with basic training and learning materials on sustainability and ESG. This was delivered in 3 quarterly webinars where the recorded average staff attendance rate was 70%.

More so, the company subscribed to the United Nations Global Compact (UNGC) Kenya Network, which champions the implementation of Sustainable Development Goals. The organisation also provided adequate materials for staff learning through the UNGC academy. Our staff's enrolment and learning through the academy builds our internal capacity to effectively manage sustainability strategy implementation challenges.

During the year under reporting, we innovated our processes to introduce tech-enabled solutions for our clients. This was achieved through designing and piloting an intermediary portal for procuring our motor and marine covers. We plan to roll-out more products on the portal which would further enable our clients to purchase our covers at their convenience. It also lays the foundation for business adaptation to consumer trends as we draft plans to reduce our environmental footprint in the long run.

Our approach in implementing sustainability strategy aligns with the relevant regulatory expectations and industry best practices.

Overview

The company is building capacity to enhance the quality and consistency of our sustainability reporting, including readiness activities for applicable sustainability disclosure standards. These efforts aim to strengthen internal awareness, data governance, and reporting capabilities.
Recognising that our sustainability journey is in the early stages, our near-term priorities include translating our strategy to actionable plans, with measurable achievements on targets by enhancing data quality, and introducing metrics to monitor performance. Over time, we aim to further integrate sustainability and climate considerations into underwriting, product innovation, and operations, while improving transparency through more structured sustainability disclosures.

Through these efforts, Fidelity Insurance seeks to strengthen resilience, meet evolving stakeholder expectations, and contribute responsibly to the sustainable development goals relevant to our business and communities.

Signed off by:



Richard Marisin
Managing Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure the Company keep proper accounting records that: a) show and explain the transactions of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2015. They also accept responsibility for:

(i) Designing, implementing, and maintaining internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error;
(ii) Selecting suitable accounting policies and then applying them consistently; and
(iii) Making judgements and accounting estimates that are reasonable in the circumstances.

Having assessed the Company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibility.

Approved by the Board of Directors on 12 March 2026 and signed on its behalf by:

Nicholas Kamere
Chairman

Kevin Kangogo
Director

REPORT OF THE CONSULTING ACTUARY

I have conducted an actuarial valuation of the insurance contract liabilities of Fidelity Shield Insurance Company Limited as at 31 December 2025.

The valuation was conducted in accordance with IFRS 17, generally accepted actuarial principles and in accordance with the requirements of the Kenyan Insurance Act. These principles require prudent provision for future outgo under contracts, generally based upon the assumptions that current conditions will continue. Provision is therefore not made for all possible contingencies. In completing the actuarial valuation, I have relied upon the audited financial statements of the company.

In my opinion, the Fidelity Shield Insurance Company Limited's insurance liabilities were adequate as at 31 December 2025.

Ezekiel Macharia Mburu
Fellow of the Institute of Actuaries
12 March 2026
Nairobi

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIDELITY SHIELD INSURANCE COMPANY LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Fidelity Shield Insurance Company Limited (the "Company") set out on pages 22 to 97 which comprise the statement of financial position at 31 December 2025 and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of Fidelity Shield Insurance Company Limited as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Company's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers LLP. PwC Tower, Waiyaki Way/Chiromo Road,
Westlands P O Box 43963 – 00100 Nairobi, Kenya
T: +254 (20) 285 5000 F: +254 (20) 285 5001

Partners: J Aroi E Kerich P Klambl B Kimacia M Mugasa F Muriu P Ngahu R Njoroge S O Norbert's B Okundi K Salli

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIDELITY SHIELD INSURANCE COMPANY LIMITED (CONTINUED)

Key audit matters (continued)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of insurance contract liabilities Insurance contract liabilities as disclosed in Note 18 comprise liability for remaining coverage and liability for incurred claims. We considered valuation of insurance contract liabilities as a significant area of focus because the estimation of the liability for incurred claims involves significant judgement given the inherent uncertainty in estimating expected future outflows in relation to claims incurred particularly for claims incurred but not reported. In addition, the liabilities are adjusted for the time value of money based on historical settlement patterns. Judgement is applied in estimating this future settlement pattern and in determination of the discount rate. The determination of liability for incurred claims requires calculation of risk adjustment for non-financial risk which represents the compensation for bearing the uncertainty about the timing and amount of the risk insured. This calculation involves significant judgments. For onerous contracts, calculation of loss component involves judgment in estimating fulfilment cashflows relating to the remaining coverage period of insurance contracts.	Evaluated and tested controls on claims handling, settling, and reserving. Tested a sample of claim payments and reserves to confirm the amounts recorded in the claims systems agree to the source data. Checked the consistency of reserving methods year on year. Tested the appropriateness of the methodology and assumptions used by the external actuary and management in estimation of reserves as at 31 December 2025 and performed reprojections for a sample of reserves to validate the estimates. Tested management's calculation of the discount rate used to compute the present value of liability for incurred claims. Tested the methodology and assumptions used by management in estimating the risk adjustment. Reviewed the identification and classification of onerous contracts. Reconciled the claims data used by management to calculate reserves to the audited claims data. Assessed the adequacy of disclosures in the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIDELITY SHIELD INSURANCE COMPANY LIMITED (CONTINUED)

Other information

The other information comprises the Corporate information, Chairman's statement, Report of the directors, Corporate governance statement, Sustainability commitment statement, Statement of Directors' Responsibilities, report of the consulting actuary and supplementary information which we obtained prior to the date of this auditor's report but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIDELITY SHIELD INSURANCE COMPANY LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other matters prescribed by the Companies Act, 2015

In our opinion the information given in the report of the directors on pages 11 to 12 is consistent with the financial statements.

Patrick Kiambi, Practicing Certificate Number 2056
Engagement partner responsible for the audit
For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

30 **March 2026**

UNIQUE CODE: 21111260330

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2025 Kes '000	2024 Kes '000
Insurance service revenue	5	4,659,642	3,771,951
Insurance service expenses	6	(3,612,785)	(2,970,623)
Net expenses from reinsurance contracts held	7	(1,105,287)	(808,337)
Insurance service result		**(58,430)**	**(7,009)**
Interest income	8.1	412,984	351,727
Other investment income	8.2	103,387	100,516
Net investment income		**516,371**	**452,243**
Finance expenses from insurance contracts issued	8.3	(138,673)	(171,659)
Finance income from reinsurance contracts held	8.4	31,554	20,230
Net insurance finance expenses		**(107,119)**	**(151,429)**
Net insurance and investment result		**350,822**	**293,805**
Other income	9	30,439	10,828
Other operating expenses	10	(150,305)	(91,492)
Profit before income tax		230,956	213,141
Income tax expense	12	(14,574)	(32,492)
Profit for the year		216,382	180,649
Other comprehensive income, net of tax			
Item that may be subsequently reclassified to profit or loss			
Gain on revaluation of land and building, net of tax		(2,156)	2,878
Total comprehensive income		**214,226**	**183,527**

STATEMENT OF FINANCIAL POSITION

	Notes	At 31 December 2025 Kes '000	At 31 December 2024 Kes '000
ASSETS			
Property and equipment	20	234,462	238,933
Right-of-use assets	21	8,525	15,405
Intangible assets	22	5,498	3,644
Deferred income tax	30	-	9,871
Investment properties	23	968,831	1,001,122
Due from the Kenya Motor Insurance pool		13,156	13,707
Equity investments at fair value through profit or loss	24	112,727	42,124
Mortgage loans	25	2,330	2,737
Loan to shareholder	27(ii)	11,639	28,499
Receivables arising out of reinsurance arrangements		150,644	71,803
Receivables from intermediaries	26	397,398	416,242
Reinsurance contract assets	18.2	1,054,458	1,038,093
Current income tax	12	61,098	43,381
Other receivables	27(i)	25,810	34,611
Government securities at amortised cost	28(i)	1,750,045	1,356,276
Government securities at fair value through profit or loss	28(ii)	1,171,393	919,908
Deposits with financial institutions	34	615,874	309,995
Cash and bank balances	34	276,315	229,179
Total assets		**6,860,203**	**5,775,530**
LIABILITIES			
Insurance contract liabilities	18.1	5,296,685	4,385,745
Payables arising from reinsurance arrangements		37,150	31,602
Lease liability	21	9,834	18,630
Other payables	31	142,910	115,119
Deferred income tax	30	9,964	-
Total liabilities		**5,496,543**	**4,551,096**
EQUITY			
Share capital	14	600,000	600,000
Revaluation reserve	15	100,140	102,296
Retained earnings		563,520	447,138
Proposed dividend	36	100,000	75,000
Total equity		**1,363,660**	**1,224,434**
Total liabilities and equity		**6,860,203**	**5,775,530**

The financial statements were approved by the board of directors on 12 March 2026 and were signed on its behalf by:

Nicholas Kamere	K. Kangogo	R. Marisin
Chairman	Director	Principal Officer

STATEMENT OF CHANGES IN EQUITY

	Share Capital Kes '000 (Note 14)	Revaluation reserves Kes'000 (Note 15)	Retained earnings Kes'000	Proposed dividend Kes'000 (Note 13)	Total Kes'000
Year ended 31 December 2025					
At 1 January 2025	600,000	102,296	447,138	75,000	1,224,434
Profit for the year	-	-	216,382	-	216,382
Other comprehensive income	-	(2,156)	-	-	(2,156)
Dividend paid	-	-	-	(75,000)	(75,000)
Proposed dividend	-	-	(100,000)	100,000	-
At 31 December 2025	**600,000**	**100,140**	**563,520**	**100,000**	**1,363,660**
At 1 January 2024	600,000	99,418	341,489	50,000	1,090,907
Profit for the year	-	-	180,649	-	180,649
Other comprehensive income	-	2,878	-	-	2,878
Dividend paid	-	-	-	(50,000)	(50,000)
Proposed dividend	-	-	(75,000)	75,000	-
At 31 December 2024	**600,000**	**102,296**	**447,138**	**75,000**	**1,224,434**

STATEMENT OF CASH FLOWS

	Notes	2025 Kes '000	2024 Kes '000
Cash flow from operating activities			
Cash generated from operations	35	677,386	319,516
Interest received	8.1	412,984	351,727
Purchase of quoted equities	24	(75,149)	(47,544)
Repayment of mortgage loans	25	407	565
Purchase of Government bonds at amortised cost	28(i)	(398,380)	(318,040)
Purchase of Government bonds at fair value through profit or loss	28(ii)	(209,668)	(683,004)
Proceeds from disposal of quoted equities	24	46,046	8,413
Maturity of treasury bonds at amortised cost	28(i)	14,670	25,000
Disposal of treasury bonds at fair value through profit or loss	28(ii)	-	461,553
Issue of mortgage loans		-	-
Repayment of interest portion of lease liabilities	21	(1,792)	(2,511)
Income tax paid	12	(11,531)	(47,982)
Net cash from operating activities		**454,973**	**67,693**
Cash flow from investing activities			
Purchase of property and equipment	20	(13,857)	(15,749)
Purchase of intangible assets	22	(4,793)	-
Proceeds of disposal of property and equipment		258	58
Net cash from investing activities		**(18,392)**	**(15,691)**
Cash flow from financing activities			
Repayment of principal portion of lease liabilities	21	(8,566)	(7,428)
Dividends paid		(75,000)	(50,000)
Net cash from financing activities		**(83,566)**	**(57,428)**
Cash and cash equivalents at start of year		539,174	544,600
Increase/(decrease) in cash and cash equivalents		353,015	(5,426)
Cash and cash equivalents at end of year	**34**	**892,189**	**539,174**

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Fidelity Shield Insurance Company Limited, hereby referred to as the "Company" is a limited liability company incorporated and domiciled in Kenya. The address of the registered office is Fidelity Insurance Centre, Waridi Lane off Waiyaki Way, Westlands, P O Box 47435 - 00100, Nairobi, Kenya.

The Company underwrites all general insurance business. The Company began issuing medical insurance contracts in 2024.

For purposes of the Companies Act, 2015 reporting purposes, the balance sheet is represented by statement of financial position while the profit and loss account is represented by the statements of profit or loss and other comprehensive income.

2. Material accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost basis unless otherwise stated.

The financial statements are presented in Kenya Shillings (Kes) rounded off to the nearest thousand (Kes '000), unless otherwise indicated.

Statement of compliance

The financial statements of Fidelity Shield Insurance Company Limited have been prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB) and with the Companies Act, 2015.

The material accounting policies applied in the preparation of these financial statements are set out below.

IFRSs and amendments effective for the year ended 31 December 2025

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2025:

- **IAS 21 Exchange Rates (amendments)** - The amendments on 'Lack of Exchangeability' require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. These amendments will assist companies and investors by addressing a matter not previously covered in the accounting requirements for the effects of changes in foreign exchange rates.

The amendment listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

IFRSs and amendments not yet effective nor early adopted

Title	Key requirements	Effective date
Amendments to IFRS 9 and IFRS 7, "Contracts Referencing Nature-dependent Electricity"	The amendments include clarifying the application of the 'own-use' requirements, permitting hedge accounting if these contracts are used as hedging instruments and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.	Annual periods beginning on or after 1 January 2026.
Annual Improvements to IFRS Accounting Standards, " Volume 11 "	The IASB issued various amendments and clarifications to existing IFRS as part of the Annual Improvements to IFRS Accounting Standards Volume 11 , none of which are expected to have a material impact on the group's annual financial statements.	Annual periods beginning on or after 1 January 2026.
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments	On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments: • clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and • update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The Company does not expect these amendments to have a material impact on its operations or financial statements.	Annual periods beginning on or after 1 January 2026.
IFRS 18, 'Presentation and Disclosure in Financial Statements'	IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements.	Annual periods beginning on or after 1 January 2027

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

IFRSs and amendments not yet effective nor early adopted (continued)

IFRS 19, 'Subsidiaries without Public Accountability'	Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. The Company does not expect this standard to have an impact on its operations or financial statements.	Annual periods beginning on or after 1 January 2027

a) Foreign currency translation

Transactions and balances

Transactions in foreign currencies during the year are translated into Kenya Shillings at rates ruling at the transaction dates. Monetary assets and liabilities which are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at the end of the reporting period. The resulting differences from conversion and translation are dealt with in the profit or loss for the year in which they arise.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

b) Insurance contracts

Measurement approaches

The Company uses premium allocation approach (PAA) measurement approach to measure insurance contracts issued and reinsurance contracts held with coverage period of one year or less and those that pass the other eligibility criteria prescribed by IFRS 17. The company does not have any insurance contracts issued, or reinsurance contracts held that do not meet the PAA eligibility criteria or with direct participating features.

Definition and classification

Insurance contracts are contracts under which the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Company uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Company has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

If a contract has a legal form of insurance but does not transfer significant insurance risk and expose the Company to financial risk, it is classified as investment contract and accounted for under IFRS 9. No such contracts have been issued by the Company.

In the normal course of business, the Company uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these financial statements apply to insurance contracts issued or acquired and reinsurance contracts held, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Unit of account

The Company manages insurance contracts issued by classes prescribed by Insurance Regulatory Authority, where each product line includes contracts that are subject to similar risks. All insurance contracts within a class represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are: (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Company determines the appropriate level at which reasonable and supportable information is available, to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Company uses significant judgement to determine at what level of granularity the Company has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

The Company assesses the profitability of the contracts issued based on the facts and circumstances to determine if they are onerous at initial recognition. For non-onerous contracts, the Company assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is done at the portfolio level.

Since all the Company's insurance contracts are measures using the PAA, the Company assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Company assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

Portfolios of reinsurance contracts held are assessed for further aggregation separately from portfolios of the insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Company aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of: (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

Before the Company accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that must be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct services other than insurance contract services.

The Company applies IFRS 17 to all remaining components of the contract. The Company does not have contracts with any of the three components that require further separation or combination.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or received, if there is no due date; and
- when the Company determines that a group of contracts becomes onerous.

Insurance contracts acquired in a business combination within the scope of IFRS 3 or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
  i. the beginning of the coverage period of the group; and
  ii. the initial recognition of any underlying insurance contract.

- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held unless the Company entered the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified, and additional criteria discussed below are met.

When an insurance contract is modified, the Company treats changes in cash flows caused by the modification as changes in estimates of the Fulfilment Cashflows (FCF), unless the conditions for the derecognition of the original contract are met. The Company derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

a. if the modified terms had been included at contract inception and the Company would have concluded that the modified contract is not within the scope of IFRS 17, results in different separable components, results in a different contract boundary or belongs to a different group of contracts.
b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Accounting for contract modification and derecognition (continued)

When a new contract is required to be recognised because of modification and it is within the scope of IFRS 17, the new contract is recognised from the date of modification. When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

a. if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment.
b. if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
c. if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

Measurement

Fulfilment cash flows (FCF)

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Company expects to collect from premiums and pay out from claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:
a) are based on a probability-weighted mean of the full range of possible outcomes.
b) are determined from the perspective of the Company, provided that the estimates are consistent with observable market prices for market variables; and
c) reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Company's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Company estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Company uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Contract boundary

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums, or the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

a) the Company has the practical ability to reprice the risks of the policyholder or change the level of benefits so that the price fully reflects those risks; or

b) both the following criteria are satisfied:

i. the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Company has a substantive right to receive insurance contract services from the reinsurer.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquisition costs

The Company includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

a). costs directly attributable to individual contracts and groups of contracts; and

b). costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Before a group of insurance contracts is recognised, the Company could pay directly attributable acquisition costs to originate them. When such prepaid costs are refundable in case of insurance contracts termination, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a group of insurance contracts when the insurance contracts are subsequently recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

Initial and subsequent measurement

The Company uses the PAA for measuring contracts with a coverage period of one year or less. This approach is used for all insurance classes other than engineering and miscellaneous as each of the contracts in all other classes have a coverage period of one year or less.

The Company carried out both quantitative and qualitative analysis of the PAA eligibility criteria for engineering and miscellaneous classes which have coverage periods of more than one year and concluded that there is no significant difference between the carrying amount of insurance contract liability determined under the general measurement method and PAA method. As a result, the classes qualify to be measured under the PAA.

For insurance contracts issued, intermediary commissions paid are deferred and recognised over the coverage period of the contracts in a group, while all other insurance acquisition cash flows are recognised as they are incurred. For reinsurance contracts held, commission income and broker fees are recognised over the coverage period of contracts in a group.

For insurance contracts issued, on initial recognition, the Company measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of the prepaid acquisition cash flow asset.

For reinsurance contracts held, on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant prepaid acquisition cashflow asset.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

a) the LRC; and
b) the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

a) the remaining coverage; and
b) the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Initial and subsequent measurement (continued)

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

a) increased for premiums received in the period;
b) decreased for insurance acquisition cash flows paid in the period;
c) decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
d) increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

a) increased for ceding premiums paid in the period;
b) increased for broker fees paid in the period; and
c) decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

The Company does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.

There are no investment components within insurance contracts issued and reinsurance contracts held that are measured under the PAA.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are adjusted for the time value of money for insurance contracts that typically have a settlement period of over one year.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Company increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component. Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein. Because of the short-term nature of the general insurance contracts, the FCF determined under GMM are not adjusted for time value of money.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Where applicable, changes in the loss-recovery component are disaggregated between net income from reinsurance contracts held and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein in proportion to the disaggregation applied to the changes in the underlying loss component.

Amounts recognised in the statement of profit or loss and other comprehensive income

Insurance service result from insurance contracts issued

Insurance service revenue

As the Company provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Company expects to be entitled to in exchange for those services.

The Company recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

a) incurred claims and benefits, excluding investment components;
b) other incurred directly attributable expenses;
c) insurance acquisition cash flows amortisation;
d) changes that relate to past service – changes in the FCF relating to the LIC; and
e) changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the statement of profit or loss.

The Company presents financial performance of groups of reinsurance contracts held on a net basis in net income(expenses) from reinsurance contracts held, comprising the following amounts:

a) reinsurance expenses;
b) incurred claims recovery;
c) other incurred directly attributable expenses;
d) effect of changes in the risk of reinsurers' non-performance; and
e) Changes relating to past service (i.e. adjustments to incurred claims)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Company expects to pay in exchange for those services.

For groups of reinsurance contracts held measured under the PAA, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

a) the effect of the time value of money and changes in the time value of money; and
b) the effect of financial risk and changes in financial risk.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:
a) interest accreted on the LIC; and
b) the effect of changes in interest rates and other financial assumptions.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses. All changes in risk adjustment for non-financial risk are presented under insurance service result.

The Company includes all insurance finance income or expenses for the period in profit or loss (that is, the profit or loss option (the PL option) is applied.

The Company has no significant insurance contracts that generate cash flows in foreign currency, and therefore it has chosen not to separate the foreign exchange differences from the other FCFs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Significant judgements and estimates in relation to IFRS 17

Areas of potential judgement	Applicable to the Company
PAA eligibility For insurance contracts with a coverage period of more than one year and for which the entity applies the PAA, the eligibility assessment as required by IFRS 17 and might involve significant judgement.	For contracts that have a coverage period of more than one year, the Company carried out eligibility assessment and concluded that the carrying value of insurance contract liabilities were not materially different when measured under either GMM or PAA and therefore they qualify ti be measured under PAA.
Unit of account Judgements involved in the identification of portfolios of contracts, as required by IFRS 17 (that is, having similar risks and being managed together).	The Company issues general insurance contracts. After its assessment, management concluded that the level of aggregation per Insurance Regulatory Authority comprise of products that are priced and managed together, have similar risks and forms the portfolios of contracts.
Profitability grouping Profitability grouping of contracts into onerous contracts, non-onerous contracts (with no significant possibility of becoming onerous) and other contracts. For insurance contracts issued measured under the PAA, management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous.	Using judgement, the Company selected the combined loss ratio (claims ratio + commission ratio + expenses ratio) as the measure of profitability. Best estimate combined ratio >100% indicates onerous group. If the ratio stressed by 5% is not more than 100%, the group is profitable, else, it is grouped as others. This area of judgement is potentially applicable to the Company. The Company did not identify any facts or circumstances that might have indicated that a group of contracts measured under the PAA had become onerous, other than those that had been identified without benefit of hindsight.
Measurement – Fulfilment cash flows The concept of a contract boundary is used to determine which future cash flows should be considered in the measurement of a contract within the scope of IFRS 17. Judgements might be involved to determine when the Company can reprice the entire contract to reflect the reassessed risks, when policyholders are obliged to pay premiums, and when premiums reflect risks beyond the coverage period.	The company uses judgement to treat premiums receivable as received when measuring insurance contracts and recognise a different financial asset from the receivables. For reinsurance contracts held, the amounts due to or from reinsurance are treated in the same way. This is mainly because of the cash and carry rule that governs insurance operations in Kenya, and the Company considers premium not paid as an arrangement outside the boundary of insurance contract. Most of the receivables are also due from intermediaries who collect from insured persons.
An entity can use judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to the fulfilment of the contracts.	The Company performs regular expense analysis and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results.

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios. The assumptions used in the deterministic scenarios are derived to approximate the probability-weighted mean of a full range of scenarios.

Discount rates

The bottom-up approach was used to derive the discount rates for the cash flows across all products. The company does not sell products that have cash flows which vary based on the return of underlying items.

Under the bottom-up approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (illiquidity premium). The risk-free yield was derived using the NSE yield curve on government bonds denominated in the reporting currency. Management uses judgement to assess the liquidity characteristics of the liability cash flows and determine the illiquidity premium.

The yield curves that were used to discount the estimates of future cash flows are as follows:

Period	Currency	1 year	2 years	3 years	4 years	5 years	6 years
31 December 2025	Kes	9.21%	9.96%	10.70%	10.47%	10.64%	11.43%
31 December 2024	Kes	11.41%	12.30%	13.44%	14.16%	14.14%	13.87%

Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts within the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Company estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Company uses information about past events, current conditions, and forecasts of future conditions. The Company's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing, and probability of cash flows. The probability-weighted average of the future cash flows is calculated using a deterministic scenario representing the probability-weighted mean of a range of scenarios.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Estimates of future cash flows to fulfil insurance contracts (continued)

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis, such as activity-based costing method and other methods. The Company has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts in force within groups or gross written premiums.

Acquisition costs that are not directly attributable to individual contracts are allocated to groups of contracts based on the gross written premiums or number of acquired policies. The Company does not allocate acquisition cash flows to future contracts expected to be issued because of the recurrent nature of most of the expenses and uncertainty of the renewals.

Claims settlement-related expenses (like claims processing staff costs) are allocated based on the number of claims handled in that period for a given group of contracts.

For the Company, uncertainty in the estimation of future claims and benefit payments arises primarily from the severity, timing and frequency of claims and uncertainties regarding future inflation rates leading to claims and claims handling expenses growth.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Significant methods and assumptions used are discussed below.

Expenses

The Company projects estimates of future expenses relating to fulfilment of contracts within the scope of IFRS 17 using current expense ratios. Expenses comprise expenses directly attributable to the groups of contracts, including an allocation of fixed and variable overheads.

The Company has not changed its methods or assumptions used to project expenses in 2025. Possible increases in expenses assumptions increase the liability for incurred claims and loss component on onerous contracts.

Claims

The Company estimates insurance liabilities in relation to claims incurred for all products. Estimates are performed on an accident year basis.

Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the claims incurred. In certain instances, different techniques or a combination of techniques have been selected for individual accident years or groups of accident years within the same type of contract.

The most common methods used to estimate general insurance claims incurred are the chain-ladder and the Bornhuetter-Ferguson methods, which are the industry standards for this type of business. The chain-ladder technique involves an analysis of historical claims development factors and the selection of estimated development factors based on this historical pattern. The selected development factors are then applied to cumulative claims data for each accident year that is not yet fully developed, to produce an estimated ultimate claims cost for each accident year. The chain-ladder technique is the most appropriate for those accident years and classes of business that have reached a relatively stable development pattern. The chain-ladder technique is less suitable in cases in which the Company does not have a developed claims history for a particular type of claim.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Claims (continued)
The Bornhuetter-Ferguson method uses a combination of a benchmark or market-based estimate and an estimate based on claims experience. The former is based on a measure of exposure, such as gross or reinsurance premiums; the latter is based on the paid or incurred claims to date. The two estimates are combined, using a formula that gives more weight to the experience-based estimate as time passes. This technique has been used in situations in which developed claims experience was not available for the projection (that is, in relation to recent accident years or new products).

The Company has not changed the methods used to estimated incurred claims in 2024. In its claims incurred assessments, the Company uses internal and external data. Internal data is mainly obtained from the Company's management reports. Market data consists of inflation projections, large claims threshold,
large claims quantity, market claims ratios and other.

Where the contracts measured under PAA become onerous and GMM must be applied to estimate the loss component, the Company estimates the future expected claims. This is done using the average loss ratio of the recent five complete fiscal years, obtained from the management accounts.

Risk adjustment for non-financial risk

Because the risk adjustment represents compensation for uncertainty in cashflows and their timing, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion. The Company estimates an adjustment for non-financial risk separately from all other estimates. The Company considers the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The risk adjustment was calculated at the portfolio level and allocated uniformly across the groups of contracts within the portfolio. The Company applied a cost of capital method to derive the risk adjustment for non-financial risk for portfolios which did not have well-developed data to support confidence level method (bootstrap method). The confidence level method was applied to well-developed portfolios.

In the cost of capital method, the risk adjustment is determined by applying a cost rate to the present value of projected capital relating to non-financial risk. The cost rate is set at average of 12% per annum, representing the return required to compensate for the exposure to non-financial risk, depending on the risk profile of the portfolio. The Cost of Capital Approach was used to obtain the Risk Margin results for Aviation, Engineering, Fire Industrial, Liability, Marine, Miscellaneous and Personal Accident portfolios.

The capital is determined at a 75% confidence level, and it is projected in line with the run-off of the business. The rates used from this approach were derived from the Risk Based Capital Model provided by the Insurance Regulatory Authority ('IRA'). The RBC model provides the risk charges for each line of business under Capital Form 2. It also provides for an additional Catastrophe Risk Charge of 2%. The resulting amount of the calculated risk adjustment corresponds to the confidence level of 75% (2024: 75%).

The bootstrap method involved simulating claims reserves by sampling from the past outcomes of development factors. This resulted in the production of a full distribution of the claims from which the mean and the 75th percentile reserves were estimated and used to derive the risk adjustment margins. Unsmoothed development factors were used to allow for the full potential volatility in the claim's estimates. The bootstrapping technique was used for Fire Domestic, Motor Commercial, Motor Commercial PSV, Motor Private, Theft and Workmen's compensation portfolios.

The methods and assumptions used to determine the risk adjustment for non-financial risk were not changed in 2024 and 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Sensitivity analysis to underwriting risk variables

The table below shows information on how reasonably possible changes in assumptions made by the Company regarding underwriting risk variables impact insurance liabilities.

31 December 2025	LRC	LIC	Total	Impact on LRC	Impact on LIC	Total change	Impact on profit before tax	Impact on equity
Insurance contract liabilities	1,934,151	3,362,534	5,296,685					
Reinsurance contract assets	(417,631)	(636,827)	(1,054,458)					
Net insurance contract liabilities	**1,516,520**	**2,725,707**	**4,242,227**					
Expected Claims – 5% increase								
Insurance contract liabilities				68,507		68,507	(68,507)	(47,955)
Reinsurance contract assets				(7,253)		(7,253)	7,253	5,077
Net insurance contract liabilities				**61,254**		**61,254**	**(61,254)**	**(42,878)**
Expected Expenses – 5% increase								
Insurance contract liabilities				11,724		11,724	(11,724)	(8,207)
Reinsurance contract assets				(1,025)		(1,025)	1,025	718
Net insurance contract liabilities				**10,699**		**10,699**	**(10,699)**	**(7,489)**
Unpaid claims – 5% increase								
Insurance contract liabilities					168,169	168,169	(168,169)	(117,718)
Reinsurance contract assets					(33,325)	(33,325)	33,325	23,328
Net insurance contract liabilities					**134,844**	**134,844**	**(134,844)**	**(94,390)**
Discount rates – 5% increase								
Insurance contract liabilities					(11,392)	(11,392)	11,392	**7,974**
Reinsurance contract assets					(2,001)	(2,001)	2,001	1,401
Net insurance contract liabilities					**(13,393)**	**(13,393)**	**13,393**	**9,375**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

(b) Insurance contracts (continued)

Sensitivity analysis to underwriting risk variables

31 December 2024	LRC	LIC	Total	Impact on LRC	Impact on LIC	Total change	Impact on profit before tax	Impact on equity
Insurance contract liabilities	1,529,346	2,856,399	4,385,745					
Reinsurance contract assets	(383,339)	(654,754)	(1,038,093)					
Net insurance contract liabilities	**1,146,007**	**2,201,645**	**3,347,652**					
Expected Claims – 5% increase								
Insurance contract liabilities					43,951	43,951	(43,951)	(30,766)
Reinsurance contract assets					(2,929)	(2,929)	2,929	2,050
Net insurance contract liabilities					**41,022**	**41,022**	**(41,022)**	**(28,716)**
Expected Expenses – 5% increase								
Insurance contract liabilities					10,313	10,313	(10,313)	(7,219)
Reinsurance contract assets					(1,130)	(1,130)	1,130	791
Net insurance contract liabilities					**9,183**	**9,183**	**(9,183)**	**(6,428)**
Unpaid claims – 5% increase								
Insurance contract liabilities					142,820	142,820	(142,820)	(99,974)
Reinsurance contract assets					(32,738)	(32,738)	32,738	22,917
Net insurance contract liabilities					**110,082**	**110,082**	**(110,082)**	**(77,057)**
Discount rates – 5% increase								
Insurance contract liabilities					(21,169)	(21,169)	21,169	14,818
Reinsurance contract assets					3,022	3,022	(3,022)	(2,115)
Net insurance contract liabilities					**(18,147)**	**(18,147)**	**18,147**	**12,703**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially recognised on the trade date measured at their fair value.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Measurement categories

The Company classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortised cost
- Fair value through profit and loss (FVPL)

Debt instruments measured at amortised cost

Debt instruments are held at amortised cost if both of the following conditions are met:

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows; and
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Company considers the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for shareholders and future business development. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of asset sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments (continued)

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms to identify whether they meet the SPPI test.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Subsequent measurement

Debt instruments at amortised cost

After initial measurement, debt instruments are measured at amortised cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. ECLs are recognised in profit or loss as per ECL model/approach.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

Derecognition

Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments (continued)

Derecognition due to substantial modification of terms and conditions

The Company derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognised as derecognition gain or loss. In the case of debt instruments at amortised cost, the newly recognised loans are classified as Stage 1 for ECL measurement purposes.

When assessing whether or not to derecognise an instrument, amongst others, the Company considers the following factors:

- Change in currency of the debt instrument
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss.

Financial liabilities

Initial recognition and measurement

The Company's holding in financial liabilities represents mainly lease liability, amounts due to related parties and other liabilities. Such financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

Financial liabilities are classified as subsequently measured at amortised cost, except for:
Financial liabilities at fair value through profit or loss such as derivatives, financial liabilities held for trading (e.g., short positions in the trading booking) and other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair values of the financial liability that is attributable to changes in the credit risk of that liability) and partially profit or loss (the remaining amount of change in the fair value of the liability).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments (continued)

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the appropriate effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts. This information might be winding up of a company, company experiencing financial difficulties like under receivership etc. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The calculation of ECLs

The Company calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at an appropriate EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD - The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.

- EAD - The *Exposure at Default* is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.

- LGD - The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments (continued)

The calculation of ECLs (continued)

The Company allocates its assets subject to ECL calculations to one of these categories, determined as follows:

- 12m ECL (stage 1) - The 12m ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Company calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an appropriate EIR. This calculation is made for each of the four scenarios, as explained above.
- LTECL (stage 2)- This is recorded when an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected losses are discounted by an appropriate EIR. The Company identifies a significant increase in credit risk where exposures have a regulatory risk rating of 'watch', or an exposure is greater than 30 days past due – this is in line with the IFRS 9 "30 Days past Due (DPD)" rebuttable presumption.
- Impairment (stage 3)- For debt instruments considered credit-impaired, the Company recognises the lifetime expected credit losses for these instruments. The method is similar to that for LTECL assets, with the PD set at 100%.

Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Central Bank base rates

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

Recognition of interest income

The effective interest rate method

Under IFRS 9, interest income is recorded using the effective interest rate (EIR) method for all financial assets measured at amortised cost. Similarly, interest income on interest bearing financial assets measured at FVPL under IFRS 9 is also recorded using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

c) Financial instruments (continued)

Recognition of interest income (continued)

The effective interest rate method (continued)

If expectations of fixed rate financial asset's cash flows are revised for reasons other than credit risk, the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the balance sheet with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

Interest and similar income

Interest income comprises amounts calculated using both the effective interest method and other methods. These are disclosed separately on the face of the statement of profit or loss and other comprehensive income.
In its interest income calculated using the effective interest method the Company only includes interest on financial instruments at amortised cost or FVPL.
The Company calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

d) Ordinary Share Capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are paid.

Dividends for the year that are approved after the reporting date are dealt with as a non-adjusting event after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

e) Property and equipment

All Property and equipment are initially recorded at cost. Buildings are subsequently carried at their revalued amounts based on valuations by external independent valuers, less accumulated depreciation. All other property and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Any revaluation increase arising on the revaluation of such buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation

Freehold land is not depreciated. Depreciation is calculated on other property and equipment on the straight-line basis to write down the cost of each asset, or the revalued amount to its residual value over its estimated useful life, using the following annual rates:

Motor vehicles	25%
Computer equipment	30%
Furniture, fittings and equipment	20%
Buildings	2.5%

Property and equipment are periodically reviewed for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The impairment loss is recognised in profit or loss.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amounts. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

f) Investment properties

Properties held to earn rentals or capital appreciation or both and not occupied by the Company are classified as investment properties. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. After initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise. Valuation is done within every three years given that there are no conditions or circumstances that indicate the value of the building does not reflect the fair value. Fair values are determined based on the evaluation performed by an accredited external, independent valuer.

Investment properties are derecognized when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

Transfers made to or from investment properties are only made when there is a change in use evidenced by the end of owner-occupation, commencement of an operating lease to another party or completion of construction or development. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use. When the Company completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognized in profit or loss.

g) Intangible assets

Intangible assets represent computer software costs, which is stated at cost less accumulated amortization and any impairment losses whenever there is an indication that the intangible asset may be impaired. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is different from previous estimates, the amortisation period is changed accordingly. If there has been a change in the expected pattern of consumption of the future economic benefits embodied in the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for as changes in accounting estimates in the estimated useful life of the intangible assets is four years. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized. Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. The carrying amounts of the intangible assets are disclosed in note 22.

h) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the reduction is recognised as an impairment loss in the profit or loss. The Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognised in prior periods for an asset other than goodwill may no longer exist or may have decreased.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

h) Impairment of non-financial assets (continued)

If any such indication exists, the Company estimates the recoverable amount of that asset. The Company reverses an impairment loss recognised in prior periods for an asset other than goodwill if only there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset is increased to its recoverable amount. That increase is a reversal of an impairment loss. The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognized as income immediately.

i) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of twelve months or less. For the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

j) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

k) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

k) Income tax (continued)

Deferred income tax

Deferred income tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred income tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences are utilised, such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill. the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred income tax for the year

Current and deferred income tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income.

l) Revenue recognition

Insurance revenue

Accounting policy in relation to insurance revenue has been set out in note 2(b).

Other revenues

Other revenues are recognized on the following bases:

- Fees and commission income - on the accrual basis in accordance with the substance of the relevant agreements.
- Interest income - it is recognized using the effective interest method as it accrues.
- Dividend income - when the shareholder's right to receive payment is established.
- Rental income – it is recognized as income on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

m) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to be incurred to restore the underlying asset back to its original state; and lease payments made at or before the commencement date less any lease incentives received. Subsequently, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification that is not accounted for as a separate lease. The lease payments are remeasured when there is a change in the lease term, future lease payments resulting from a change in an index or rate used to determine such lease payments, the amounts expected to be payable under the residual value guarantees or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

m) Leases (continued)

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in investment and other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

n) Retirement benefit obligations

The Company operates a defined contribution pension scheme for all eligible employees. The scheme is administered by Liaison Insurance Brokers Limited and is funded by contributions from both the company and employees.

The Company contributes to the statutory Social Health Insurance Fund. Contributions to these schemes are determined by local statute. The Company's obligations to retirement benefits are charged to the profit or loss in the year to which they relate.

Employee obligations

The estimate monetary liability for employees accrued annual leave at the end of the reporting period is charged to profit or loss in the year to which it relates.

o) Fair value measurement

The Company measures financial instruments, such as equity instrument and government securities measured at fair value through profit and loss and non-financial assets such as investment properties at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to / by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Material accounting policies (continued)

o) Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgments, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgments by the Company. Management considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Critical accounting estimates and judgements in applying accounting policies

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Valuation of insurance contract liabilities

The uncertainty inherent in the financial statements of the Company arises mainly in respect of insurance liabilities, which include outstanding claims provision (including IBNR). In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards the eventual outcome of claims. As a result, the Company applies estimation techniques to determine the appropriate provisions.

The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. The carrying amounts of the insurance contract liabilities and detailed analysis of these assumptions and judgement have been presented in Note 2.

3.2 Impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant inputs used. Further disclosures relating to impairment of financial assets are also provided in Note 4.

4 Management of insurance and financial risks

The Company's activities expose it to a variety of financial risks, including insurance risk, liquidity risk, credit risk, and the effects of changes in property and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the identification and management of risks and seeks to minimize potential adverse effects on its financial performance, by use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients, and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place, which help manage liquidity, and seek to maximize return within an acceptable level of interest rate risk.

4.1 Insurance risk

Insurance risk is transferred when the Company agrees to compensate a policyholder if a specified uncertain future event (other than a change in a financial variable) adversely affects the policyholder. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The main risk that the Company faces under its insurance contracts is that actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This may occur if the frequency or severity of claims and benefits are greater than estimated.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy so as to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Insurance liabilities

The frequency and severity of claims can be affected by several factors. The most significant claims result from accident, liability claims awarded by the Court, fire and allied perils and their consequences. Inflation is also a factor due to the long period typically required to settle some claims.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.1 Insurance risk (continued)

Insurance liabilities (continued)

The Company's underwriting strategy attempts to ensure that the underwritten risks are well diversified in type, amount of risk and industry. The Company has underwriting limits by type of risks and by industry. Performance of individual insurance policies is reviewed by management and the Company reserves the right not to renew individual policies. It can impose deductibles and has the right to reject the payment of a fraudulent claim. Where relevant, the Company may sue third parties for payment of some or all liabilities (subrogation). Claims development and provisioning levels are closely monitored.

The reinsurance arrangements of the Company include proportional, excess-of-loss and catastrophe coverage and as such, the maximum loss that the Company may suffer in any one year is pre-determined.

Frequency and severity of claims

A key risk, related to pricing and provisioning, that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits will vary from year to year from the level established based on past experience.

The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The Company also manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. Underwriting limits are in place to enforce appropriate risk selection criteria. The reinsurance arrangements include excess, surplus and catastrophe coverage. The effect of such reinsurance arrangements is that the Company should not suffer total net insurance losses of more than set limits per class of business in any one year.
The Company has specialized claims units dealing with the mitigation of risks surrounding known claims. This unit investigates and adjusts all claims which are reviewed individually at least semi-annually and adjusted to reflect the latest information on the underlying facts, jurisdiction, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

Sources of uncertainty in the estimation of future claim payments

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be a different from the original liability established.

The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period.

In estimating the liability for the cost of reported claims not yet paid, the Company considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. The main assumption underlying this technique is that the Company's past claims development experience be used to project future claims development and hence ultimate claim costs.

Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.1 Insurance risk (continued)

Management of insurance risk

Sensitivity analysis of reasonably possible changes to the assumptions used in calculating insurance contract liabilities is set out in note 2.

Maximum insurance loss

Year ended 31 December 2025 Class of business		Maximum insured loss				Total
		Kes 0 – Kes 15m	Kes 15m - Kes 250m	Kes 250m - Kes 1000m	Kes 1000m +	
		Kes '000	Kes '000	Kes '000	Kes '000	Kes'000
Motor	Gross	83,035,269	2,804,746	-	-	85,840,015
	Net	74,115,337	1,545,105	-	-	75,660,442
Fire	Gross	7,808,874	50,199,148	49,395,750	148,068,368	255,472,140
	Net	5,974,643	21,379,293	2,936,021	958,129	31,248,086
Personal accident	Gross	2,068,283	6,563,415	16,358,298	11,965,219	36,955,215
	Net	2,008,398	4,319,989	2,188,442	531,563	9,048,392
Miscellaneous	Gross	13,626,561	44,549,413	37,882,566	127,153,588	223,212,128
	Net	9,749,882	13,218,647	4,551,603	4,242,545	31,762,677
Medical	Gross	10,302,873	-	-	-	10,302,873
	Net	5,151,436	-	-	-	5,151,436
Total	Gross	116,841,860	104,116,722	103,636,614	287,187,175	611,782,371
	Net	96,999,696	40,463,034	9,676,066	5,732,237	152,871,033

Year ended 31 December 2024 Class of business		Maximum insured loss				Total
		Kes 0 – Kes 15m	Kes 15m - Kes 250m	Kes 250m - Kes 1000m	Kes 1000m +	
		Kes '000	Kes '000	Kes '000	Kes '000	Kes'000
Motor	Gross	63,890,565	1,299,962	-	-	65,190,527
	Net	57,365,471	730,438	-	-	58,095,909
Fire	Gross	5,982,371	45,586,650	64,015,039	89,647,665	205,231,725
	Net	4,645,678	18,786,313	3,932,484	615,447	27,979,922
Personal accident	Gross	1,996,478	7,665,357	9,974,660	11,750,068	31,386,563
	Net	1,900,707	4,587,096	1,354,511	2,114,970	9,957,284
Miscellaneous	Gross	12,062,631	43,814,662	48,564,797	95,155,898	199,597,988
	Net	8,752,576	11,560,066	4,213,194	390,912	24,916,748
Medical	Gross	2,358,810	-	-	-	2,358,810
	Net	1,179,405	-	-	-	1,179,405
Total	**Gross**	86,290,855	98,366,631	122,554,496	196,553,631	503,765,613
	Net	73,843,837	35,663,913	9,500,189	3,121,329	122,129,268

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk

The Company is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from insurance policies as they fall due. The most important components of this financial risk are market risk (including interest rate risk, equity price risk and currency risk), credit risk and liquidity risk.

These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Company primarily faces due to the nature of its investments and liabilities are interest rate risk and equity price risk. To manage credit risk, the Company only does business with approved counterparties within the granted limits and avoids intended &/or unintended concentrations in any one counterparty group, industry, region, product amongst others. The Company manages and controls market risk exposures to be within acceptable limits, while optimizing the return on risks of market risk assets. To manage liquidity risk, the Company maintains available funding in a manner that provides a sufficient level of liquidity under various market stressed scenarios, while at the same time ensuring an adequate balance between the need to hold liquid assets, and maximization of returns on surplus funds.

Market risk

Interest rate risk

Interest rate risk is the risk that the future profitability and/or cash flows of financial instruments will fluctuate because of changes in the market interest rates. The company is not exposed to interest rates risk because all its financial instruments are held at fixed interest rates.

Price risk

Equity price risk

The Company is exposed to equity securities price risk as a result of its holdings in equity investments, classified as equity instruments at FVPL. Exposure to equity shares in aggregate are monitored in order to ensure compliance with the relevant regulatory limits for solvency purposes. Quoted Investments held are listed and traded on the Nairobi Securities Exchange.

The Company has a defined investment policy which sets limits on the Company's exposure to equities both in aggregate terms and by industry. This policy of diversification is used to manage the Company's price risk arising from its investments in equity securities.

The management meet monthly and the Finance & Investment Committee quarterly to discuss the company investment strategies. At these meetings, the directors and senior managers discuss investment return and concentration of the equity investments. The table below shows the concentration of equities by industry:

	2025			2024		
Sector	Cost Kes' 000	Market value Kes' 000	%	Cost Kes' 000	Market value Kes' 000	%
Banking	39,953	90,139	80%	29,559	33,024	78%
Energy and petroleum	9,572	22,588	20%	9,572	9,100	22%
	49,525	**112,727**	**100%**	**39,131**	**42,124**	**100%**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk (continued)

Listed equity securities represent 100% of total equity investments. A 10-percentage point increase or decrease represents management's assessment of the reasonably possible change in stock exchange indices. If equity securities price had been 10 percentage points higher or lower, the profit and loss before tax would increase or decrease by Kes 11.27 million.

Price risk on bonds at fair value through P&L

Price risk for fair value through P&L bonds refers to the potential for the bond's market value to fluctuate due to changes in interest rates, credit quality, or other market conditions. Since fair value through P&L bonds are recorded at fair value with unrealized gains or losses recognized in the profit and loss, their price can be volatile. If interest rates rise, the price of existing bonds typically falls, as newer bonds may offer higher yields, making the older ones less attractive. Fair value through P&L bonds represent 40% of the total government securities portfolio. If the bonds price had been 10 percentage points higher or lower, the profit and loss before tax would increase or decrease by Kes 117.14 million.

Currency risk

Foreign exchange currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's financial assets are primarily denominated in the same currencies as its insurance contract liabilities, which mitigate the foreign currency exchange rate risk. The currency risk is also effectively managed by ensuring that the transactions between the company and other parties are designated in the functional currencies of the individual companies.

On 31 December 2025, if the Kenya shilling had strengthened by 0.2% against the US Dollar with all other variables held constant, the profit before income tax for the year would have been Kes 231,416 (2024: Kes 168,099) higher/lower, mainly as a result of US Dollar denominated deposits with financial institutions in Kenya. The company has cash at bank and fixed deposits held in USD.

Credit risk

The Company has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:

- Receivables arising from reinsurance arrangements and reinsurance contract assets;
- Receivables form intermediaries;
- Cash and bank balances (including deposits with financial institutions);
- Government securities;
- Due from Kenya Insurance Motor Pool;
- Other receivables.
- Loan to shareholder; and
- Mortgage loans.

The Company manages the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counter party and to geographical and industry segments. Such risks are subject to regular review. Limits on the level of credit risk by category and geographical location are approved quarterly by the Board of Directors.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim, the Company remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on annual basis by reviewing their financial strength prior to finalisation of any contract.

In addition, management assesses the creditworthiness of all reinsurers and intermediaries by reviewing credit grades provided by rating agencies and other publicly available financial information. The recent payment history of reinsurers is also used to update the reinsurance purchasing strategy. In certain circumstances, deposits from reinsurers are also held as collateral. Maximum exposure to credit risk is represented by the carrying amounts of receivables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.3 Financial risk (continued)

Credit risk (continued)

Receivables from insurance intermediaries and reinsurers include receivables arising from direct insurance and reinsurance arrangements.

Deposits include deposits with financial institutions.

The exposure to individual counterparties is also managed through other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Company. Management information reported to the directors include details of provisions for impairment on receivables and subsequent write offs.

Management makes regular reviews to assess the degree of compliance with the Company's procedures on credit. Exposures to individual policyholders of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual policyholders, or homogenous groups of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the management.

With regard to credit exposure arising out of deposits with financial institutions, the Company has policies in place to ensure that it only deals with financial institutions which have a strong credit rating.

The maximum exposure of the Company to credit risk (financial instruments subject to impairment) as at the balance sheet date is as follows:

Financial assets	**31 December 2025 Kes '000**	**31 December 2024 Kes '000**
Government securities at amortised cost	1,750,045	1,356,276
Government securities at FVPL	1,171,393	919,908
Deposits with financial Institutions	615,874	309,995
Cash and bank balances	276,315	229,179
Mortgage loans	2,330	2,737
Receivables arising out of reinsurance arrangements	150,644	71,803
Receivable from intermediaries	397,398	416,242
Due from Kenya Insurance Motor Pool	13,156	13,707
Other receivables	13,901	25,229
Reinsurance contract assets	1,054,458	1,038,093
Loan to shareholder	11,639	28,499
Exposure to credit risk	**5,457,153**	**4,411,668**

No collateral is held for any of the above assets other than the staff mortgage loans. Properties in relation to staff mortgage loans are charged to the Company as collateral.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk (continued)

Credit risk (continued)

The financial assets alongside the expected credit loss allowance are as below:

As of 31 December 2025: Financial assets	Measurement category	Exposure at default (EAD) Kes'000	Expected credit loss (ECL) Kes'000	Carrying amount Kes '000 Kes'000
Deposits with financial institutions	Amortised cost	616,013	(139)	615,874
Government securities at amortised cost	Amortised cost	1,750,220	(175)	1,750,045
Government securities at FVPL	Fair value	1,171,393	-	1,171,393
Other receivables	Amortised cost	13,986	(85)	13,901
Receivables arising out of reinsurance arrangements	Amortised cost	154,234	(3,590)	150,644
Receivable from intermediaries	Amortised cost	559,237	(161,839)	397,398
Cash and bank balances	Amortised cost	276,315	-	276,315
Mortgage loans	Amortised cost	2,330	-	2,330
Due from the Kenya Motor Insurance Pool	Amortised cost	13,308	(152)	13,156
Reinsurance contract assets	Amortised cost	1,054,458	-	1,054,458
Loan to shareholder	Amortised cost	11,639	-	11,639
		5,623,133	**(165,980)**	**5,457,153**

As of 31 December 2024: Financial assets	Measurement category	Exposure at default (EAD) Kes'000	Expected credit loss (ECL) Kes'000	Carrying amount Kes'000
Deposits with financial institutions	Amortised cost	310,047	(52)	309,995
Government securities at amortised cost	Amortised cost	1,356,388	(113)	1,356,275
Government securities at FVPL	Fair value	919,908	-	919,908
Other receivables	Amortised cost	25,317	(88)	25,229
Receivables arising out of reinsurance arrangements	Amortised cost	80,535	(8,732)	71,803
Receivable from intermediaries	Amortised cost	598,276	(182,034)	416,242
Cash and bank balances	Amortised cost	229,188	-	229,188
Mortgage loans	Amortised cost	2,736	-	2,736
Due from the Kenya Motor Insurance Pool	Amortised cost	13,865	(159)	13,706
Reinsurance contract assets	Amortised cost	1,038,093	-	1,038,093
Loan to shareholder	Amortised cost	28,499	-	28,499
		4,602,852	**(191,178)**	**4,411,674**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk (continued)

Credit risk (continued)

Reconciliation of expected credit losses for financial assets measured at amortised cost for the year

As at 31st Dec 2025 Financial assets	ECL as at 1 January 2025	Write off	Charge/(credit) through P&L	ECL as at 31 December 2025
	Kes '000	Kes '000	Kes '000	Kes '000
Deposits with financial institutions	52	-	87	139
Government securities at amortised cost	112	-	63	175
Other receivables	88	-	(3)	85
Receivables arising out of reinsurance arrangements	8,733	-	(5,143)	3,590
Receivable from intermediaries	182,034	-	(20,195)	161,839
Due from Kenya Insurance Motor pool	159	-	(7)	152
Cash and bank balances	-	-	-	-
Mortgage loans	-	-	-	-
	191,178	**-**	**(25,198)**	**165,980**

As at 31st Dec 2024 Financial assets	ECL as at 1 January 2024	Write off	Charge/(credit) through P&L	ECL as at 31 December 2024
	Kes '000	Kes '000	Kes '000	Kes '000
Deposits with financial institutions	32	-	20	52
Government securities at amortised cost	105	-	7	112
Other receivables	43	-	45	88
Receivables arising out of reinsurance arrangements	8,790	-	(57)	8,733
Receivable from intermediaries	227,344	-	(45,310)	182,034
Due from Kenya Insurance Motor pool	142	-	17	159
Cash and bank balances	-	-	-	-
Mortgage loans	-	-	-	-
	236,456	**-**	**(45,278)**	**191,178**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk (continued)

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The primary liquidity risk of the Company is the obligation to pay claims to policyholders as they fall due. The projected settlement of these liabilities is modelled on a regular basis, using actuarial techniques. The board sets limits on the minimum proportion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover anticipated liabilities and unexpected levels of demand. The following table provides an analysis of financial assets and liabilities of the company into relevant maturity based on the remaining periods to maturity. The amounts disclosed in the table below are contractual undiscounted cashflows. The balances due within twelve months equal their carrying amounts as the impact of discounting is not significant.

31 Dec 2025 **Financial assets**	**0 to 6 months** **Kes '000**	**6-12 months** **Kes '000**	**1- 5 years** **Kes '000**	**over 5 years** **Kes '000**	**No stated maturity** **Kes '000**	**Total** **Kes '000**
Equity instruments at fair value through profit or loss	-	-	-	-	112,727	112,727
Reinsurance assets	-	1,054,458	-	-	-	1,054,458
Receivable from intermediaries	-	559,237	-	-	-	559,237
Government securities at amortised cost	-	-	701,519	1,088,263	-	1,789,782
Government securities at FVPL	-	-	435,922	735,471	-	1,171,393
Deposits with financial institutions	616,013	-	-	-	-	616,013
Due from Kenya Insurance Motor Pool	-	13,308	-	-	-	13,308
Mortgage loans	-		2,330	-	-	2,330
Receivable arising out of reinsurance arrangements	-	154,234	-	-	-	154,234
Other receivables	-	10,695	3,291	-	-	13,986
Loan to shareholder	-	11,639	-	-	-	11,639
Cash and bank balances	276,315	-	-	-	-	276,315
Total	**892,328**	**1,803,571**	**1,143,062**	**1,823,734**	**112,727**	**5,775,422**
Payables arising from reinsurance arrangements	-	37,150	-	-	-	37,150
Lease liability	-	5,657	5,728	488	-	11,873
Other payables	142,910	-	-	-	-	142,910
Liability for incurred claims	1,154,534	1,154,534	1,171,061	-	-	3,480,129
Total	**1,297,444**	**1,197,341**	**1,176,789**	**488**	**-**	**3,672,062**
Liquidity surplus/(gap)	**(405,116)**	**606,230**	**(33,727)**	**1,823,246**	**112,727**	**2,103,360**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.2 Financial risk (continued)

Liquidity risk (continued)

31 Dec 2024

Financial assets	0 to 6 months	6-12 months	1- 5 years	over 5 years	No stated maturity	Total
	Kes '000	Kes '000	Kes '000	Kes '000	Kes '000	Kes '000
Equity instruments at fair value through profit or loss	-	-	-	-	42,124	42,124
Reinsurance assets	-	1,038,093	-	-	-	1,038,093
Receivable from intermediaries	-	416,242	-	-	-	416,242
Government securities at amortised cost	-	-	374,013	1,004,747	-	1,378,760
Government securities at FVPL	-	-	230,053	689,855		919,908
Deposits with financial institutions	310,047	-	-	-	-	310,047
Due from Kenya Insurance Motor Pool	-	13,865	-	-	-	13,865
Mortgage loans	-	-	2,737	-	-	2,737
Receivables arising from reinsurance arrangements	-	80,535	-	-	-	80,535
Other receivables	-	22,016	3,301	-	-	25,317
Loan to shareholder	-	28,499	-	-	-	28,499
Cash and bank balances	229,179	-	-	-	-	229,179
Total	**539,174**	**1,602,955**	**485,973**	**1,793,061**	**42,124**	**4,463,287**
Payables arising from reinsurance arrangements	-	31,602	-	-	-	31,602
Lease liability	5,178	5,660	11,944	-	-	22,782
Other payables	115,119	-	-	-	-	115,119
Liability for incurred claims	969,927	969,927	983,811	-	-	2,923,665
Total	**1,090,224**	**1,007,189**	**995,755**	**-**	**-**	**3,093,168**
Liquidity surplus/(gap)	**(551,050)**	**595,766**	**(509,782)**	**1,793,061**	**42,124**	**1,370,119**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Management of insurance and financial risks (continued)

4.3 Capital risk

The Company maintains an efficient capital structure from equity shareholders' funds, consistent with the Company's risk profile and the regulatory and market requirements of its business.

The Company's objectives in managing its capital are:

- to match the profile of its assets and liabilities, taking account of the risks inherent in the business.
- to maintain financial strength to support new business growth.
- to satisfy the requirements of its policyholders, regulators, and rating agencies.
- to retain financial flexibility by maintaining strong liquidity and access to a range of capital markets.
- to allocate capital efficiently to support growth.
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

An important aspect of the Company's overall capital management process is the setting of target risk-adjusted rate of return which is aligned to performance objectives and ensures that the Company is focused on the creation of value for shareholders.

The Company has a number of sources of capital available to it and seeks to optimise its debt-to-equity structure in order to ensure that it can consistently maximise returns to shareholders. The Company considers not only the traditional sources of capital funding but the alternative sources of capital including reinsurance, as appropriate, when assessing its deployment and usage of capital. The Company manages as capital all items that are eligible to be treated as capital for regulatory purposes.

The Company is regulated by the Insurance Regulatory Authority and is subject to insurance solvency regulations which specify the minimum amount and type of capital that must be held in addition to the insurance liabilities. The Company manages capital in accordance with these rules and has embedded in its Asset and Liability Management (ALM) framework the necessary tests to ensure continuous and full compliance with such regulations. The Company has complied with all externally imposed capital requirements throughout the year.

The capital adequacy ratio based on the Risk Based Capital Model is as follows:

	2025 Kes '000	2024 Kes '000
Total Capital Available (TCA)	1,327,165	1,145,395
Minimum Required Capital (MRC)	853,266	887,527
Capital Adequacy Ratio (CAR)*	**156%**	**129%**

The Company did not have any borrowings at 31 December 2025 (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Insurance service result

An analysis of the insurance service result by its components (insurance revenue, expenses, and net expenses from reinsurance contracts held) by portfolio is included in the tables below.

	Year ended 31 December 2025			
	Insurance revenue (PAA)	Insurance service expenses	Net reinsurance income (expenses)	Insurance service result
		Note 6	Note 7	
	Kes'000	Kes'000	Kes'000	Kes'000
Engineering	701,933	(9,481)	(683,730)	**8,722**
Fire domestic	72,325	(36,520)	(41,312)	**(5,507)**
Fire industrial	36,220	(20,390)	(16,714)	**(884)**
Liability	329,327	(120,021)	(206,293)	**3,013**
Marine	92,754	(86,351)	(32,889)	**(26,486)**
Medical	120,311	(155,591)	7,950	**(27,330)**
Aviation	246,139	(249,068)	(5,225)	**(8,154)**
Motor private	226,224	(42,568)	(177,100)	**6,556**
Motor commercial	993,762	(994,131)	33,967	**33,598**
Motor commercial - PSV	37,879	(22,654)	1,462	**16,687**
Personal accident	1,390,451	(1,528,615)	196	**(137,968)**
Theft	9,755	(11,794)	(1,466)	**(3,505)**
Workmen's compensation	84,707	(56,602)	(16,060)	**12,045**
Miscellaneous	317,855	(278,999)	31,927	**70,783**
Total	**4,659,642**	**(3,612,785)**	**(1,105,287)**	**(58,430)**

	Year ended 31 December 2024			
	Insurance revenue (PAA)	Insurance service expenses	Net reinsurance income (expenses)	Insurance service result
		Note 6	Note 7	
	Kes'000	Kes'000	Kes'000	Kes'000
Engineering	72,595	(56,443)	(15,124)	**1,028**
Fire domestic	29,754	(72,922)	39,579	**(3,589)**
Fire industrial	287,685	(245,051)	(38,628)	**4,006**
Liability	93,002	(71,830)	(15,631)	**5,541**
Marine	138,970	(110,113)	(23,934)	**4,923**
Medical	38,092	(104,882)	17,669	**(49,121)**
Aviation	704,872	(19,860)	(685,944)	**(932)**
Motor private	1,260,160	(1,350,430)	(33,951)	**(124,221)**
Motor commercial	623,934	(544,990)	(18,203)	**60,741**
Motor commercial - PSV	27,990	(24,018)	(535)	**3,437**
Personal accident	11,573	(15,655)	4,429	**347**
Theft	70,162	(49,332)	(16,819)	**4,011**
Workmen's compensation	290,920	(225,488)	17,605	**83,037**
Miscellaneous	122,242	(79,609)	(38,850)	**3,783**
Total	**3,771,951**	**(2,970,623)**	**(808,337)**	**(7,009)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Insurance service expenses

The analysis of the insurance service expense is included in the table below.

31 December 2025	Incurred claims	Changes that relate to past service	Attributable expenses	Changes in loss component	Changes in risk adjustments on LIC	Insurance acquisition cash flows amortisation	Total insurance service expenses
	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000
Engineering	(34,627)	18,618	(6,141)	-	(39)	(14,330)	**(36,519)**
Fire domestic	(6,462)	2,675	(9,494)	-	166	(7,275)	**(20,390)**
Fire industrial	(47,532)	2,595	(15,170)	-	519	(60,433)	**(120,021)**
Liability	(45,147)	(15,737)	(10,371)	(1,255)	(364)	(13,479)	**(86,353)**
Marine	(61,945)	(54,853)	(14,411)	(4,113)	(216)	(20,054)	**(155,592)**
Medical	(208,830)	1,124	(36,810)	20,752	(704)	(24,599)	**(249,067)**
Aviation	0	0	(9,469)	-	-	(12)	**(9,481)**
Motor private	(800,851)	(234,981)	(291,165)	(50,604)	(14,115)	(136,900)	**(1,528,616)**
Motor commercial	(646,189)	(126,587)	(79,288)	(43,095)	167	(99,138)	**(994,130)**
Motor commercial PSV	(15,599)	9,141	(3,382)	(5,415)	(4,590)	(2,809)	**(22,654)**
Personal accident	(3,986)	1,332	(6,621)	(597)	(5)	(1,918)	**(11,795)**
Theft	(50,221)	15,453	(12,553)	-	(55)	(9,226)	**(56,602)**
Workmen's compensation	(334,801)	142,101	(18,597)	(2,938)	(1,453)	(63,308)	**(278,996)**
Miscellaneous	(14,179)	8,194	(29,855)	-	4	(6,733)	**(42,569)**
Total	**(2,270,369)**	**(230,925)**	**(543,327)**	**(87,265)**	**(20,685)**	**(460,214)**	**(3,612,785)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Insurance service expenses (continued)

31 December 2024	Incurred claims	Changes that relate to past service	Attributable expenses	Changes in loss component	Changes in risk adjustments on LIC	Insurance acquisition cash flows amortisation	Total insurance service expenses
Engineering	(65,605)	28,432	(4,948)	(134)	221	(14,409)	**(56,443)**
Fire domestic	(61,284)	254	(6,028)	(54)	-	(5,810)	**(72,922)**
Fire industrial	(166,973)	(4,791)	(14,243)	(625)	-	(58,419)	**(245,051)**
Liability	(52,919)	(56)	(8,630)	(558)	-	(9,667)	**(71,830)**
Marine	(90,598)	12,795	(9,634)	(379)	-	(22,297)	**(110,113)**
Medical	(32,941)	-	(34,788)	(218)	(33,144)	(3,791)	**(104,882)**
Aviation	-	500	(9,146)	16	-	(11,230)	**(19,860)**
Motor private	(758,567)	(190,525)	(267,983)	74	(7,061)	(126,368)	**(1,350,430)**
Motor commercial	(346,410)	(72,641)	(58,087)	2,849	(5,382)	(65,319)	**(544,990)**
Motor commercial - PSV	(12,888)	(4,296)	(2,509)	(429)	(1,971)	(1,925)	**(24,018)**
Personal accident	(9,254)	377	(4,461)	5	(455)	(1,867)	**(15,655)**
Theft	(33,245)	5,406	(11,140)	452	265	(11,070)	**(49,332)**
Workmen's compensation	(196,898)	55,453	(19,398)	(4,526)	-	(60,119)	**(225,488)**
Miscellaneous	(56,923)	2,368	(18,009)	(107)	-	(6,938)	**(79,609)**
Total	**(1,884,505)**	**(166,724)**	**(469,004)**	**(3,634)**	**(47,527)**	**(399,229)**	**(2,970,623)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Net expenses from reinsurance contracts held

The analysis of the net expenses from reinsurance contracts held is included in the table below.

2025	Reinsurance expenses (PAA)	Reinsurance attributable expenses	Incurred claims recovery	Changes in risk adjustments on LIC	Changes in loss recovery component	Commission income	Total net expenses from reinsurance contracts held
	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	**Kes'000**
Engineering	(73,362)	(147)	19,970	87	-	12,141	**(41,311)**
Fire domestic	(19,024)	(47)	(2,323)	(167)	-	4,846	**(16,715)**
Fire industrial	(313,554)	(583)	32,076	(506)	-	76,274	**(206,293)**
Liability	(40,995)	(81)	2,930	(41)	195	5,103	**(32,889)**
Marine	(87,159)	(203)	72,466	6	2,791	20,049	**7,950**
Medical	(123,070)	(353)	103,853	352	(10,376)	24,368	**(5,226)**
Aviation	(702,039)	(318)	-	-	-	18,627	**(683,730)**
Motor private	(64,024)	(226)	30,498	49	2,181	31,720	**198**
Motor commercial	(38,699)	(187)	63,914	(267)	4,122	5,085	**33,968**
Motor commercial - PSV	(315)	(1)	1,426	(16)	367	-	**1,461**
Personal accident	(2,151)	(6)	(1)	-	165	527	**(1,466)**
Theft	(46,492)	(62)	20,351	54	-	10,089	**(16,060)**
Workmen's compensation	(25,759)	(53)	50,790	341	795	5,813	**31,927**
Miscellaneous	(191,219)	(328)	3,588	(3)	-	10,861	**(177,101)**
Total	**(1,727,862)**	**(2,595)**	**399,538**	**(111)**	**240**	**225,503**	**(1,105,287)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Net expenses from reinsurance contracts held (continued)

2024	Reinsurance expenses (PAA)	Reinsurance attributable expenses	Incurred claims recovery	Changes in risk adjustments on LIC	Changes in loss recovery component	Commission income	Total net expenses from reinsurance contracts held
	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	Kes'000	**Kes'000**
Engineering	(57,106)	(240)	24,980	78	(208)	17,372	**(15,124)**
Fire domestic	(16,192)	(106)	51,879	141	-	3,857	**39,579**
Fire industrial	(259,580)	(1,346)	156,966	580	-	64,752	**(38,628)**
Liability	(52,584)	(212)	31,225	366	-	5,574	**(15,631)**
Marine	(107,385)	(641)	59,869	297	-	23,926	**(23,934)**
Medical	(19,046)	(208)	16,470	109	16,573	3,771	**17,669**
Aviation	(705,258)	(699)	(475)	(15)	-	20,503	**(685,944)**
Motor private	(64,252)	(375)	21,478	406	958	7,834	**(33,951)**
Motor commercial	(34,320)	(210)	13,974	(1,881)	246	3,988	**(18,203)**
Motor commercial - PSV	(289)	(2)	(278)	2	32	-	**(535)**
Personal accident	(2,123)	(11)	5,913	-	130	520	**4,429**
Theft	(33,565)	(515)	9,749	(290)	(146)	7,948	**(16,819)**
Workmen's compensation	(32,354)	(140)	41,881	965	-	7,253	**17,605**
Miscellaneous	(105,456)	(436)	47,073	83	-	19,886	**(38,850)**
Total	**(1,489,510)**	**(5,141)**	**480,704**	**841**	**17,585**	**187,184**	**(808,337)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8.1 Interest income

	2025 Kes '000	2024 Kes '000
Interest on Government securities at amortised cost	217,630	167,327
Interest on Government securities at fair value through profit or loss	153,757	66,103
Interest on deposits with financial institutions	41,345	118,005
Interest on mortgage loans	252	292
	412,984	**351,727**

8.2 Other investment income

Fair value gains on equity investments (note 24)	41,500	2,993
Fair value gains on government securities (note 28(ii))	41,816	42,974
Loss on disposal of equity investments	(2,091)	(988)
Rental income from investment property	54,453	54,987
Fair value (loss) / gain on investment property (note 23)	(32,291)	550
	103,387	**100,516**

8.3 Net finance expenses

Interest accreted using current financial assumptions	(100,548)	(155,330)
Effect of changes in interest rates and other financial assumptions	(38,125)	(16,329)
Net finance expenses	**(138,673)**	**(171,659)**

8.4 Net finance income

Interest accreted using current financial assumptions	23,558	18,093
Effect of changes in interest rates and other financial assumptions	7,996	2,137
Net finance income	**31,554**	**20,230**

9 Other income

Gain on disposal of assets	259	60
Reinsurance premium tax recovery	17,653	8,745
Other	12,527	2,023
	30,439	**10,828**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10	Operating and other expenses	2025 Kes '000	2024 Kes '000
	Staff costs (note 11)	368,045	303,073
	Auditors' remuneration	7,023	8,508
	Depreciation on property and equipment (note 20)	15,248	12,613
	Amortisation on the right-of-use assets (note 21)	6,840	7,031
	Amortisation of intangible assets (note 22)	2,939	3,895
	Expected credit losses on financial assets (Note 4.2)	(25,198)	(45,278)
	Marketing and advertising costs	77,248	56,578
	Finance and bank charges	7,920	5,865
	Printing, stationery, and insurance	54,694	34,001
	Consultancy fees	17,532	24,994
	Director's fees and other expenses	13,799	12,561
	Underwriting and claims expenses	93,065	81,122
	ICT expenses	38,269	45,634
	Other expenses	18,803	15,040
		696,227	**565,637**
	Attributable to insurance contracts issued	543,327	469,004
	Attributable to reinsurance contracts held	2,595	5,141
	Non-attributable expenses	150,305	91,492
		696,227	**565,637**

11	Staff costs		
	Staff costs include the following:		
	- Salaries and wages	285,095	240,753
	- Retirement benefit costs – defined contribution plan	25,154	21,950
	- Medical & other staff insurances	18,994	16,397
	- Training & subscriptions	15,742	10,618
	- Staff welfare	23,060	13,355
		368,045	**303,073**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Income tax expense

	2025 Kes '000	2024 Kes '000
Current income tax charge	4,372	30,667
(Over) provision of current tax in prior year	(10,558)	(3,085)
Deferred income tax charge (note 30)	(3,658)	4,910
Under provision of deferred tax in prior year (note 30)	24,418	-
	14,574	**32,492**

Reconciliation of taxation charge to the expected tax based on accounting profit:

	2025 Kes '000	2024 Kes '000
Profit before income tax	230,956	213,141
Tax calculated at a tax rate of 30%	69,287	63,942
Tax effect of income not subject to tax	(83,115)	(38,429)
Expenses not deductible	18,811	9,945
Effect of change in tax rate	(4,844)	-
Deferred tax on IFRS 16 Balances	575	119
(Over) provision of current tax in prior year	(10,558)	(3,085)
Under provision of deferred tax in prior year (note 30)	24,418	-
Income tax expense	**14,574**	**32,492**

Income not subject to tax mainly relates to interest on infrastructure bonds which do not attract income tax charge. Expenses not deductible for tax purposes mainly relate to amortisation of right of use assets, Interest on lease liabilities, excess pension, loss on sale of shares and expenses on exempt investments income.

Current income tax

	2025 Kes'000	2024 Kes'000
At 1 January	(43,381)	(22,981)
Charge for the year	(6,186)	27,582
Tax paid during the year	(11,531)	(47,982)
At 31 December	**(61,098)**	**(43,381)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Dividends

Proposed dividends are accounted for as a separate component of equity until they have been ratified at an annual general meeting. The directors propose payment of dividends of Kes. 100 million for the year ended 31 December 2025 (2024: Kes 75 million).

14 Share capital

	2025 Kes'000	2024 Kes'000
Issued and fully paid for:		
6,000,000 ordinary shares of Kes 100 each	600,000	600,000
Total share capital	600,000	600,000

15 Revaluation reserve

The revaluation reserve represents solely the surplus on the revaluation of buildings and is non-distributable.

	2025 Kes '000	2024 Kes '000
At 1 January	102,296	99,418
Revaluation gain on revaluation of buildings, net of tax	(2,156)	2,878
At 31 December	**100,140**	**102,296**

16 Retained earnings

The retained earnings represent the amount available for dividend distribution to the shareholders of the company, except for cumulative fair value gains on the company's investment properties of Kes. 355 million (2024: Kes 387 million) whose distribution is subject to restrictions imposed by regulation. The retained earnings net of proposed dividends of Kes 100 million is Kes 564 million (2024: Kes 447 million)

	2025 Kes '000	2024 Kes '000
Retained earnings at end of year	667,214	522,138
Cumulative fair value gain on property	(354,921)	(387,212)
Retained earnings available for distribution	**312,293**	**134,926**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. Composition of the balance sheet - Insurance contacts

Analysis of the amounts presented on the balance sheet for insurance contracts is shown in the table below, along with the presentation of current and non-current portions of the balances:

	As at 31 December 2025		As at 31 December 2024	
	Insurance contract liabilities	Reinsurance contracts assets	Insurance contract liabilities	Reinsurance contracts assets
	Kes'000	Kes'000	Kes'000	Kes'000
Engineering	154,993	137,556	134,592	112,008
Fire domestic	16,464	5,633	56,483	47,316
Fire industrial	129,891	103,994	195,263	168,153
Liability	194,568	42,712	162,205	52,456
Marine	198,221	134,494	159,341	122,260
Medical	168,554	79,169	80,836	38,621
Aviation	166,715	162,390	164,684	159,834
Motor private	1,869,716	63,264	1,552,087	54,803
Motor commercial	1,422,965	92,638	1,034,993	76,246
Motor commercial – PSV	60,740	554	54,451	750
Personal accident	6,369	1,628	5,506	1,433
Theft	178,620	109,284	177,615	109,938
Workmen's compensation	680,845	90,475	565,823	67,462
Miscellaneous	48,024	30,667	41,866	26,813
Total	**5,296,685**	**1,054,458**	**4,385,745**	**1,038,093**
Current portion	5,296,685	1,054,458	4,385,745	1,038,093
Non-current portion	-	-	-	-
Total	**5,296,685**	**1,054,458**	**4,385,745**	**1,038,093**

Detailed reconciliations of changes in insurance contract balances during the reporting periods are included in subsequent notes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims

18.1 Insurance contracts issued

The reconciliation of the liability for remaining coverage and incurred claims is included on the table below.

Total	2025					2024				
	LRC		LIC for contracts measured under PAA			LRC		LIC for contracts measured under PAA		
	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Insurance contracts liabilities as at 1 January	1,345,677	183,669	2,723,956	132,443	4,385,745	1,071,272	136,142	2,112,771	128,809	3,448,994
Insurance revenue	(4,659,642)	-	-	-	(4,659,642)	(3,771,951)	-	-	-	(3,771,951)
Insurance service expenses	1,003,540	87,263	2,501,293	20,686	3,612,782	868,233	47,527	2,051,229	3,634	2,970,623
Insurance service result from insurance contract issued	(3,656,102)	87,263	2,501,293	20,686	(1,046,860)	(2,903,718)	47,527	2,051,229	3,634	(801,328)
Finance expenses from insurance contracts issued	-	-	138,673	-	138,673	-	-	171,659	-	171,659
Total amounts recognised in comprehensive income	(3,656,102)	87,263	2,639,966	20,686	(908,187)	(2,903,718)	47,527	2,222,888	3,634	(629,669)
Cash flows:										
Premiums written	5,013,815	-	-	-	5,013,815	4,085,109	-	-	-	4,085,109
Claims paid	-	-	(2,154,517)	-	(2,154,517)	-	-	(1,611,703)	-	(1,611,703)
Attributable expenses paid	(543,327)	-	-	-	(543,327)	(469,000)	-	-	-	(469,000)
Insurance acquisition cash flows paid	(496,844)	-	-	-	(496,844)	(437,986)	-	-	-	(437,986)
Total cash flows	3,973,644	-	(2,154,517)	-	1,819,127	3,178,123	-	(1,611,703)	-	1,566,420
Insurance contracts liabilities as at 31 December	**1,663,219**	**270,932**	**3,209,405**	**153,129**	**5,296,685**	**1,345,677**	**183,669**	**2,723,956**	**132,443**	**4,385,745**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims (continued)

18.1.1 Insurance contracts issued

The reconciliation of the liability for remaining coverage and incurred claims is included on the table below.

Motor	2025					2024				
	LRC		LIC for contracts measured under PAA			LRC		LIC for contracts measured under PAA		
	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Insurance contracts liabilities as at 1 January	843,621	150,068	1,532,087	115,755	2,641,531	704,907	135,654	1,215,892	118,248	2,174,701
Insurance revenue	(2,422,092)	-	-	-	(2,422,092)	(1,912,084)	-	-	-	(1,912,084)
Insurance service expenses	612,681	99,115	1,815,065	18,538	2,545,399	522,191	14,414	1,385,326	(2,493)	1,919,438
Insurance service result from insurance contract issued	(1,809,411)	99,115	1,815,065	18,538	123,307	(1,389,893)	14,414	1,385,326	(2,493)	7,354
Finance expenses from insurance contracts issued	-	-	75,416	-	75,416	-	-	127,411	-	127,411
Total amounts recognised in comprehensive income	(1,809,411)	99,115	1,890,481	18,538	198,723	(1,389,893)	14,414	1,512,737	(2,493)	134,765
Cash flows:										
Premiums written	2,703,540	-	-	-	2,703,540	2,066,049	-	-	-	2,066,049
Claims paid	-	-	(1,549,863)	-	(1,549,863)	-	-	(1,196,542)	-	(1,196,542)
Attributable expenses paid	(373,835)	-	-	-	(373,835)	(328,579)	-	-	-	(328,579)
Insurance acquisition cash flows paid	(266,675)	-	-	-	(266,675)	(208,863)	-		-	(208,863)
Total cash flows	2,063,030	-	(1,549,863)	-	513,167	1,528,607	-	(1,196,542)	-	332,065
Insurance contracts liabilities as at 31 December	**1,097,240**	**249,183**	**1,872,705**	**134,293**	**3,353,421**	**843,621**	**150,068**	**1,532,087**	**115,755**	**2,641,531**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims (continued)

18.1.2 Insurance contracts issued

The reconciliation of the liability for remaining coverage and incurred claims is included on the table below.

Non-Motor	2025					2024				
	LRC		LIC for contracts measured under PAA			LRC		LIC for contracts measured under PAA		
	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss Comp.	Loss Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Insurance contracts liabilities as at 1 January	502,058	33,599	1,191,870	16,687	1,744,214	366,369	488	896,879	10,561	1,274,297
Insurance revenue	(2,237,550)	-	-	-	(2,237,550)	(1,859,867)	-	-	-	(1,859,867)
Insurance service expenses	390,859	(11,849)	686,228	2,148	1,067,386	346,044	33,113	665,903	6,127	1,051,187
Insurance service result from insurance contract issued	(1,846,691)	(11,849)	686,228	2,148	(1,170,164)	(1,513,823)	33,113	665,903	6,127	(808,680)
Finance expenses from insurance contracts issued	-	-	63,257	-	63,257	-	-	44,248	-	44,248
Total amounts recognised in comprehensive income	(1,846,691)	(11,849)	749,485	2,148	(1,106,907)	(1,513,823)	33,113	710,151	6,127	(764,432)
Cash flows:										
Premiums written	2,310,272	-	-	-	2,310,272	2,019,060	-	-	-	2,019,060
Claims paid	-	-	(604,655)	-	(604,655)	-	-	(415,161)	-	(415,161)
Attributable expenses paid	(169,491)	-		-	(169,491)	(140,425)	-	-	-	(140,425)
Insurance acquisition cash flows paid	(230,170)	-	-	-	(230,170)	(229,123)	-	-	-	(229,123)
Total cash flows	**1,910,611**	-	**(604,655)**	-	**1,305,956**	**1,649,512**	-	**(415,161)**	-	**1,234,351**
Insurance contracts liabilities as at 31 December	**565,978**	**21,750**	**1,336,700**	**18,835**	**1,943,263**	**502,058**	**33,601**	**1,191,869**	**16,688**	**1,744,216**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims (continued)

18.2 Reinsurance contracts held

The reconciliation for the asset for remaining coverage and incurred claims is included on the table below.

Total	2025					2024				
	Remaining Coverage		Incurred Claims for contracts measured under PAA			Remaining Coverage		Incurred Claims for contracts measured under PAA		
	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Reinsurance contracts assets as at 1 January	363,300	20,041	642,880	11,872	1,038,093	281,422	2,457	417,038	11,031	711,948
Net expenses from reinsurance contracts held	(1,502,358)	239	396,942	(111)	(1,105,288)	(1,302,325)	17,584	475,558	841	(808,342)
Finance income from re insurance contracts held	-	-	31,554	-	31,554	-	-	20,230	-	20,230
Total amounts recognised in comprehensive income	(1,502,358)	239	428,496	(111)	(1,073,734)	(1,302,325)	17,584	495,788	841	(788,112)
Cash flows:										
Reinsurance premiums paid	1,770,647	-	-	-	1,770,647	1,591,408	-	-	-	1,591,408
Recoveries from reinsurance	-	-	(448,907)	-	(448,907)	-	-	(275,087)	-	(275,087)
Attributable expenses paid	-	-	2,595	-	2,595	-	-	5,141	-	5,141
Ceding commissions	(234,236)	-	-	-	(234,236)	(207,205)	-	-	-	(207,205)
Total cashflows	1,536,411	-	(446,312)	-	1,090,099	1,384,203	-	(269,946)	-	1,114,257
Reinsurance contracts assets as at 31 December	**397,353**	**20,280**	**625,064**	**11,761**	**1,054,458**	**363,300**	**20,041**	**642,880**	**11,872**	**1,038,093**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims (continued)

18.2.1 Reinsurance contracts held

The reconciliation for the asset for remaining coverage and incurred claims is included on the table below.

Motor	2025					2024				
	Remaining Coverage		Incurred Claims for contracts measured under PAA			Remaining Coverage		Incurred Claims for contracts measured under PAA		
	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Reinsurance contracts assets as at 1 January	33,693	3,338	88,202	6,567	131,800	28,869	2,102	83,531	8,040	122,542
Net expenses from reinsurance contracts held	(66,233)	6,669	95,423	(234)	35,625	(87,040)	1,236	35,091	(1,473)	(52,186)
Finance income from re insurance contracts held	-	-	4,782	-	4,782	-	-	3,895	-	3,895
Total amounts recognised in comprehensive income	(66,233)	6,669	100,205	(234)	40,407	(87,040)	1,236	38,986	(1,473)	(48,291)
Cash flows:										
Reinsurance premiums paid	122,668	-	-	-	122,668	104,737	-	-	-	104,737
Recoveries from reinsurance	-	-	(98,764)	-	(98,764)	-	-	(34,902)	-	(34,902)
Attributable expenses paid	-	-	415	-	415	-	-	587	-	587
Ceding commissions	(40,068)	-	-	-	(40,068)	(12,873)	-	-	-	(12,873)
Total cashflows	82,600	-	(98,349)	-	(15,749)	91,864	-	(34,315)	-	57,549
Reinsurance contracts assets as at 31 December	**50,060**	**10,007**	**90,058**	**6,333**	**156,458**	**33,693**	**3,338**	**88,202**	**6,567**	**131,800**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Reconciliation of the liability for remaining coverage and liability for incurred claims (continued)

18.2.2 Reinsurance contracts held

The reconciliation for the asset for remaining coverage and incurred claims is included on the table below.

Non-Motor	2025					2024				
	Remaining Coverage		Incurred Claims for contracts measured under PAA			Remaining Coverage		Incurred Claims for contracts measured under PAA		
	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total	Excl. Loss-Recov. Comp.	Loss Recov. Comp.	PV of future cash flows	Risk adj. for non-fin. risk	Total
Reinsurance contracts assets as at 1 January	329,607	16,703	554,678	5,305	906,293	252,553	355	333,507	2,991	589,406
Net expenses from reinsurance contracts held	(1,436,125)	(6,430)	301,519	123	(1,140,913)	(1,215,285)	16,348	440,467	2,314	(756,156)
Finance income from re insurance contracts held	-	-	26,772	-	26,772	-	-	16,335	-	16,335
Total amounts recognised in comprehensive income	**(1,436,125)**	**(6,430)**	**328,291**	**123**	**(1,114,141)**	**(1,215,285)**	**16,348**	**456,802**	**2,314**	**(739,821)**
Cash flows:										
Reinsurance premiums paid	1,647,979	-	-	-	1,647,979	1,486,671	-	-	-	1,486,671
Recoveries from reinsurance	-	-	(350,143)	-	(350,143)	-	-	(240,185)	-	(240,185)
Attributable expenses paid	-	-	2,180	-	2,180		-	4,554	-	4,554
Ceding commissions	(194,168)	-	-	-	(194,168)	(194,332)	-	-	-	(194,332)
Total cashflows	1,453,811	-	(347,963)	-	1,105,848	1,292,339	-	(235,631)	-	1,056,708
Reinsurance contracts assets as at 31 December	**347,293**	**10,273**	**535,006**	**5,428**	**898,000**	**329,607**	**16,703**	**554,678**	**5,305**	**906,293**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Claims development

19.1 Gross claims development

Actual claim payments are compared with previous estimates of the undiscounted amounts of the claims in the table below on gross of reinsurance basis as at 31 December 2025.

	Accident year						
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Estimate of ultimate claim costs							
At end of accident year	1,049,653	997,183	1,413,656	1,731,144	1,847,867	1,748,529	
1 year later	1,061,893	1,016,290	1,440,785	1,756,649	1,860,513	-	
2 years later	1,073,232	1,026,057	1,447,123	1,758,163	-	-	
3 years later	1,074,902	1,029,608	1,452,866	-	-	-	
4 years later	1,075,152	1,030,784	-	-	-	-	
5 years later	1,076,152	-	-	-	-	-	
Cumulative gross claims paid	(1,032,772)	(957,944)	(1,204,628)	(1,388,198)	(1,473,632)	(996,683)	(7,053,857)
Gross claim liabilities - accident years from 2020 to 2025	43,380	72,840	248,238	369,965	386,881	751,846	1,873,150
Gross claim liabilities - prior accident years							1,606,979
Effect of discounting							(270,724)
Effect of risk adjustment for non-financial risk							153,128
LIC for insurance contracts							**3,362,533**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Claims development (continued)

19.2 Net claims development

Actual claim payments are compared with previous estimates of the undiscounted amounts of the claims in the table below on net of reinsurance basis as at 31 December 2025.

	Accident year						
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Estimate of ultimate claim costs							
At end of accident year	980,130	931,135	1,320,023	1,616,482	1,725,477	1,632,716	
1 year later	991,559	948,976	1,345,356	1,640,299	1,737,283	-	
2 years later	1,002,147	958,097	1,351,273	1,641,712	-	-	
3 years later	1,003,706	961,412	1,356,636	-	-	-	
4 years later	1,003,940	962,510	-	-	-	-	
5 years later	1,004,873	-	-	-	-	-	
Cumulative net claims paid	(904,785)	(839,436)	(1,044,675)	(1,233,788)	(1,131,873)	(913,266)	(6,067,823)
Net claim liabilities - accident years from 2020 to 2025	100,088	123,074	311,961	407,924	605,410	719,450	2,267,907
Net claim liabilities - prior accident years							540,292
Effect of discounting							(223,858)
Effect of risk adjustment for non-financial risk							141,366
Net LIC for insurance contracts							**2,725,707**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Property and equipment

	Revalued Land and Buildings Kes '000	Motor vehicles Kes '000	Furniture & office equipment Kes '000	Work in progress Kes '000	Total Kes '000
Cost/valuation					
At 1 January 2024	244,343	1,200	187,230	-	432,773
Additions	-	-	15,749	-	15,749
Disposals	-	-	(1,642)	-	(1,642)
Fair value gain	4,230	-	-	-	4,230
At 31 December 2024	**248,573**	**1,200**	**201,337**	**-**	**451,110**
At 1 January 2025	248,573	1,200	201,337	-	451,110
Additions	-	-	13,857	-	13,857
Disposals	-	-	-	-	-
Accumulated depreciation on revaluation	(30,275)	-	-	-	(30,275)
Fair value loss	(3,080)	-	-	-	(3,080)
At 31 December 2025	**215,218**	**1,200**	**215,194**	**-**	**431,612**
Depreciation					
At 1 January 2024	(21,815)	(1,200)	(178,191)	-	(201,206)
Charge for the year	(4,230)	-	(8,383)	-	(12,613)
Eliminated on disposals	-	-	1,642	-	1,642
At 31 December 2024	**(26,045)**	**(1,200)**	**(184,932)**	**-**	**(212,177)**
At 1 January 2025	(26,045)	(1,200)	(184,932)	-	(212,177)
Charge for the year	(4,230)	-	(11,018)	-	(15,248)
Eliminated on disposals	-	-	-	-	-
Eliminated on revaluation	30,275	-	-	-	30,275
At 31 December 2025	**-**	**(1,200)**	**(195,950)**	**-**	**(197,150)**
Net book value					
At 31 December 2025	**215,218**	**-**	**19,244**	**-**	**234,462**
At 31 December 2024	**222,528**	**-**	**16,405**	**-**	**238,933**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Property and equipment (continued)

Buildings were valued on 31 December 2025 by Regent Valuers International (K) Limited, registered professional valuers. The basis of valuation was current market value with existing use.

Land and buildings are carried at the fair value hierarchy level 3 in the fair value hierarchy.

If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2025 Kes '000	2024 Kes '000
Cost	143,767	143,767
Accumulated depreciation	(52,839)	(49,245)
Net book value	**90,928**	**94,522**

21. Leases

a) Right-of-use assets

The Company leases office space for its use. Information about the leases in which the Company is a lessee is presented below:

Cost	2025 Kes '000	2024 Kes '000
At 1 January	39,429	38,857
Additions	3,552	4,297
Derecognition	(4,298)	(3,725)
At 31 December	**38,683**	**39,429**
Amortization		
At 1 January	(24,024)	(20,718
Charge for the year	(6,840)	(7,031)
Eliminated on derecognition	706	3,725
At 31 December	(30,158)	(24,024)
Carrying amount at 31 December	**8,525**	**15,405**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. Leases (continued)

b) Lease liabilities

	2025 Kes '000	2024 Kes '000
Analyzed as:		
Non - current	6,982	13,276
Current	2,852	5,354
At 31 December	**9,834**	**18,630**
The movement in the lease liabilities is as follows:		
At 1 January	18,630	21,761
Additions	3,552	4,297
Disposals	(3,782)	-
Interest on the lease liabilities	1,792	2,511
Payment of lease liabilities	(10,358)	(9,939)
At 31 December	**9,834**	**18,630**
In the statement of cashflows:		
Payment of the principal portion of lease liabilities	8,566	7,428
Payment of the interest portion of the lease liabilities	1,792	2,511
Lease liabilities maturity analysis (undiscounted cashflows)		
Year 1	5,657	10,246
Year 2	2,512	5,888
Year 3	1,867	2,709
Year 4	908	1,632
Year 5	929	2,307
	11,873	**22,782**

The Company does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the company's treasury function. All lease obligations are denominated in Kenya Shillings.

The contractual amounts disclosed in the maturity analyses as required by IFRS 16 are the contractual undiscounted cash flows i.e., Gross lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets – computer software

Cost	2025	2024
	Kes '000	Kes '000
At 1 January	60,093	70,295
Work In Progress	4,793	-
Disposals	-	(10,202)
At 31 December	**64,886**	**60,093**
Amortisation		
At 1 January	56,449	52,554
Amortisation charge	2,939	3,895
At 31 December	**59,388**	**56,449**
Net book value		
At 31 December	**5,498**	**3,644**

The work in progress relates to Meru Branch set up.

23. Investment properties

At 1 January	1,001,122	1,000,572
Fair value gain/(loss)	(32,291)	550
At 31 December	**968,831**	**1,001,122**

The Company's investment properties were last valued as at 31 December 2025 by Regent Valuers International (K) Limited, registered valuers on open market value basis. Direct operating expenses attributable to management of the investment properties amounted to 0.7 million (2024: Kes 0.7 million). The fair values arising from the open market valuation of investment properties is categorised as level 3 in the fair value hierarchy.

A portion of the building of 18% which is accounted for as property and equipment in line with IAS 16 is owner occupied. This has been disclosed in note 20 of the financial statements.

The effects of changes in the gross annual rent yield have the following effect on the fair value of the properties.

	% change	31 Dec 2025 Kes '000	31 Dec 2024 Kes '000
Gross annual rental	+/-5%	2,723	2,749
Rate of return	+/-5%	0.28%	0.27%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24 Equity investments at fair value through profit or loss	2025 Kes '000	2024 Kes '000
At 1 January	42,124	-
Additions	75,149	47,544
Disposals	(46,046)	(8,413)
Fair value gain	41,500	2,993
At 31 December	**112,727**	**42,124**

25 Mortgage loans		
At 1 January	2,737	3,302
Loan repayments	(407)	(565)
At 31 December	**2,330**	**2,737**
Maturity profile of mortgage loans:		
Loans maturing:		
Within 1 year	-	65
In 1-5 years	2,330	2,672
	2,330	**2,737**

The mortgage loans are secured by title deeds.

26 Receivables from intermediaries		
Gross receivables	559,237	598,276
Provision for impairment losses	(161,839)	(182,034)
Net receivables	**397,398**	**416,242**
Movement in provision for impairment losses:		
At 1 January	182,034	227,344
Write off	-	-
Impairment (credit)/charge in the year (Note 4.2)	(20,195)	(45,310)
At 31 December	**161,839**	**182,034**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27 Other receivables & loans

27(i) Other receivables

31 December 2025	Gross carrying amounts Kes '000	Loss allowance Kes '000	Net carrying amounts Kes '000
Due from related parties (note 37(ii))	695	-	695
Prepayments	11,909	-	11,909
Utilities and rental deposit	3,291	-	3,291
Rent receivable	5,697	(85)	5,612
Other receivables	4,303	-	4,303
	25,895	**(85)**	**25,810**

31 December 2024			
Due from related parties (note 37(ii))	6	-	6
Prepayments	9,382	-	9,382
Utilities and rental deposit	3,301	-	3,301
Rent receivable	17,992	(88)	17,904
Other receivables	4,018	-	4,018
	34,699	**(88)**	**34,611**

All other receivables are classified as current assets except utilities and rental deposit which are classified as noncurrent assets.

27(ii) Loan to shareholders

31 December 2025	Gross carrying amounts Kes '000	Loss allowance Kes '000	Net carrying amounts Kes '000
Loan amount	11,639	-	11,639

31 December 2024	Gross carrying amounts Kes '000	Loss allowance Kes '000	Net carrying amounts Kes '000
Loan amount	28,499	-	28,499

This loan was granted to one of the shareholders, Southern Shield Holdings who own 25% of the company's shares. The loan is secured by the shares owned by Southern Shield Holdings and is due for repayment within 12 months. The shareholder has authorized the company to recover the loan from any distributions payable to them in relation to their shares. The loan is subject to an interest rate based on the prevailing market rate for 12-month government instruments, which may vary during the loan term. The accrued interest on the loan as at 31 December 2025 Kes. 2.7M.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. Government securities

(i) Government securities held at amortised cost	2025 Kes '000	2024 Kes '000
- Maturing within 1 year		-
- Maturing in 1-5 years	385,721	170,589
- Maturing after 5 years	1,364,499	1,185,799
	1,750,220	**1,356,388**
At 1 January	1,356,276	1,053,086
Additions	398,380	318,040
Amortisation of discount	10,234	10,262
Maturities	(14,670)	(25,000)
Impairment provision in the year	(175)	(112)
At 31 December	**1,750,045**	**1,356,276**
(ii) Government securities at fair value through profit and loss		
At 1 January	919,908	655,483
Additions	209,669	683,004
Disposals	-	(461,553)
Fair value gain	41,816	42,974
At 31 December	**1,171,393**	**919,908**

29 Weighted average effective interest rates

The following table summarises the weighted average effective interest rates at year-end on the principal interest-bearing investments:

	2025 %	2024 %
Mortgage loans	10	10
Government securities	12	14
Deposits with financial institutions	8	16

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 Deferred income tax

Deferred tax is calculated using the enacted income tax rate of 30% (2024: 30%). The movement in the deferred tax asset account is as follows:

	2025 Kes '000	2024 Kes '000
At 1 January	9,871	16,132
Charge to profit or loss (note 12)	(20,760)	(4,992)
Charge through other comprehensive income	925	(1,269)
At 31 December	**(9,964)**	**9,871**

The net deferred tax asset is made up of the following temporary differences:

	1 January 2025 Kes '000	(Charged)/ credited to profit or loss Kes '000	Charged to OCI Kes '000	31 December 2025 Kes '000
Year ended 31 December 2025				
Property and equipment - historical cost basis	6,978	1,749	-	8,727
Property and equipment - revaluation surplus	(50,942)	12,540	925	(37,477)
Investment property - historical cost adjustment	(20,196)	(33,042)	-	(53,238)
Provisions	72,055	(1,129)	-	70,926
Other deductible differences	1,976	(878)	-	1,098
Net deferred income tax asset/(liability)	**9,871**	**(20,760)**	**925**	**(9,964)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30. Deferred income tax (continued)

	1 January 2024	(Charged)/ credited to profit or loss	Charged to OCI	31 December 2024
	Kes '000	Kes '000	Kes '000	Kes '000
Year ended 31 December 2024				
Property and equipment - historical cost basis	9,313	(2,335)	-	6,978
Property and equipment - revaluation surplus	(49,673)	-	(1,269)	(50,942)
Investment property - historical cost adjustment	(20,113)	(83)	-	(20,196)
Provisions	75,520	(3,465)	-	72,055
Other deductible differences	1,085	891	-	1,976
Net deferred income tax asset	**16,132**	**(4,992)**	**(1,269)**	**9,871**

31 Other payables

	2025 Kes'000	2024 Kes'000
Accrued expenses	70,505	46,753
Accrued leave	7,310	6,268
Rental deposits	19,416	20,118
Payroll liabilities	14,886	9,217
Sundry creditors	5,754	7,428
Other liabilities	25,039	25,335
	142,910	**115,119**

32 Contingent liabilities

The company is subject to litigation arising in the normal course of insurance business. The directors, based on the legal advice, are of the opinion that this litigation will not have a material effect on these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

33 Operating leases

The Company as a lessor

The maturity analysis of contracted operating lease payments in which the Company is the lessor, relate to investment properties owned by the Company.

	2025 Kes '000	2024 Kes '000
Year 1	9,995	3,616
Year 2	17,881	39,321
Year 3	-	-
Year 4	18,835	36,716
Year 5	21,184	19,689
	67,895	**99,342**

The lease income on the operating leases as at 31 December 2025 was 54M Kes million (2024: Kes 55 million).

34 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2025 Kes '000	2024 Kes '000
Cash and bank balances	276,315	229,179
Deposits with financial institutions	615,874	309,995
	892,189	**539,174**

Deposits with financial institutions have an original average maturity of 3 months (2024: 3 months). The effective interest rate on deposits was per 8% annum (2024: 16%).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

35 Notes to the statement of cash flows

Reconciliation of loss before taxation to cash generated from operations:

	2025 Kes'000	2024 Kes'000
Profit before income tax	230,955	213,141
Adjustments for:		
Interest on Government securities, deposits with financial institutions and mortgage loans (note 8.1)	(412,984)	(351,727)
Depreciation of property and equipment (note 20)	15,248	12,613
Amortisation charge on intangible assets (note 22)	2,939	3,895
Amortisation of the right-of-use assets (note 21 (a))	6,840	7,031
Interest on lease liabilities (note 21 (b))	1,792	2,511
Gain on disposal of leases	(190)	-
Gain on sale of equipment (note 9)	(259)	(60)
Change in fair value of quoted shares (note 24)	(41,500)	(2,993)
Amortisation of Government securities at amortised cost (note 28 (i))	(10,234)	(10,262)
Unrealized fair value gains on Government securities at fair value through P&L (note 28 (ii))	(41,816)	(42,974)
Change in fair value of investment property (note 23)	32,291	(550)
Impairment provision on Government securities (note 28 (i))	175	112
Changes in:		
Insurance contract liabilities	910,940	936,749
Reinsurance contract assets	(16,365)	(326,145)
Due from Kenya Motor Insurance Pool	551	(1,487)
Intangible assets	-	10,204
Receivables arising out of reinsurance arrangements	(78,841)	36,130
Receivable from intermediaries	18,844	(201,845)
Payables arising from reinsurance arrangements	5,548	17,257
Other receivables	25,661	(37,739)
Other payables	27,791	55,655
Cash generated from in operations	**677,386**	**319,516**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

36. Dividends

The directors propose payment of the first and final dividends of Kes 16.7 (2024: Kes 12.5) per share amounting to Kes 100 million (2024: Kes 75 million). The proposed dividend is not payable until ratified at the annual general meeting. Payment of dividends is subjected to applicable withholding tax under Kenya Income tax act.

37. Related party transactions

The Company is related to other Companies through common shareholdings or common directorships.
In the normal course of business, insurance policies are sold to related parties at terms and conditions similar to those offered to major clients.

(i) Transactions with related parties	2025 Kes'000	2024 Kes'000
Insurance service revenue		
- Related parties – directors	849	720
- Related parties – other	1,730	2,766
	2,579	**3,486**

(ii) Outstanding balances with related parties		
Loans advanced to staff (note 27(i))	695	6
Southern Shield Holdings (note 27(ii))	11,639	28,499
	12,334	**28,505**

(iii) Mortgage loans to directors and key management staff of the Company		
At 1 January	2,737	3,302
Loan repayments received	(407)	(565)
At 31 December	**2,330**	**2,737**

(iv) Key management compensation		
Salaries and other short-term employment benefits	**65,922**	**53,091**

(v) Directors' remuneration		
Directors' fees	10,062	10,101
Other Directors expenses	3,737	2,460
Other remuneration (included in key management compensation above)	62,185	50,631
	75,984	**63,192**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38 Currency

The financial statements are presented in Kenya Shillings (Kes'000), which is the Company's Functional Currency.

39 Events after the reporting date

No material events or circumstances have arisen between the reporting date and the date of this report that require disclosure or adjustment to the financial results and position at 31 December 2025.

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SUPPLEMENTAL INFORMATION - GENERAL INSURANCE BUSINESS INSURANCE SERVICE RESULTS FOR THE YEAR 2025

Portfolio	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Aviation	Medical	Motor Private	Motor Comm	Motor-PSV	Personal Accident	Theft	WIBA	Misc.	2025 Total
Gross written premium	83,184	37,975	319,418	82,878	125,115	703,964	313,716	1,499,043	1,163,930	40,567	9,491	72,635	329,283	232,615	**5,013,814**
Insurance service revenue	**72,325**	**36,220**	**329,327**	**92,754**	**120,311**	**701,933**	**246,139**	**1,390,451**	**993,762**	**37,879**	**9,755**	**84,707**	**317,855**	**226,224**	**4,659,642**
Incurred claims	(16,009)	(3,787)	(44,937)	(60,884)	(116,797)	-	(207,706)	(1,035,832)	(772,776)	(6,458)	(2,654)	(34,768)	(192,701)	(5,985)	**(2,501,294)**
Attributable expenses	(6,141)	(9,494)	(15,170)	(10,371)	(14,411)	(9,469)	(36,810)	(291,165)	(79,288)	(3,382)	(6,621)	(12,553)	(18,597)	(29,855)	**(543,327)**
Insurance acquisition costs	(14,330)	(7,275)	(60,433)	(13,479)	(20,054)	(12)	(24,599)	(136,900)	(99,138)	(2,809)	(1,918)	(9,226)	(63,308)	(6,733)	**(460,214)**
Changes in risk adjustment	(39)	166	519	(364)	(216)	-	(704)	(14,115)	167	(4,590)	(5)	(55)	(1,453)	4	**(20,685)**
Changes in loss component	-	-	-	(1,255)	(4,113)	-	20,752	(50,604)	(43,095)	(5,415)	(597)	-	(2,938)	-	**(87,265)**
Insurance service expense	**(36,519)**	**(20,390)**	**(120,021)**	**(86,353)**	**(155,591)**	**(9,481)**	**(249,067)**	**(1,528,616)**	**(994,130)**	**(22,654)**	**(11,795)**	**(56,602)**	**(278,997)**	**(42,569)**	**(3,612,785)**
Reinsurance premium expense	(73,362)	(19,024)	(313,554)	(40,995)	(87,159)	(702,039)	(123,070)	(64,025)	(38,699)	(315)	(2,151)	(46,492)	(25,759)	(191,218)	**(1,727,862)**
Reinsurance claims recoveries	19,970	(2,323)	32,076	2,930	72,466	-	103,853	30,498	63,914	1,426	(1)	20,351	50,790	3,588	**399,538**
Commission income	12,141	4,846	76,274	5,103	20,049	18,627	24,368	31,720	5,085	-	527	10,089	5,813	10,861	**225,503**
Attributable expenses	(147)	(47)	(583)	(81)	(203)	(318)	(353)	(226)	(187)	(1)	(6)	(62)	(53)	(328)	**(2,595)**
Changes in risk adjustment	87	(167)	(506)	(41)	6	-	352	49	(267)	(16)	-	54	341	(3)	**(111)**
Changes in loss component	-	-	-	195	2,791	-	(10,376)	2,181	4,122	367	165	-	795	-	**240**
Net gain/(expenses) from reinsurance	**(41,311)**	**(16,715)**	**(206,293)**	**(32,889)**	**7,950**	**(683,730)**	**(5,226)**	**197**	**33,968**	**1,461**	**(1,466)**	**(16,060)**	**31,927**	**(177,100)**	**(1,105,287)**
Insurance service result	**(5,505)**	**(885)**	**3,013**	**(26,488)**	**(27,330)**	**8,722**	**(8,154)**	**(137,968)**	**33,600**	**16,686**	**(3,506)**	**12,045**	**70,785**	**6,555**	**(58,430)**

SUPPLEMENTAL INFORMATION - GENERAL INSURANCE BUSINESS INSURANCE SERVICE RESULTS FOR THE YEAR 2024

Portfolio	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Aviation	Medical	Motor Private	Motor Comm	Motor-PSV	Personal Accident	Theft	WIBA	Misc.	2024 Total
Gross written premium	66,273	31,568	346,344	107,071	129,194	722,500	74,731	1,320,682	713,377	31,990	9,050	88,855	311,779	131,695	**4,085,109**
Insurance service revenue	**72,595**	**29,754**	**287,685**	**93,002**	**138,970**	**704,872**	**38,092**	**1,260,160**	**623,934**	**27,990**	**11,573**	**70,162**	**290,920**	**122,242**	**3,771,951**
Incurred claims	(37,173)	(61,030)	(171,764)	(52,975)	(77,803)	500	(32,941)	(949,092)	(419,051)	(17,184)	(8,877)	(27,839)	(141,445)	(54,555)	**(2,051,229)**
Attributable expenses	(4,948)	(6,028)	(14,243)	(8,630)	(9,634)	(9,146)	(34,788)	(267,983)	(58,087)	(2,509)	(4,461)	(11,140)	(19,398)	(18,009)	**(469,004)**
Insurance acquisition costs	(14,409)	(5,810)	(58,419)	(9,667)	(22,297)	(11,230)	(3,791)	(126,368)	(65,319)	(1,925)	(1,867)	(11,070)	(60,119)	(6,938)	**(399,229)**
Changes in risk adjustment	(134)	(54)	(625)	(558)	(379)	16	(218)	74	2,849	(429)	5	452	(4,526)	(107)	**(3,634)**
Changes in loss component	221	-	-	-	-	-	(33,144)	(7,061)	(5,382)	(1,971)	(455)	265	-	-	**(47,527)**
Insurance service expense	**(56,443)**	**(72,922)**	**(245,051)**	**(71,830)**	**(110,113)**	**(19,860)**	**(104,882)**	**(1,350,430)**	**(544,990)**	**(24,018)**	**(15,655)**	**(49,332)**	**(225,488)**	**(79,609)**	**(2,970,623)**
Reinsurance premium expense	(57,106)	(16,192)	(259,580)	(52,584)	(107,385)	(705,258)	(19,046)	(64,252)	(34,320)	(289)	(2,123)	(33,565)	(32,354)	(105,456)	**(1,489,510)**
Reinsurance claims recoveries	24,980	51,879	156,966	31,225	59,869	16,470	(475)	21,478	13,974	(278)	5,913	9,749	41,881	47,073	**480,704**
Commission income	17,372	3,857	64,752	5,574	23,926	20,503	3,771	7,834	3,988	-	520	7,948	7,253	19,886	**187,184**
Attributable expenses	(240)	(106)	(1,346)	(212)	(641)	(699)	(208)	(375)	(210)	(2)	(11)	(515)	(140)	(436)	**(5,141)**
Changes in risk adjustment	78	141	580	366	297	(15)	109	406	(1,881)	2	-	(290)	965	83	**841**
Changes in loss component	(208)	-	-	-	-	-	16,573	958	246	32	130	(146)	-	-	**17,585**
Net gain/(expenses) from reinsurance	**(15,124)**	**39,579**	**(38,628)**	**(15,631)**	**(23,934)**	**(668,999)**	**724**	**(33,951)**	**(18,203)**	**(535)**	**4,429**	**(16,819)**	**17,605**	**(38,850)**	**(808,337)**
Insurance service result	**1,028**	**(3,589)**	**4,006**	**5,541**	**4,923**	**16,013**	**(66,068)**	**(124,221)**	**60,741**	**3,437**	**347**	**4,011**	**83,037**	**3,783**	**(7,009)**

14TH SEPTEMBER 2026,

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

Dear Sir/Madam,

LIST OF CLIENTS

REF: PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS-UNDERWRITERS ONLY

TENDER NO. NBA/753/0001/2026-27

NAME	CLASS OF INSURANCE OFFERED	VALUE OF THE CONTRACT	PERIOD OF OFFER	CONTACT PERSON AND TELEPHONE NUMBER	CONTRACT/RECOMMENDATION LETTER
COUNTY GOVERNMENT OF BOMET	MEDICAL INSURANCE	102,796,206	2024-2025	CYNTHIA CHIRCHIR 0711 772 028	ATTACHED
AFRICA STAR RAILWAY OPERATION COMPANY	MEDICAL INSURANCE	125,082,405	2024-2025	PHILIP MORACHA 0732 215 216	ATTACHED
UNITED STATES INTERNATIONAL UNIVERSITY AFRICA	MEDICAL INSURANCE	69,000,000	2025-2026	MILLICENT WANDERI 0780 640 963	ATTACHED
DAYSTAR UNIVERSITY	MEDICAL INSURANCE	86,103,100	2025-2026	PROF. MOTURI WACHIRA -	ATTACHED
NAIROBI JAVA HOUSE		65,562,012	2025-	JUDE CHEGE	ATTACHED

	MEDICAL INSURANCE		2026	0728 025 271	
NURSING COUNCIL OF KENYA	MEDICAL INSURANCE	60,000,000	2024-2025	ANN MUKUNA 0721 920 567	ATTACHED

Yours faithfully,

For and on behalf of

FIDELITY SHIELD INSURANCE COMPANY LIMITED

RICHARD MARISIN

PRINCIPAL OFFICER.

FIDELITY SHIELD INSURANCE CO. LTD.



COUNTY GOVERNMENT OF BOMET

INSURANCE CONTRACT FOR PROVISION OF MEDICAL INSURANCE SERVICES

BETWEEN

COUNTY GOVERNMENT OF BOMET

AND

FIDELITY SHIELD INSURANCE COMPANY LIMITED

This CONTRACT FOR PROVISION OF MEDICAL INSURANCE SERVICES (herein after the "Agreement"), is entered into this 09 day of May 2022 by and BETWEEN COUNTY GOVERNMENT OF BOMET of Postal Address: 19-20400, BOMET (herein called the Procuring entity) AND FIDELITY SHIELD INSURANCE COMPANY LIMITED of P.O. Box 47435 – 00100 Nairobi, Kenya (hereinafter referred to as "the Insurance Company" which expression shall where the context so admits include its successors and assigns) of the one part.

WHEREAS

1. The Client proposes to engage the Insurance Company to provide Insurance services [hereinafter referred to as "the Services"] and the Insurance Company hereby accepts to perform the said Services.

NOW THEREFORE THE PARTIES do here by agree as follows: -

GENERAL CONDITIONS OF AGREEMENT:

Definitions

In this Contract the following terms shall have the following meanings:

a) "Client" means COUNTY GOVERNMENT OF BOMET which is sourcing for the Service under this Agreement.
b) "The Insurance Company" means FIDELITY INSURANCE COMPANY LIMITED who are the suppliers of the services under this Contract.
c) "Service" means the insurance services by "The Insurance Company".
d) "The Contract Price" means the total price payable to "The Insurance Company" under this Contract for the full and proper performance of its obligations.
e) "The Parties" refer to both parties to this Contract being "the Client" and "the Insurance Company"
f) "Personnel" means persons hired by the Insurance Company as employees and assigned to the performance of the Services or any thereof.

g) “GC” means these General Conditions of Contract.

h) “SC” means the Special Conditions of Contract by which the GC may be amended or supplemented

Interpretation

In this Agreement, unless the context otherwise indicates:

a) The headings to clauses of this Contract are inserted for purposes of reference only and shall not in any way govern nor affect the interpretation thereof.

b) The Table A to this Contract form an integral part hereof and words and expressions defined in this Contract shall bear, unless the context otherwise requires, the same meaning in such schedules.

c) Unless the context clearly indicates the contrary intention, words importing the singular shall include the plural and vice versa.

d) Where the day on or by which anything is to be done is not a business day, it shall be done on or by the first day thereafter.

e) When any number of days is prescribed in this Contract, these shall be reckoned as calendar days, exclusively of the first, inclusively of the last day, unless the last day falls on a weekend or on a public holiday, in which case the last day shall be the next succeeding day which is not a weekend or a public holiday.

1. CONTRACT DOCUMENTS

1.1. The following documents shall be deemed to form and shall be read and construed as part of this agreement:

1.1.1. Letter of Award

1.1.2. Letter of Acceptance

1.1.3. General and Special Conditions of Contract

1.1.4. The Premium Summary

1.1.5. Policy Documents

1.2. This Contract supersedes all previous negotiations and or arrangements, with regard to the issues dealt with herein between the Parties.

2. Scope of Services

2.1. The Insurance Company shall perform the Services specified in this Agreement.

2.2. The summarized policies are Medical Insurance Kshs. 102,796, 206

3. Duties of the Insurance Company

3.1. The Insurance Company will settle claims within 5 WORKING DAYS from the date the claim is fully documented.

3.2. The Insurance Company shall submit to the Client the reports in the form and within the time periods specified.

3.3. The Insurance Company shall submit all policy documents to support this agreement.

3.4. The Insurance Company shall comply with laws, statutes and regulations affecting the subject matter of this agreement, and in particular abide by the rules, requirements and procedures of the Insurance Regulatory Authority.

3.5. The Insurance Company shall faithfully comply and promptly settle any claim forwarded by the Client.

3.6. If the Insurance Company denies payment or settlement of any claim, must give explanation in writing giving reasons for such denial to the Client.

4. Term

4.1. The Insurance Company shall provide insurance covers during the period commencing on 26th May 2022 and through to 25th May 2023 renewable subject to satisfactory performance. It is herein agreed that the Broker shall bear all related risks to the policies covered and ensure that any claim is settled within the 5 working days' industry's standard time (period of days).

5. Payment

5.1. Ceiling

5.1.1. For Services rendered as per Terms of Reference (TOR) and any other relevant documents, the Client shall pay the Insurance Company Kshs.11,796,206 (Eleven million seven hundred ninety-six thousand two hundred and six Shillings) for the provision of insurance services as provided in clause 2 inclusive of all applicable taxes.

5.1.2. For changes in membership i.e new members and salary revisions costing will be at the rate as provided in clause 2.2 on a pro-ration basis.

6. Payment Conditions

6.1. Payment shall be made in Kenya Shillings unless otherwise specified not later than NINETY (90) DAYS following submission by the Insurance Company of invoices in duplicate to the Client.

6.2. The Client shall be required to pay these amounts WITHIN 90 DAYS after receipt of invoice/debit notes from The Insurer.

6.3. All invoices should be addressed to:

COUNTY GOVERNMENT OF BOMET
POSTAL ADDRESS: 19-20400, BOMET
EMAIL:INFO@BOMET.GO.KE
TELEPHONE: 0202084068/69/70

Contract Administration

6.4. The Client designates the The Registrar (Admin & HR), as its Contract Administrator. The Administrator will be responsible for administering the activities under this Contract and for acceptance of deliverables.

6.5. The Insurance Company designates Brian Rop, as its Contract Administrator. The Administrator will be responsible for ensuring that the Service shall be rendered in accordance with the terms, conditions and schedules herein.

7. Reports

7.1. The Insurance Company shall submit quarterly reports in the course of the assignment as they may be requested from time to time.

8. Performance Standards

8.1. The Insurance Company undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Insurance

Company shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

9. Confidentiality

9.1. The Insurance Company shall not, during the term of this Contract and within two years after its expiration disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the Prior written consent of the Client.

9.2. The Insurance Company and its personnel shall not, either during the term of the contract or within two (2) years and after its expiration, disclose any proprietary or confidential information relating to the services, this Contract or the Client's business or operations without its prior written consent and further:

10.2.1 The Insurance Company and its staff shall not at any time during or after the termination of this Contract use or disclose to any third parties any confidential information or any information concerning the Client, the contents of this Contract or the business affairs of the Client or matters of a similar nature which The Insurance Company or its staff may acquire during the course of their activities under this

Contract or otherwise except with the written consent of The Client and only to persons who are authorized by the Client to receive such information.

10.2.2 Confidential information for the purposes of this Contract shall include but shall not be limited to all exchanged information and/or knowledge, both oral and written transmitted by any means whatsoever and without generality to the foregoing matters financial, legal, technical and other knowledge exchanged or obtained in any manner whatsoever by The Insurance Company or its staff in the course of this Contract.

9.3. The Insurance Company shall also ensure that its staff understand the contents of this Clause and adhere to it. The Insurer shall be held responsible for any breach of this clause by itself, its agents or its staff.

10. Assignment

10.1. The Insurance Company shall not assign this Contract or sub-contract, any portion of it without the Client's prior written consent.

11. Law Governing Contract and Language

11.1. The Contract shall be governed by the laws of Kenya and the language of the Contract shall be English language.

12. Force Majeure

12.1. The Parties to this Contract shall not be liable for forfeiture of its performance security, or termination for default if and to the extent that it's delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

13. Variation

13.1. Any variation to the terms of this agreement must be confirmed in writing by both parties and shall not negate the content of this agreement

14. Dispute Resolution

14.1. In the event of a dispute arising between the Parties in respect of any matter contained in this Contract, the aggrieved party shall notify the other in writing about the existence and nature of the dispute within FOURTEEN (14) DAYS of the dispute arising.

14.2. The parties agree to submit exclusively to alternative dispute resolution mechanisms in the preference of Negotiation, Mediation and binding Arbitration. In this regard, both parties shall negotiate in good faith to settle the dispute in question as expeditiously as possible through the parties' representatives but in any event within a period of FOURTEEN

(14) DAYS of the matter being referred to them.

14.3. Should the parties' representatives fail to resolve the dispute within the aforesaid period or such longer period as the parties may mutually agree in writing, the dispute shall be referred to arbitration by either party by a single arbitrator to be appointed by agreement between the parties or in default of such agreement upon application of either party to the Chairman for the time being of the Kenyan Chapter of Chartered Institute of Arbitrators.

14.4. The determination of the Arbitrator shall be final and binding upon the parties to the extent permissible by the applicable law.

14.5. The arbitration shall be conducted in Nairobi and in accordance with the provisions of the Kenyan Arbitration Act 1995 as modified and amended from time to time.

14.6. Notwithstanding any provision to the contrary, either party shall reserve the right to seek injunctive relief from a court of competent jurisdiction.

15. Breach and Termination

15.1. The Insured may, without prejudice to any other remedy for breach of Agreement, by written thirty (30) days' notice of default sent to The Insurance Company, terminate this Contract in whole or in part:-

(i) If The Insurance Company fails to provide any or all of the Service(s) within the period(s) specified in the Contract, or within any extension thereof granted by The Insured.

(ii) If The Insurance Company fails to perform any other obligation(s) under the Contract.

(iii) If The Insurance Company in the judgment of The Client has engaged in corrupt or fraudulent practices in competing for or in executing the Agreement.

In the event that The Client terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those provided and The Insurance Company shall be liable to The Client for any excess costs for such services.

15.2. The Client may at any time terminate the Contract by giving written thirty (30) days' notice to The Insurance Company if the latter becomes bankrupt or otherwise insolvent. In

this event, termination will be without compensation to The Insurance Company, provided that such termination will not produce or affect any right of action or remedy, which has accrued, or will accrue thereafter to The Client.

15.3. The Client by written thirty (30) days' notice sent to The Insurance Company may terminate the Contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for The Client's convenience, the extent to which performance of the Contract by The Insurance Company is terminated and the date on which such termination becomes effective. The Insured may elect to cancel the services for the remaining part of the Contract after termination and to pay The Client an agreed amount for the partially completed services.

15.4. In the event of suspension, termination, cancellation and/or expiration of this Contract as provided herein and/or as provided for in the Common Law, the provisions of this Contract which are intended to will continue and survive accordingly.

15.5. In case The Client elects to terminate the Contract, The Insurance Company shall be entitled to a credit equivalent to the prorated service rendered.

16. Notices

16.1. Any notices given by one Party to the other pursuant to this Contract shall be in writing and sent to the other Party by post or by fax or by e-mail to the other Party's address specified in this Contract. A notice shall be effective when delivered and received or on the effective date of the notice, whichever is later and sent to the parties' addresses as specified herein below:

With regard to the Insurance Company:

THE MANAGING DIRECTOR
FIDELITY INSURANCE COMPANYS LIMITED
FIDELITY INSURANCE CENTRE, WARIDI LANE, OFF WAIYAKI WAY P.O. BOX 47435-00100, NAIROBI, KENYA.

17. General provisions

17.1. This Contract, together with its annexes, represents the parties' entire understanding relating to the use of the Service and supersedes any prior or contemporaneous, conflicting or additional, communications. No text or information set forth, preprinted form or document shall add to or vary the terms and conditions of this Contract.

17.2. If any provision of this Contract is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect.

17.3. The failure of either party to enforce any right or provision in this Contract shall not constitute a waiver of such right or provision.

IN WITNESS HEREOF, the parties have executed this Agreement through their duly authorized representatives on the date set forth above.

Signed



Richard Marisin

Date 9th May 2024

FOR FIDELITY INSURANCE COMPANY LIMITED

Signed

Date 09/05/2024

For: David Kikwai



County Attorney Copy

Dated this 28TH day of NOVEMBER 2024

CONTRACT FOR PROVISION OF A STAFF MEDICAL INSURANCE COVER

BETWEEN

KCB BANCASSURANCE INTERMEDIARY LIMITED

AND

COUNTY GOVERNMENT OF MOMBASA

2024/2025

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CONTRACT FOR PROVISION OF STAFF MEDICAL INSURANCE COVER

This Contract for Provision of Comprehensive Medical Insurance, (hereinafter referred to as the "**Contract**") is made the.....28TH..... day of ..NOVEMBER..... Two Thousand and Twenty Four.

BETWEEN:

1. **KCB Bancassurance Intermediary Limited** established under Section 3A of the Insurance Act Cap 487. of the Laws of Kenya (the "**Insurance Act**") and of Post Office Box Number 48154-00100 Nairobi in the Republic of Kenya (hereinafter referred to as "**KBIL**" which expression shall where the context so admits includes successors in title and assigns) of the one part; **AND**

2. The **County Government of Mombasa** established under the County Governments Act No. 17 of 2012 of the Laws of Kenya and of Post Office Box Number **80133-80100, Mombasa** (hereinafter referred to as "the **CGM**" which expression shall where the context so admits include the **County Government of Mombasa**'s successors in title and assigns) of the other part.

KBIL and the **CGM** are in this Agreement together referred to as Parties and separately as Party.

WHEREAS

1. The CGM intends to enter into a contract for provision of Staff Medical Insurance Cover through KBIL with a commencement date being **when the premiums are first paid, and evidence of payment provided** and being the date on which this contract takes effect and valid for a period of one (1) year.
2. The CGM intends to award Medical Insurance for its employees through KBIL. The Insurance Cover sought is intended to cover Principal Members if in employment at the commencement of the Insurance Cover and shall be on family-shared basis covering the Principal Member and Dependants as per applicable premium Schedule 2 and scope of benefits in Schedule 1

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:-

1. Definitions And Interpretations

In this Agreement, unless the context otherwise requires:

1.1.	*Accessibility*	means that the scheme beneficiaries shall access health services in designated facilities offering Medical services. The term "Access" shall, where the context so admits, be similarly construed.
1.2.	*Capitation*	means arrangement with service provider on customary and reasonable charges.
1.3.	*Case Management*	means a collaborative process to ensure that an individual patient gets medically necessary care in an efficient and cost-effective manner.
1.4.	*Commencement Date*	means the date when the premiums are first paid, and evidence of payment provided and being the date on which this Contract takes effect;
1.5.	*Medical Expenses*	Means all reasonable, legible, medical costs incurred in respect of benefit provided for according to schedule 1 and the policy schedule
1.6.	*Contract*	means this Contractual obligation arising between the CGM and KBIL in respect of the provision of staff medical insurance cover.
1.8.	*Country*	means the Republic of Kenya;
1.9.	*Customary and Reasonable Charges*	means charges for medical care made by a service provider which shall be considered by to be customary and reasonable to the extent that they do not exceed the general level of charges being made by other service providers of similar standing in the locality where the charge is incurred when

providing like or comparable treatment, services or supplies to individuals of the same sex and of comparable age, for a similar disease or injury; The scale of charges applied will be those agreed from time to time between the insurer and approved panel of service providers

1.10. *Eligible beneficiary* means an eligible dependent or eligible employee as defined hereunder;

1.11. *Eligible dependant* means a dependent who is eligible if he/ she is declared as a dependent by the Principal Member at the commencement of the medical cover or by registration or through birth or marriage during the policy period.

1.12.	*Eligible Employee*	means a person employed for wages or a salary by the County Government of Mombasa;
1.13.	*Employer*	means the **County Government of Mombasa;**
1.14.	*Exclusion*	means categories of treatment, conditions, activities and their related or consequential expenses that are excluded from the insurance cover provided in the policy schedule for which KBIL shall not be liable;
1.15.	*Fee-For Service*	means payment to a declared and contracted healthcare facility for each particular service rendered to a Scheme member.
1.16.	*Full Time Active Service*	means an employee (other than a temporary employee) who is considered to be in Full Time Active service on any day if the employee is performing or is capable of performing, in the customary manner, all of the regular duties of employment;
1.17.	*General Patient*	means a member who has been admitted to a hospital and has been assigned general ward bed and is receiving treatment under the care of the approved hospital's panel of physicians;
1.18.	*Government*	means the Government of the Republic of Kenya;
1.19.	*Approved Hospitals and Physicians*	The Insurance cover expressed in this contract and the policy schedule shall be operative in respect of treatment received from approved panel of providers who are legally recognized hospitals and from legally registered medical practitioners registered with Kenya Medical Practitioners and Dentists Board. Treatment outside the approved panel will be on reimbursement and will result in approved charges being automatically imposed or attract a penalty as set out in the policy schedule. Acupuncturists, Acupressurists, Herbalists, Chiropodists, podiatrists, Homeopaths, Ayurveda

	and alternative medicine practitioners are not recognized under this policy.
1.20. *In Force*	means the cover is in effect for the medical benefits specified in the First Schedule to this Contract;
1.22. *Inpatient*	means a member who has been admitted to a hospital, is assigned a bed and given diagnostic tests or receives treatment for a disease or injury;
1.23. *Inpatient Treatment*	means treatment which requires admission in and stay in a hospital or day care surgery;
1.24. *KEPI*	means Kenya Expanded Programme on Immunization;
1.26. *Limits of indemnity*	means liability as limited in events and amount to the limited and sub- limits specified in the schedule as applying to each item or type of cover provided. The overall maximum limit stated thereon is the maximum amount recoverable under this policy as a whole by any one period of insurance and in total in respect of any one covered, claim or event.
1.27. *Material information*	means that information whose omission or misstatement could influence the terms of this Contract;
1.28. *Medically Necessary treatment*	means treatment for a medical condition that has been pre-authorized by the company after the submission of a report by the medical practitioner appointed by the company. Such treatment must be necessary for the preservation of life or the alleviation of pain, illness, or injury. Medically necessary means appropriate to a physician's diagnosis, consistent with the level of care provided, reasonably safe and widely accepted by the practicing peer group and not an investigation or research nature.

1.29 .*Optical Services*	Eye care, eye examination, eye follow up care and prescription of glasses or contact lenses where a refractive error has been noted.
1.30. *Out Patient Treatment*	means treatment that does not require admission and stay in hospital or day care unit;
1.31. *Period of Insurance*	Period from effective date to the expiry date and each twelve month period, or any such period as may be agreed between the parties, from renewal date thereafter and subject to payment of the required premium.
1.32. *Panel of service providers*	Means the list of hospitals, pharmacies, clinics, physicians and other service providers approved by the insurer from whom members may seek services on credit or for whom insurance will make reimbursement.

1.33 Policy	Means this policy and shall include the policy schedule .
1.34. *Principal Member*	means an eligible employee who has completed a membership application form or whose name is on the list provided by the employer to KBIL
1.35. *Registration*	means: a) The submission of data by the Employer to KBIL b) The registration of dependants by the Principal Member to CGM. For purposes of this Contract, registration will be deemed to be complete where the Employer submits data regarding its employees and dependents to KBIL.
1.36. *Restricted*	Means that the Members are restricted to utilizing medical services as per the approved panel of providers defined per job group.
1.37. *Self-prescribed procedures*	means procedures which are not medically necessary or procedures which can be scheduled in advance. For purposes of this Agreement, self-prescribed procedures shall mean procedures which are not medically necessary which is an exclusion.
1.38. *Spouse*	means a husband or wife of a Principal Member as registered with the Registrar of Marriages.

Where the context so admits, words denoting the masculine gender shall be deemed to include the feminine and vice versa.

2. Contract Term

The term of this Contract shall be one (1) year from the commencement date subject to a renewal as shall be agreed between the Parties at the lapse of such term.

3. Commencement of the Medical Insurance

The commencement of the medical cover shall be dependent on the fulfilment of the following conditions:

3.1 Payment of Premiums

Medical cover to the Beneficiaries shall commence upon settlement of premiums in full and in advance by the CGM and upon receipt of confirmation of payment and submission of evidence thereof to KBIL. The printed confirmation of payment shall be read together with the Contract in confirmation of the commencement date.

3.2 Registration of Principal Members and Beneficiaries

The CGM shall also prior to the commencement of the medical cover to the Beneficiaries furnish KBIL with up to date and accurate data of its employees and dependents.

3.3 The waiting period for new members will be set at zero (0) days.

4. Limits of Liability and Premiums

4.1 KBIL shall procure medical insurance cover on behalf of the CGM to the insured persons to the limit of the premiums paid by the CGM as indicated on Second Schedule to this Contract.

4.2 Premiums for this medical insurance cover shall be payable by the CGM to KBIL in full and in advance at the beginning of the Contract term.

5. Eligible Persons for the Medical Insurance Cover

5.1 Persons eligible for the medical insurance cover shall be the following:

5.1.1 An employee of the County Government of Mombasa.

5.1.2 A spouse declared in writing by the Principal Member.

5.1.3 Change of spouse is allowed if the spouse dies within the Contract Period.

5.1.4 Up to four (4) children, dependant children, or legally adopted children of 0 to 18 years of age and/or to 25 years if fully dependent on the Principal Member and enrolled in full time post-secondary education provided that Proof of schooling will be provided.

5.1.4.1 Additional dependant children may be covered at an additional premium; and

5.1.4.2 The age limit provided in clause 5.1.4 above shall not apply to children with disability wholly dependent on the Principal Member and registered with the National Council for Persons with Disability.

5.2 Where the Principal Member dies in the course of the cover, KBIL shall not be obligated to refund the insurance premiums paid under this Contract. The dependants of the deceased shall continue to enjoy the medical insurance cover until the lapse of the period of insurance, which cover shall not continue if this Contract is renewed at the end of the policy period.

6. Benefits Under Medical Insurance

KBIL undertakes to procure medical insurance cover as specified hereunder to all eligible persons who shall access the following benefits at hospitals contracted by the insurer.

6.1 In-Patient Cover as prescribed in First Schedule and Policy Schedule

6.1.1 Hospital Treatment and services

All necessary medical treatment and services provided as per level of care by or on the order of a physician to a Member when admitted to contracted hospital. Cover includes hospital accommodation as specified in the special conditions herein, nursing care, diagnostic, laboratory or other medically necessary facilities and services, physicians', surgeons' anaesthetists' or physiotherapists' fees, operating theatre charges, specialist consultations or visits and all drugs, dressing or medications prescribed by the treating physician for in-hospital use. The cost of non-medical goods or services including items such as telephone and newspaper for the member is excluded.

6.1.2 Daycare services

Surgery and other medical services deemed fit by the physician as defined in the KBIL First Schedule .

6.1.3 Local Road Ambulance Service

Ambulance services for transportation and transfer of a sick member or dependant for treatment from a place of incident or facilities where adequate care is not available to the next available contracted hospital or medical facility as covered within the applicable limit prescribed benefit in First Schedule .

6.1.4 Emergency Air Rescue Services

Emergency Air Rescue services will be provided for transportation and transfer of an injured member to a facility where adequate medical care is available within the territorial limits of Kenya as covered within the applicable limit prescribed benefit in First Schedule .

6.2 Out-Patient Cover prescribed in First Schedule and Policy Schedule

Out-patient cover shall be necessary medical treatment provided to an eligible member not registered as in-patient at a hospital contracted as per the approved Panel of Service Providers.

6.2.1 The total coverage under this section in any one period of insurance shall not exceed the limits specified as per First Schedule .

6.4 **Outpatient Prescription Drugs**

Drugs and medicines, the use of which is regulated and can only be obtained by the order of a clinician/physician.

6.5 **Maternity prescribed in First Schedule and Policy Schedule**

The medical insurance cover under this Contract shall cover a Principal or his spouse for childbirth, provided the Principal or spouse is admitted in an approved Panel of Service Providers.

6.6 **Optical Cover prescribed in First Schedule and Policy Schedule**

A Member shall benefit in the proportion of expenses shown on the First Schedule to this Contract for the cost of reception at the eye clinic, patient identification and registration, triaging, medical consultations, eye testing that includes visual acuity measurement and basic eye examination, prescription of glasses for refractive errors, optical frames and lenses and drugs administration and dispensing. Provided that the total coverage under this section in any one period of insurance shall not exceed the limits specified in the First Schedule.

6.7 **Dental Cover prescribed in First Schedule and Policy Schedule**

A Member shall benefit in the proportion of expenses shown on the first Schedule. The total coverage under clause 6.7 in any one period of insurance shall not exceed the limits specified in the First Schedule.

KBIL shall not be liable for any Ex-gratia payments.

7. General Exclusions in the Policy Schedule

This medical insurance cover shall exclude expenses incurred by a member as prescribed in the Policy Schedule.

8. Case Management

The medical treatment of the eligible beneficiaries as in-patient shall be managed according to the following regulations:

8.1. The service must be medically necessary and delivered in a hospital in the approved Panel of Service Providers; and

8.2. The service, medication or supplies that the eligible beneficiary is charged for must relate to the reason for the admission. Should a member undergo any treatment not covered under this Contract KBIL shall not be liable.

9. Obligations of Parties

9.1. Obligations of KBIL

9.1.2. KBIL shall oversee the onboarding of members to enable access to benefits.

9.1.3. KBIL shall provide a list of contracted health facilities to offer medical services for the benefits prescribed in First schedule and Policy Schedule.

9.1.4KBIL shall provide a liaison person to the CGM to oversee the implementation of the Scheme.

9.1.5. KBIL shall ensure efficient service delivery to members.

9.1.6 KBIL shall provide credit notes for termination of member within ninety (90) days subject to no claim incurred.

9.2. **Obligations of the County Government of Mombasa**

9.2.1. The CGM shall make prompt payment of premium to KBIL in accordance with this contract.

9.2.2. The CGM shall provide data of its employees, their next of kin and eligible beneficiaries in soft copy to KBIL This duty of disclosure shall continue throughout the term of this Contract.

9.2.3. The CGM shall in liaison with KBIL conduct sensitization of Scheme Members.

9.2.4. The CGM shall ensure that the terms of its employees' contracts reflect the requirements of this Contract and Policy Schedule.

9.2.5. The CGM shall provide a liaison person to KBIL to oversee the implementation of the Scheme.

9.2.6. The CGM shall pay premiums for additional members within thirty (30) days

9.2.7. The CGM and KBIL shall conduct monitoring and evaluation of the scheme every four (4) months.

10.Special Conditions

The following special conditions shall apply to this Contract:

10.1. The principal members eligible for the cover are employees of the CGM actively in service. This contract covers the principal member, one declared spouse and four children (M+5).

10.2. Dependent children are eligible for cover from 0 month of age up to the age of eighteen(18) years or to the age of twenty five (25) years if wholly dependant on the Principal Member and enrolled in full-time post-secondary education, proof of schooling is required.

10.3. Medical cover commences immediately upon registration and payment of full premiums in accordance with thus contract. For purposes of commencement of cover, registration entails submission of data by the CGM .

10.4. The waiting period for new members will be set as zero (0) days. Provided that for purposes of this Contract the term "new members" refers to new employees, new born dependent children, newly adopted dependent children or newly wed persons.

10.5. Dependants of a deceased Member shall continue to enjoy benefits until the end of policy period.

10.6. Claims related to expenses arising whilst the Member is temporarily abroad and requiring emergency treatment for an illness or injury that occurs during the period of travel provided that such period does not exceed six (6) weeks

in any one visit will be covered. Costs of travel and accommodation are not covered under this Contract.

10.7. Treatment costs arising from a condition that warrants treatment overseas, because the treatment is not available in Kenya, will be covered subject to applicable limits and sub-limits and preauthorization from —Insurer –

10.8. Medical check-ups for a Principal Member and the declared spouse shall be covered to a limit of one check-up per year as prescribed in the First- - Schedule.

10.9. The out-patient Dental cover provides for cost of fillings, x-rays, root canal, extractions including surgical extraction together with anaesthetist's fees up to maximum amount **indicated in the limits of liability** as specified in the First Schedule on family shared basis.

10.10. The out-patient Optical cover provides for the cost of eye testing, eye glasses and frames up to the maximum amount **indicated in the limits of liability** as specified in the First Schedule on family shared basis. Frames and prescription lenses will be covered once every two years **subject to the existence of a valid Contract at the time of issuance.**

10.11. Dental and optical hospitalization resulting from an accident will each be covered within the inpatient limit.

10.12. The inpatient optical and dental treatment for illness necessitating to hospitalization (apart from laser eye surgery) will be covered to maximum amount **indicated in the limits of liability** as specified in the First Schedule on family shared basis.

10.13. First Emergency Caesarean Section will be covered within the inpatient limit to maximum amount **indicated in the limits of liability** as specified in the First Schedule for principal /spouse.

10.14. Facilities to be visited for outpatient and inpatient services are restricted and categorized depending on the Job Groups of the Principal Members.

10.15. **Category 1** being Job **Groups (5,6,7,8,9 and R-T)**

10.15.1. Outpatient and inpatient services for employees in Category 1 shall be on **approved Panel of Service Providers or** contracted facility will be provided in this scheme Policy Schedule.

10.16. **Category 2** being Job **Groups (K-Q, H and I low-cost approved provider panel)**

10.16.1. Outpatient and inpatient services for employees in Category 2 shall be on **approved Panel of Service Providers or** contracted facility will be provided in this scheme Policy Schedule.

10.17 **Overseas or foreign treatment:**

The Company will reimburse medical costs resulting from foreign or overseas treatment provided that

(I) the medical treatment sought is not available locally (In East Africa) as certified by the referring Physician through a detailed medical report.

(II) An independent Physician appointed by the Company has confirmed the referral as necessary and essential.

(III) the cost of overseas treatment is lower compared to same treatment offered locally.

(IV) A written preauthorization is obtained from the Insurer before travel and treatment.

The Expenses covered for the patient include air travel (economy class), treatment and hospital accommodation.

All foreign treatment claims will be reimbursed in Kenya Shillings at the prevailing exchange rate on the treatment date, subject to benefit limits set out in the First Schedule.

10.17.1. There shall be an actuarial evaluation of this medical scheme after every six months.

11.Representations and Warranties

The CGM represents and warrants to KBIL

and that each warranty is true, accurate and not misleading as at the date of this Agreement. The CGM acknowledges that KBIL is entering into this Contract in reliance on each warranty, which has also been given as a representation and with the intention of inducing KBIL to enter into this Agreement. The CGM warrants and represents as follows:

11.1. It has legal capacity and has obtained all corporate authorizations required to empower it to enter into and perform its obligations under this Contract.

11.2. The information provided to KBIL at the time of entering this Contract together with all data to be provided during the contract term is accurate.

11.3. Neither entry into this Contract nor its implementation will result in violation or breach of any laws or regulations in Kenya or amount to a violation or default with respect to any statute, regulation, order, decree or judgment of any court or any governmental or Regulatory Authority in any jurisdiction, by the County Government of Mombasa.

11.4. The CGM shall promptly notify KBIL and in any case not later than seven (7) days after the fact (or upon becoming aware) of any misrepresentation or inaccuracy in the information provided to KBIL

11.5. The CGM shall indemnify KBIL for any loss, costs or damages KBIL incurs as a result of the CGM breach of the warranties in clauses 11.1, 11.2, 11.3 and 11.4 above.

11.6 KBIL warrants, represents and undertakes on an on-going basis, that its obligations under this agreement will be performed by appropriately experienced, qualified, competent, trained and efficient personnel and in accordance with good industry practice.

11.7 KBIL will perform the services provided for in this agreement in compliance with all applicable laws, enactments, orders, regulations, guidance and all regulatory changes.

11.8. KBIL shall, in matters relating to this agreement, act reasonably and prudently at all times.

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11.9. KBIL shall keep and maintain accurate and proper records of its members. KBIL shall, however, not be responsible for inaccuracies where they arose form incorrect data provided by CGM.

11.10. KBIL shall establish a feedback, complaint and response mechanism for its members.

11.11. KBIL shall not disclose any information to a third party without the written approval of its members and/or unless such disclosure is required by lawful authority and authorised by the CGM.

11.12. KBIL shall implement measures to ensure that medical treatment provided to members at the contracted facilities is in accordance with the best medical practice in Kenya.

11.13. KBIL shall indemnify the CGM against all actions, suits, claims, demands, costs, charges and expenses arising in connection therewith directly from the negligence, infringement of intellectual or legal rights or breach of statutory duty of KBIL its sub-contractors, agents or servants.

12.Notification of Claims

12.1. In the event of the death of an eligible beneficiary his/ her next of kin shall obtain and furnish KBIL and the CGM with a duly filled claim form, original Burial Permit and any such additional information and assistance as KBIL may require.

12.2. KBIL shall receive and acknowledge claims arising from notifications within thirty (30) days in case of death and fourteen (14) days in case of overseas treatment.

12.3. KBIL may disclaim liability in respect of any claim herein. In the event that the CGM is aggrieved with KBIL's disclaimer of liability, the aggrieved CGM shall, within ninety (90) days request in writing that KBIL reviews its decision. Upon expiry of the ninety (90) day period, KBIL shall not be liable to such claim or possible claim unless the disclaimer shall be the subject of legal proceedings or arbitration actually commenced by KBIL

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13. Fraudulent and/or Unfounded Claims

13.1. If any claim under this cover is in any respect fraudulent, false, intentionally exaggerated or unfounded or if any false declaration or statement shall be made in support thereof, all benefits paid and/or payable in relation to that claim shall be forfeited and are recoverable by KBIL. In addition, all cover in respect of the member shall be cancelled from the date of entry without refund of premiums and the member and their beneficiaries shall no longer be eligible for cover within the contract period. KBIL reserves the right to decline cover for such fraudulent member during any future periods.

13.2. KBIL will notify the CGM of any scheme member who lodges fraudulent, false, intentionally exaggerated or unfounded claims and terminate member from the scheme.

14. Contribution

14.1. If there is another insurance policy in force under which a claim for reimbursement of medical expenses in respect of the eligible beneficiary could be made, the beneficiary may choose the insurance policy under which the claim is to be settled. If the beneficiary does not choose the insurance policy under which the claim is to be settled KBIL shall procure settlement on a pro-rata proportion.
of the claim *vis-à-vis* the other insurer which shall be calculated based on the limits of insurance.

14.2. If the beneficiary chooses that the other insurer settles the insurance claim and the amount claimed exceeds the sums insured under the other insurance policy, KBIL shall settle the amount of claim in excess of the other insurer's limits.

14.3. The provisions of the First, Second and Policy Schedules to this Contract on the limits of liability shall apply.

15. Notices

15.1. The Parties choose their respective addresses set out in this clause, as their *domicilium citandi et executandi ("domicilium")* for the purposes of giving of any

notice, the serving of any process and for any purpose arising from this Agreement.

15.2. For the purpose of this Agreement the Parties' respective addresses are:

County Government of Mombasa
P. O. Box 90440-80100
Mombasa
Attention: County Executive Committee Member, Finance & Economic Planning
e-mail: *countyfinance@mombasa.go.ke*
E-mail address: *info@mombasa.go.ke*

KCB Bancassurance Intermediary Limited
Kencom House 2nd floor Moi Avenue CBD
P.O. Box 48154-00100.
Nairobi
Attention: The Managing Director and Principal Officer
E-mail address: MDKCBBancassurance@kcbgroup.com

15.3. Each of the Parties shall be entitled, by written notice to the other, to vary its *domicilium* from time to time.

15.4. Any notice given by one Party to the other ("the Addressee") which:

15.4.1. Is delivered by hand during the normal business hours of the Addressee at the Addressee's *domicilium* for the time being shall be deemed, (unless the contrary is proved by the Addressee), to have been received by the Addressee at the time of delivery;

15.4.2. Is delivered by registered post to the aforementioned addresses shall be deemed to have been received by the addressee within seven (7) days of the date of postage; and

15.4.3. Is delivered by email to the aforementioned addressees shall be deemed to have been received by the addressee within twenty four (24) hours from the time the email is sent.

16. Confidentiality

16.1. Each party undertakes to maintain in confidence the existence of this Agreement and its contents or any information thereof. Parties shall have a duty to protect all information; regarding it as sensitive and confidential regardless of whether or not the same has been expressly summarized and designated as confidential either at the time of disclosure or within thirty days of the disclosure. Information shall not be disclosed to any third parties without prior written consent of the parties herein unless required by law.

16.2. The Confidential Information shall be used by the parties only for the purpose of evaluating and implementing the initiatives for collaboration in assessing the achievement of the same.

16.3. Parties shall limit disclosure of Confidential Information within its own organization to its directors, officers, partners, members and/or employees having a need to know and shall not disclose the information to any third party (whether an individual, corporation, or other entity) without the prior written consent of the disclosing party. Affirmative measures shall be in place to ensure compliance with these confidentiality obligations by its employees, agents, consultants and others who are permitted access to or use of the Confidential Information.

17. Data Protection

Parties warrant and undertake to comply with their obligations under applicable laws relating to data protection and privacy and without prejudice to the foregoing, the parties shall not act or omit to act in a manner that will or is likely to result in the parties breaching their obligations under such applicable laws.

To the extent that parties process any personal data on behalf of each other, they shall:

17.1 process such personal data only in accordance with each other's instructions;

17.2 implement appropriate technical and organizational measures to protect such personal data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure;

17.3 ensure the reliability of any their personnel with access to such personal data and that such personnel have a binding obligation to protect the confidentiality of such personal data;

17.4 notify each other promptly in writing but in any event within twenty four (24) hours of becoming aware of any suspected, potential or actual data incident, including any suspected, potential or actual accidental, unlawful or unauthorised destruction, disclosure, loss, alteration or access in relation to personal data processed on behalf of the other party;

17.5 allow each other to conduct physical inspections of their premises to ensure compliance with this clause;

17.6 not subcontract any processing of such personal data without the prior written consent of the other; and

17.7 upon termination or expiry of this engagement, at either Party's' request, promptly delete or return all personal data; and

17.8 not to process and/or transfer any such personal data to any country outside of Kenya without the prior written consent of the other party, save to their affiliates.

18. Intellectual Property Rights

18.1 The Parties acknowledge that the goodwill and all other rights in and associated with their respective trademarks, copyrights and other intellectual property vest absolutely in the other Party and that it is the intention of the Parties that all such rights will at all times hereafter and for all purposes remain vested in owning Party.Any intended use by the other Party shall require prior written approval from the owner.

18.2 The Parties will forthwith inform each other of all circumstances coming to the attention of its directors, agents and employees which may constitute an infringement to any of the respective intellectual property rights or any suspected passing off by any unauthorized person and shall take such action in connection therewith as appropriate.

18.3 The Parties,subject to express written permission of the other Party, agree to cooperate to commercialize, utilize and exploit trademark, copyright and other intellectual property rights in the flyers, hangers, brochures, posters, other promotional materials, and publications developed under this Agreement and will keep each other informed of all interest expressed by third parties.

18.4 Upon termination or expiration of this Agreement, each Party shall, unless otherwise agreed writing, cease the use or reference to the other Party's name, trademarks, image and, copyrights in any manner whatsoever, and shall destroy, at its own expense, all flyers, hangers, brochures, posters, other promotional materials and publications bearing the other Party's respective names, trademarks, images and copyrights in its possession and in the possession of its agents, employees, and independent contractors.

19.Legal And Compliance

Each Party shall comply with all applicable laws, regulations, rules, and ordinances, including but not limited to those governing financial transactions, partnerships, anti-money laundering, anti-corruption, and data privacy. The Parties shall obtain all necessary licenses, permits, and approvals required to conduct their activities under this Agreement.

20.Breach of the Contract

20.1. The events below shall constitute breach of this Contract:

20.1.1. Failure by the CGM to remit the insurance premiums as and when agreed under this Contract.

20.1.2. Failure by the CGM to notify KBIL of any misstatement of material information which may have existed at the time of entering into this

Contract as soon as practically possible upon being aware of such misstatement, and in any case not more than seven (7) days thereof.

20.1.3. Failure by the CGM to report any material changes at the CGM in relation to this Contract such as but not limited to, a variation in the number of Principal Beneficiaries to this Contract.

20.1.4. Failure by KBIL to cover medical costs incurred by eligible beneficiaries **provided that** the costs incurred fall within the benefits provided in clause 6 of this Contract and are not excluded under clause 7 of this Contract.

20.2. In the event that the CGM breaches or defaults on its obligations under this Contract, KBIL shall not be liable to cover medical costs for eligible beneficiaries unless the breach is rectified promptly and such remedial action is notified to KBIL.

20.3. In the event that KBIL fails to cover eligible medical costs incurred by eligible beneficiaries, the beneficiary shall request KBIL in writing to remedy the situation or to explain the reasons for denial of benefits, failure of which the beneficiary shall be entitled to legal remedies as provided in clause 19 below.

20.3.1 KBIL may, under its sole discretion, terminate this Contract on the basis on breach of material terms of this Contract. Upon such termination, KBIL shall not be liable to reimburse the CGM any premiums already paid to KBIL.

21.Cancellation and Termination

21.1. Either Party may, three (3) months after the commencement date, terminate this Contract by issuing the other Party with a thirty (30) day revocable written notice. During the notice period, the Parties shall engage in consultations in respect of appropriate mechanisms to terminate the Contract. The Party issuing the notice may rescind the cancellation notice provided that such rescission may not be made more than ten (10) days to the end of the notice period. In the event that the Contract is terminated at the instance of the CGM for reasons other than breach of the Contract by KBIL shall not be obligated to

refund any premiums paid by the CGM in respect of this Contract. Where the Contract is terminated at the instance of KBIL for reasons other than breach by the CGM,KBIL shall refund to the CGM a *pro-rata* portion of the premium for the unexpired term of the current period on cover.

21.2. This insurance cover shall cease in respect of:

21.2.1. Principal Members who exit the employment coincident with the annual renewal date of this contract or otherwise, at the next renewal date immediately following the exit. For purposes of this contract, where a principal member is suspended pending disciplinary procedures, the human resource policies of the CGM shall apply ; and

21.2.2. Members' children on the annual renewal date coincident with or immediately following the attainment of the age of twenty one (21) years or, where the children are enrolled in full time post-secondary education and fully dependent on the Principal Member, following the attainment of the age of twenty five (25) years.

21.3. KBIL may terminate this Contract on the basis of breach of any material terms pursuant to clause 18.4 above. Such termination shall be communicated to the CGM within five (5) working days of breach and shall be effective from the date of issuance of the termination notice. For purposes of clarity, where the CGM defaults on payment of insurance premiums in accordance with clause 4 of this Contract, the services available to its members will be suspended unless and until the same are remitted to KBIL.

22.Dispute Resolution

22.1. In the event of a dispute between KBIL and the CGM or the Member regarding the meaning of this Contract or as to the rights, obligations or liability of either Party under this Contract, the same shall in the first instance be referred to mediation. The mediation shall take place in accordance with the Nairobi Centre for International Arbitration – Mediation Rules as are at present in force.

The mediator shall be appointed by the Nairobi Centre for International Arbitration.

22.2. Should the Parties fail to resolve their dispute through mediation within thirty (30) days, such dispute, controversy or claim shall be settled by arbitration in accordance with the Nairobi Centre for International Arbitration – Arbitration Rules.

22.2.1. A dispute subjected to arbitration hereunder shall be decided by a sole arbitrator. The Parties shall within fifteen (15) days from the date a dispute is declared agree on an arbitrator. Where the Parties do not agree on the appointment of an arbitrator, either Party may request the Nairobi Centre for International Arbitration to appoint an arbitrator.

22.2.2. The seat of arbitration shall be Nairobi.

22.3. Nothing in this Agreement shall prevent either Party from seeking interim relief from the courts of law in Kenya.

23. Assignment

This Contract is entered into between the KBIL and the CGM. The CGM may not sell, assign or transfer any duties, rights or interests created under this Contract without the prior written consent of KBIL.

24. Renewal of Insurance

24.1. Where the CGM wishes to renew this Contract upon its expiry, the CGM shall be required to notify KBIL in writing at least three (3) months prior to the expiry date.

24.2. KBIL shall not be bound to renew this Contract upon its expiry. KBIL reserves the right to decline or qualify the terms of the insurance in respect of all or any Member on giving the CGM a thirty (30) days' written notice prior to the date of expiry of this Contract.

25.Severability

If any provision of this Agreement is declared by any judicial or other competent authority or an arbitrator appointed pursuant to this Contract to be void, voidable, illegal or otherwise unenforceable, the Parties shall amend that provision in such reasonable manner as achieves the intention of the Parties without the illegality, or, upon agreement of the Parties, it may be severed from this Contract and the remaining provisions of this Agreement shall remain in full force and effect.

26.Force Majeure

26.1. Neither party shall be liable to the other party for any delay in performance or failure to perform its obligations in accordance with this Contract due to circumstances beyond its reasonable control, excluding negligence of either party, which shall include but is not limited to fire, flood, governmental act, act of God, declared pandemics and declared epidemics or natural physical disaster, war or civil unrest.

26.2. Both parties shall Endeavor to continue to perform their obligations under this Agreement so far as reasonably practicable and shall make all reasonable efforts to reduce to a minimum and mitigate the effects of any delay occasioned by an event of force majeure. In the event that the condition persists for a period exceeding three (3) months and with no likelihood of improvement, this Contract shall automatically terminate.

27.No Partnership or Agency

Nothing in this Contract will be deemed to either constitute a partnership between the parties or constitute either party as the agent of the other Party for any purpose.

28.Amendments

This Agreement may not be varied or amended except through prior written agreement between the Parties.

29.Entire Agreement

29.1. The Terms and Conditions set out herein constitute the entire Agreement between the parties. No amendment, variation or cancellation of this Agreement shall be binding unless produced in writing and signed by both parties.

29.2. This Contract and the Annexes/Schedules shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this contract or of the Annex/Schedule shall bear such specific meaning wherever it may appear.

29.3. This Contract made and accepted subject to all the provisions and conditions set forth herein and in any Schedules attached hereto all of which are to be considered as incorporated herein. This Contract supersedes any all other prior understandings and agreements, either oral or in writing, between the Parties with respect to the subject matter hereof and constitutes the sole agreement between the Parties in respect of the Provision of Comprehensive Medical Cover.

30.Governing Law

This Agreement is governed by and to be construed in accordance with the Law of Kenya in every particular including formation and interpretation and shall be deemed to have been made in Kenya.

IN WITNESS WHEREOF THE PARTIES HAVE HEREUNTO SIGNED HEREUNDER THE DAY AND YEAR HEREINABOVE WRITTEN

Signed on behalf of)
KCB BANCASSURANCE INTERMEDIARY)
LIMITED)
By:-

NAME: Aggrey Mulumbi
TITLE: Managing Director and Principal Officer



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)

KARANU M. KARIUKI
ADVOCATE
COMMISSIONER FOR OATHS
P.O. BOX 21539-00100,
NAIROBI

I CERTIFY that I was present and saw Aggrey Mulumbi the **Managing Director and Principal Officer** of the **KCB Bancassurance Intermediary Limited** and sign as the witnessing officer thereof.

KARANU M. KARIUKI
ADVOCATE
COMMISSIONER FOR OATHS
P.O. BOX 21539-00100,
NAIROBI

.....

Advocate

SIGNED and SEALED/STAMPED with the Official SEAL/STAMP of)
THE COUNTY GOVERNMENT OF MOMBASA)

Signed by:- **The County Secretary**

)
(NAME))
JEIZAN FARUK)
.....

)
Before:)
Advocate:)
(NAME))
JIMMY M. WALIAULA)
ADVOCATE &)
COMMISSIONER FOR OATHS)
P. O. BOX 2587-80100)
MOMBASA)
.....

I CERTIFY that I was present and saw JEIZAN FARUK the **County Secretary** of the **County Government of Mombasa** affix hereto the Common Seal of the **County Government of Mombasa** and sign as the witnessing officer thereof.

JIMMY M. WALIAULA
ADVOCATE &
COMMISSIONER FOR OATHS
P. O. BOX 2587-80100
MOMBASA
.....
Advocate

31. FIRST SCHEDULE

COUNTY GOVERNMENT OF MOMBASA

Job group and equivalent grades	In patient Annual cover limit	Outpatient annual cover limit	Maternity annual cover limit (within inpatient limits)	Dental cover annual limit	Optical cover limit	Last expense (within inpatient limits-Principal)	Staff Count
5	10,000,000	300,000	150,000	75,000	75,,000	100,000	1
6	5,000,000	300,000	150,000	75,000	75000	100,000	1
7,8,9	3,000,000	250,000	150,000	50,000	50,000	100,000	16
R-T	2,000,000	250,000	150,000	30000	35,000	100,000	74
K-Q	1,500,000	200,000	100,000	30,,000	25,000	100,000	673
G-J	1,000,000	150,000	75,000	3,0000	15,000	100,000	1835
A-F	750,000	100,000	50,000	30,000	1,5000	100,000	1682

Checked Jy 28/11/2024

TOTAL PREMIUM 307,935,207

COAST GENERAL REFERRAL &TEACHING HOSPITAL FIRST SCHEDULE

Job group and equivalent grades	In patient Annual cover limit	Outpatient annual cover limit	Maternity annual cover limit (within inpatient limits)	Dental cover annual limit	Optical cover limit	Last expense (within inpatient limits-Principal)	Staff Count
R-T	2,000,000	250,000	150,000	30,000	35,000	100,000	8
K-Q	1,500,000	200,000	100,000	30,000	25,000	100,000	33
G-J	1,000,000	150,000	75,000	30,000	15,000	100,000	225
A-F	750,000	100,000	50,000	30,000	15,000	100,000	16

Checked Jy 28/11/2024

TOTAL PREMIUM 20,108,681

GRAND TOTAL PREMIUM: - KSH 328,043,888

DATED THIS ..... DAY OF 2024

CONTRACT FOR THE PROVISION OF GENERAL INSURANCE BROKERAGE SERVICES FOR NURSING COUNCIL OF KENYA – PREMISES, VEHICLES AND EQUIPMENT

-BETWEEN-

NURSING COUNCIL OF KENYA

-AND-

KENBRIGHT INSURANCE BROKERS LIMITED

GENERAL INSURANCE BROKERAGE AGREEMENT

THIS AGREEMENT (hereinafter referred to as the "**Agreement**") is made and entered into on the _____ day of _____ 2024.

BETWEEN

NURSING COUNCIL OF KENYA, a corporate body established under the Nurses and Midwives Act Cap. 257 of the Laws of Kenya of P.O. Box 20093 - 00202 Nairobi, Kenya and its principal office is at **NCK Plaza, Kabarnet Road off Ngong Road,** (hereinafter the "**Council**", which expression shall where the context so admits include its successors and assigns) of the one part;

AND

KENBRIGHT INSURANCE BROKERS LIMITED, whose address is ACK Garden House Wing 2, Ground Floor 1st Ngong Avenue BOX 29261 - 00202 Nairobi, Kenya (hereinafter called the "**Insurance Broker**", which expression shall where the context so admits include the Insurance Broker's successors and permitted assigns) of the other part.

WHEREAS:

(A) The Council invited a tender for provision of General Insurance Brokerage Services vide Tender No. **CNK/HR/INS/4/2023-2024**

(B) The Insurance Broker is an intermediary concerned with the placing of insurance business with an insurer on behalf of the Council, is regulated by the Insurance Act (Chapter 487 of the Laws of Kenya) (the "**Act**") and is duly registered under the Act;

(C) The Council has agreed to engage the Insurance Broker and the Insurance Broker has agreed to accept the engagement to provide Services; and

(D) This Agreement sets out the terms and conditions on which the Insurance Broker is to provide and the Council is to purchase the services referred to above.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

1. **Definitions and interpretation**

1.1. In this Agreement, unless the context otherwise requires:

"Business Day" means a day other than Saturday, Sunday or a public holiday in Kenya;

"Business Hours" means between 8.00 am and 5.00 pm on a Business Day;

"Commencement Date" means the date of this Agreement;

"Conditions" means these General Conditions of Contract;

"Contract Term" means the period during which this Contract is in full force, being one (1) year from the Commencement Date;

"Council" means Nursing Council of Kenya, which is sourcing for the Services under this Agreement;

"Event of Force Majeure" means, as regards a party, the occurrence of circumstances beyond the reasonable control of that party which materially affects that Party in a manner which prevents that Party from performing or fulfilling some or all of its obligations under this Agreement and includes, (without limitation), industrial action, strikes, lockouts, blockades, riots, act of war, piracy, destruction of essential equipment by fire, explosion, storm, flood, earthquake and acts of God;

"Insurance Broker" means Kenbright Insurance Brokers Limited who are the suppliers of the services under this Contract;

"Parties" refer to both parties to this Contract being the Council and the Insurance Broker and **"Party"** shall refer to either of them;

"Premium" means the total amount payable to the Insurance Broker under this Contract for the full and proper performance of its obligations;

"Personnel" means persons hired by the Insurance Broker as employees and assigned to the performance of the Services or any thereof;

"Services" means:

(a) the insurance services to be given by the Insurance Broker to the Council; and

(b) such other services as the Insurance Broker may provide to the Council under or in connection with this Agreement (including any Additional Services);

"Underwriter" means Fidelity Shield Insurance Company Limited PO BOX 47435 00100 Nairobi Kenya.

1.2. In addition, in this Agreement, unless the context otherwise requires:

(a) words importing the male, female or neuter genders shall include the other genders and words in the singular shall include the plural and vice versa;

(b) the headings are for convenience only and shall not affect the interpretation of this Agreement.

2. **Contract Documents:**

2.1 The following documents shall be deemed to form and shall be read and construed as part of this Contract:

a. Letter of Award;

b. Letter of Acceptance;

c. Tender Forms;

d. General and Special Conditions of Contract;

e. Price Schedules;

f. Original quotation;

g. Policy Documents; and

n. The respective Insurance Policies issued for each item covered under this Agreement.

3. Scope of Services

3.1. The Insurance Broker shall perform the Services to the Council as specified under this Agreement.

3.2. The Insurance Broker shall procure insurance policies as set out in Schedule 1 (the "Insurance Policies") or such other policy as requested by the Council.

3.3. The Insurance Broker shall assess the Council's insurance needs, gather information, identify suitable insurance policies, negotiate terms, and assist with the placement and renewal of insurance coverage.

3.4. The Insurance Broker shall provide professional advice and guidance to the Council regarding insurance matters, claims handling, and risk management strategies.

4. Duration

4.1. This Agreement shall commence on the Effective Date and shall continue, for a period of one (1) year (the "Initial Term") unless terminated in accordance with Clause 15 of this Agreement (Termination).

4.2. Upon the expiration of the Initial Term and satisfaction of performance of Services by the Council, this Agreement may be renewed for subsequent terms upon mutual written agreement of both Parties.

4.3. It is herein agreed that the Insurance Broker shall bear all related risks to the Insurance Policies covered and ensure that any claims is settled within five (5) business days.

5. Payment

5.1. The Council shall pay the Insurance Broker **Kenya Shillings One Million, One Hundred and Eighty Four Thousand, and Seven Shillings Only (KES. 1,184,007.00)**.

for the provision of insurance services as provided in clause 2 inclusive of all applicable taxes.

5.2. Payment shall be made to Insurance Broker in Kenya Shillings unless otherwise specified within Sixty (60) DAYS after receipt of invoice/debit notes from the Insurance Broker.

6. Additional Services

6.1. If the Council requires the Insurance Broker to provide Additional Services, the Council shall provide details of such Additional Services and the Insurance Broker shall submit a detailed written proposal setting out the terms, including without limitation the scope of the work, performance criteria, and remuneration, upon which the Additional Services shall be provided.

6.2. The Insurance Broker shall not provide additional services unless and until the proposal setting out the terms, the scope of work, performance criteria and remuneration has been reviewed by the Council and a written letter of confirmation issued by the Council to the Insurance Broker.

7. The Council's Obligations

7.1. The Council shall provide to the Insurance Broker with such assistance and information as may be reasonably requested by the Insurance Broker to enable the Insurance Broker to perform its obligations under this Agreement. The Council acknowledges and agrees that the Insurance Broker has no obligation to verify the accuracy of such information and that the Insurance Broker may and shall rely on such information for the performance of the Services.

7.2. The Council shall advise the Insurance Broker as soon as reasonably practicable of any changes in its circumstances that may affect the Services or the cover provided under any insurance policy.

7.5. The Council acknowledges that it is aware of and shall comply with its duty to disclose to insurers all information which may be material to the Council's coverage requirements or which might influence insurers to accept the Council's business, final set terms to apply and/or the cost of cover, which duty shall apply equally at initial placement, renewal, alterations and where the policy conditions so stipulate. The Council is also under a duty to fully and frankly respond to any requests for information made by insurers.

8. Provision and Standard of Service

8.1. The Insurance Broker shall:

a) Act in the best interest of the Council and exercise reasonable skill, care, and diligence in providing the brokerage services;

b) Maintain the necessary licenses, certifications, and qualifications to provide insurance brokerage services in accordance with the laws and regulations of Kenya;

c) Maintain confidentiality of the Council's sensitive information at all times during the subsistence of this contract;

d) The Service Provider shall abide by the provisions of the legislation(s), related to the information Technology, prevalent in Kenya. All Data will be handled by the Service Provider Confidentially and for purposes of this contract, the provisions of The Data Protection Act No. 24 of 2019 Laws of Kenya will apply unequivocally;

e) Settle claims related to the Services within **five (5) WORKING DAYS** from the date the claim is fully documented;

f) Submit to the Council the reports in the form and within the time periods specified;

g) Submit all policy documents to the Council to support this Contract;

h) Comply with laws, statutes and regulations affecting the subject matter of this Contract, and in particular abide by the rules, requirements and procedures of the Insurance Regulatory Authority;

i) Faithfully comply and promptly settle any claim forwarded by the Council;

j) Provide the Services diligently, promptly, with all due care and skill, to such standards as may be expected from a skilled insurance company and in accordance with the reasonable instructions from time to time of the Council;

k) Not incur nor purport to incur any liability on behalf of the Council nor in any way pledge the Council's credit unless otherwise agreed in writing by the Council; and

l) Immediately inform the Council of any changes in its ownership, senior management, organisation or method of doing business which might affect the performance of the Service Provider's obligations under this Agreement.

8.2. If the Insurance Broker denies payment or settlement of any claim, it must give an explanation in writing giving reasons for such denial to the Council within five (5) days from the date of the claim.

9. The service provider's undertakings

9.1. The Insurance Broker warrants, represents and undertakes to the Council that:

(a) It is duly registered under the Insurance Act and shall ensure that its registration shall at all times during the Contract Term, be current and valid;

(b) The Insurance Broker and its personnel will provide independent and unbiased advice to the Council in relation to the Services provided under this Agreement in accordance with such time schedules as may reasonably be stipulated by the Council and will conform to the highest standards in the relevant industry for similar services;

(c) The Insurance Broker has the capacity and all rights, power and authority necessary for it to enter into this Agreement and that its entering into this

Agreement does not breach nor create any conflicts with any existing third party rights, agreements or contracts; and

(c) The Insurance Broker shall deliver to the Council all its documents, materials and/or Deliverables in the event of termination, promptly upon demand in any case within a period of seven (7) days from the date such request is made.

10. Audit Rights

10.1. The Insurance Broker shall maintain appropriate records in respect of the Services provided under this Agreement and specifically, records relating to insurance cover obtained for the Council, payments made to the relevant insurers on behalf of the Council and details of payment received from the Council. The Council may, during the term of this Agreement, audit the records held by the Insurance Broker on its behalf, at its expense and the Insurance Broker shall afford the Council all reasonable assistance in the carrying out of such audit. Any such audit may be conducted upon the Council giving reasonable written notice to the insurance broker.

11. Rights in Materials

11.1. The Insurance Broker acknowledges and agrees that the Council shall retain all right, title and interest (including Intellectual Property Rights) in and to any and all information, documents, materials and Data provided or made available to the Insurance Broker in any form whatsoever or generated by the Insurance Broker for use in connection with provision of the Services (together "The Council's Materials").

12. Liability

12.1. The Insurance Broker shall be liable for losses suffered by the Council in respect of:

(a) death or personal injury caused by the insurance broker's negligence;

(b) any fraudulent misrepresentation made by the insurance broker;

(c) Negligence in the performance of its duties.

12.2. The Insurance Broker shall be responsible for and shall indemnify and keep indemnified the Council, its employees and agents from and against any liability, loss, claim, actions, proceedings, demands and costs (including, without limitation, reasonable legal fees) whatsoever which may be brought against the Council or which may arise as a result of the insurance broker's breach of its obligations under this Agreement.

12.3. Notwithstanding the provisions above, neither party shall be liable to the other for consequential losses.

13. Breach and Termination

13.1. The Council may, without prejudice to any other remedy for breach of Contract, by written thirty (30) days' notice of default sent to the Insurance Broker, terminate this Contract in whole or in part:

(i) If the Insurance Broker fails to provide any or all of the Service(s) within the period(s) specified in this Contract, or within any extension thereof granted by the Council;

(ii) If the Insurance Broker fails to perform any other obligation(s) under this Contract; and

(iii) If the Insurance Broker in the judgment of the Council has engaged in corrupt or fraudulent practices in competing for or in executing this Contract.

13.2. In the event that the Council terminates this Contract in whole or in part, the Insurance Broker shall refund the Council the Premium paid. Upon termination, the Council may procure, upon such terms and in such manner as it deems appropriate, services similar to those provided by the Insurance Broker and the Insurance Broker shall be liable to the Council for any excess costs for such services.

13.3. The Council may at any time terminate this Contract by giving written thirty (30) days' notice to the Insurance Broker if the Insurance Broker becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Insurance Broker, provided that such termination will not produce or affect any right of action or remedy, which has accrued, or will accrue thereafter to the Council.

13.4. The Council by written thirty (30) days' notice sent to the Insurance Broker may terminate this Contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the Council's convenience, the extent to which performance of the Contract by the Insurance Broker is terminated and the date on which such termination becomes effective.

13.5. In the event of suspension, termination, cancellation and/or expiration of this Contract as provided herein and/or as provided for in the common law, the provisions of this Contract which are intended will continue and survive accordingly.

13.6. In case the Council elects to terminate this Contract, the Insurance Broker shall be entitled to a credit equivalent to the prorated service rendered.

14. Disputes

14.1. In the event of a dispute arising between the Parties in respect of any matter contained in this Contract, the aggrieved party shall notify the other in writing about the existence and nature of the dispute within **FOURTEEN (14) DAYS** of the dispute arising.

14.2. The parties agree to submit exclusively to alternative dispute resolution mechanisms in the order of preference of Negotiation, Mediation and Binding Arbitration. In this regard, both parties shall negotiate in good faith to settle the dispute in question as

expeditiously as possible through the parties' representatives but in any event within a period of **FOURTEEN (14) DAYS** of the matter being referred to them.

14.3. Should the parties' representatives fail to resolve the dispute within the aforesaid period or such longer period as the parties may mutually agree in writing, the dispute shall be referred to arbitration by either party by a single arbitrator to be appointed by Contract between the parties or in default of such Contract upon application by either party to the Chairman for the time being of the Kenyan Chapter of Chartered Institute of Arbitrators.

14.4. The determination of the Arbitrator shall be final and binding upon the parties to the extent permissible by the applicable law.

14.5. The arbitration shall be conducted in Nairobi and in accordance with the provisions of the Kenyan Arbitration Act 1995 as modified and amended from time to time.

14.6. Notwithstanding the above, nothing in this Agreement shall prevent or delay a party from seeking urgent injunctive or interlocutory relief in a court having jurisdiction.

15. Force Majeure

15.1. Neither party shall incur any liability to the other in the event it is prevented from, hindered or delayed in the performance of its obligations under this Agreement by an Event of Force Majeure.

15.2. The Party unable to perform its obligations under this Agreement by reason of such an event shall immediately notify the other Party of the occurrence of such event and the likely duration of the resulting non-performance.

15.3. If the event continues in existence for more than one (1) month, either party may terminate this Agreement upon giving seven (7) days written notice to the other party. Such termination shall be without prejudice to the existing rights and obligations of the Party under this Agreement.

16. Assignment and subcontracting

16.1. The Insurance Broker shall neither assign nor sub contract, in whole or in part, the Services under this Agreement.

17. Waiver

17.1. Delay in exercising, or a failure to exercise, any right or remedy in connection with this Agreement shall not operate as a waiver of that right or remedy. A single or partial exercise of any right or remedy shall not preclude any other or further exercise of that right or remedy, or the exercise of any other right or remedy. A waiver of a breach of this Agreement shall not constitute a waiver of any subsequent breach.

18. Notices

18.1. All notices (including all other documents) to be served under this Agreement shall be in writing and shall be delivered to the address set out at the head of this Agreement to the attention of:

(a) In the case of the Insurance Broker to:

THE MANAGING DIRECTOR,
KENBRIGT INSURANCE BROKERS LIMITED
ACK GARDEN HOUSE, WING D,GROUND FLOOR
1ST NGONG AVENUE
PO BOX 28281 – 00200
NAIROBI,
TEL: +254 709/830000; /3953000

(b) In the case of the Council to:

THE CHIEF EXECUTIVE OFFICER,
NURSING COUNCIL OF KENYA
P.O. BOX 20056 00200,
NAIROBI

or to such other address as it may have notified in writing to the other party.

18.2. A notice shall be delivered by hand or sent by prepaid first class recorded delivery and an advance copy shared by email.

18.3. A notice shall be deemed to have been received:

(a) at the time of delivery if delivered by hand within Business Hours when so delivered or, if delivered by hand outside Business Hours, at the next start of Business Hours;

(b) if sent by first class recorded delivery post on a business day, at 9.00 am on the second Business Day after posting; or, if the notice was not posted on a Business Day, at 9.00 am on the third Business Day after posting.

18.4. In proving service of a notice, it shall be sufficient to prove that delivery was made or that the envelope containing the notice was properly addressed and posted.

18.5. Fax notice shall not be valid for the purposes of this Agreement.

19. Scope of agreement

19.1. Each of the parties acknowledges that it is not entering into this Agreement in reliance upon any representation, warranty, collateral contract or other assurance (except those set out in this Agreement and the documents referred to in it) made by or on behalf of any other party before the execution of this Agreement. Each of the parties waives all rights and remedies which, but for this clause, might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance, provided that nothing in this clause shall limit or exclude any liability for fraud.

19.2. Each party shall at its own cost do and execute, or arrange for the doing and executing of, each necessary act, document and thing reasonably requested of it by the other party from time to time to implement this Agreement. This Agreement (together with all of the other documents to be entered into pursuant to it) sets out the entire agreement and understanding between the parties relating to the matters

contemplated by this Agreement, and all conditions, terms and warranties, whether express or implied, are excluded if they are not expressly set out in this Agreement.

19.3. No variation of this Agreement shall be effective unless it is in writing and executed by or on behalf of each of the parties.

20. Relationship between parties

20.1. Nothing in this Agreement shall constitute or be deemed to constitute a partnership or other form of joint venture between the parties or constitute or be deemed to constitute either party the agent or employee of the other for any purpose whatsoever.

21. Severance

21.1. The parties intend each provision of this Agreement to be severable and distinct from the others. If a provision of this Agreement is held to be illegal, invalid or unenforceable, in whole or in part, the parties intend that the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

22. Applicable Law and jurisdiction

22.1. This Agreement is governed by, and shall be interpreted in accordance with, Kenyan law.

IN WITNESS WHEREOF this Agreement has been duly executed by or on behalf of Parties:

SIGNED on behalf of
NURSING COUNCIL OF KENYA by

ANNE MUKUNA
Ag. REGISTRAR/CEO
in the presence of:

SIGNED on behalf of

KENBRIGHT INSURANCE BROKERS LIMITED by

Selina Ochong

DIRECTOR

In the presence of:

Wendy Gent

In the presence of:

Ray Nowicki

FIDELITY SHIELD INSURANCE COMPANY LTD

SCHEDULE 1: INSURANCE POLICIES

DESCRIPTION OF INSURANCE COVER	AWARDED TENDER PREMIUM SUM (KES)
1. NCK Plaza Building & Sunview House (Inclusive of Fire, Special Perils & Burglary)	48,153.00
2. Office Equipment (Inclusive of Fire and Burglary)	28,875.00
3. Office Furniture (Inclusive of Fire and Burglary)	27,125.00
4. Computers and Accessories	68,163.00
5. Computers Software	16,100.00
6. Motor vehicle Private	1,004,781.00
7. Motor Cycle	5,803.00
TOTAL	1,184,007.00

MEDICAL SCHEME SERVICE CHARTER

BETWEEN

FIDELITY SHIELD INSURANCE COMPANY LTD

AND

UNITED STATES INTERNATIONAL UNIVERSITY – AFRICA

SEPTEMBER, 2025

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This Service Charter (hereinafter 'the agreement') is made this **1st** day of **September, 2025 (effective date)**

Between

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA a not-for profit private institution of higher learning duly incorporated under Cap 210, laws of Kenya and of Post Office Box Number 14634 - 00800 Nairobi, Kenya, (hereinafter referred to as **"USIU"** which expression shall where the context so admits include its legal representatives, successors and assigns) of the first part

And

FIDELITY SHIELD INSURANCE LIMITED, a private company duly incorporated in accordance with the laws of the Republic of Kenya under the Companies Act, Cap 486 (now repealed) and holder of Registration Number C28443 whose registered office is at Fidelity Insurance Centre, 3rd Floor, Waridi Lane, Off Waiyaki Way, Westlands and of P.O. Box 41766 – 00100, Nairobi Kenya (hereinafter referred to as **"FIDELITY"** which expression shall include its subsidiaries, affiliates and associated companies, and where the context so admits include its legal representatives, assigns and successors in title) of the first part;

FIDELITY and USIU are hereinafter referred to as 'parties' collectively and 'party' individually:

WHEREAS;

A. USIU has contracted FIDELITY to provide medical insurance services for its students for the period commencing 1st September, 2025 and ending 31st August, 2026 as per the terms of the Policy document; and

B. USIU and FIDELITY seek to enter into this service charter that shall regulate the implementation of the contract above referenced.

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1. Both parties have read and understood the conditions of the provisions and all agree that the same shall form the basis of their engagement.

2. The under listed documents shall be deemed to form, be read and construed as part of this contract agreement :-
    i). This Contract Agreement;
    ii). Invitation to bid;
    iii). Instructions to tenderers;
    iv). The Form of Acceptance;
    v). Tender document submitted by FIDELITY;

vi). Price Schedules submitted by FIDELITY;

vii). Request for quotation (RFQ) for provision of medical insurance services for USIU-Africa Schedule of requirements;

viii). The medical insurance policy documents duly issued by FIDELITY;

ix). Notification of intention to award letter dated **30th August, 2025**

x). Notification of Award and Acceptance letter dated **3rd September 2025**

xi). Other completed Tendering forms submitted with the Tender;

xii). All other written correspondence between USIU and FIDELITY relating to this tender.

PROVIDED THAT in the event that any clause of this Contract is in contradiction with any term or provision of the above documents, then the provisions of this Contract shall prevail.

1. TERM

a) This service agreement shall commence on the effective date and continue in force for **ONE (1) year** until **31st August, 2026** unless terminated earlier by either party in accordance with **Clause 16** of this agreement or renewed in writing by the parties' duly authorized representatives.

b) The party seeking to renew this agreement shall give the other a written notice of the intention to renew at least three (3) months prior to the expiry of the agreement; in the absence of which, the agreement shall be deemed to have come to an end on expiry of its term.

2. PURPOSE

The purpose of this agreement is:-

a) To achieve conformance and ensure the fulfillment of parties' obligations;

b) To manage performance and establish mechanisms for effective service delivery; and

c) To build a professional and mutually beneficial relationship between the parties.

3. SCOPE

The scope of this agreement shall include, but will not be limited to: -

a) Setting timescales within which each party needs to perform individual activities;

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have caused this Agreement to be executed on the day and year first above written.

Signed for and on behalf of
FIDELITY GENERAL INSURANCE LIMITED by

.....

Richard Marisin
Managing Director

In the Presence of:

.....

John Nyagaka
General Manager

Signed for and on behalf of
UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA by

.....

Prof. Mwenda Ntarangwi
Vice Chancellor

In the Presence of:

.....

Helen P. Ambasa
Director- Legal Services

HELEN P. AMBASA
ADVOCATE, COMMISSIONER FOR OATHS
& NOTARY PUBLIC
P. O. Box 8369 - 00100,
NAIROBI

非洲之星铁路运营有限责任公司
AFRICA STAR RAILWAY OPERATION COMPANY LIMITED

TO WHOM IT MAY CONCERN,

CLIENT REFERENCE /RECOMMENDATION FORM

This is to certify that: -
Fidelity Shield Insurance Company Limited has been providing us with healthcare insurance services since **1ST August** 2025 to date and our cover is still active with them.

We have consistently received timely support in handling medical claims, inquiries, and any adjustments needed to ensure our employees' healthcare needs are met effectively. We do not hesitate in recommending Fidelity Shield Insurance Company Limited.

PERFOMANCE EVALUATION
(The insured to indicate client rating by ticking the appropriate box)

No.	How do you rate the performance of the insurance broker as per their responsiveness to the following:-	Excellent	Good	Average	Poor
1	Claims handling	✓			
2	Responsiveness	✓			
2	General Customer Care	✓			

DECLARATION:
We confirm that the above insurance firm is currently engaged to handle our insurance policy and the total annual premium paid value for the year 2025/2026 is more than **Kshs.125,082,405** for **1785 lives**

Name of Authorized Signatory ..... PHILLIP MORACHA .....
Title/Designation ..... HUMAN RESOURCE .....
Signature ..... Moracha .....
Date ..... 12TH AUGUST 2025 .....
Telephone Contact ..... 0732215216 .....
Email Address ..... info@afristar.co.ke .....
Official Stamp

AFRICA STAR RAILWAY OPERATION LIMITED

非洲之星铁路运营有限责任公司

AFRICA STAR RAILWAY OPERATION COMPANY LIMITED

12 July 2023,

Minet Insurance Brokers,

P.O. Box 45817-00100, GPO

Nairobi, Kenya

Att: Edwin Macharia,
General Manager -Healthcare Division

RE: LETTER OF APPOINTMENT

Reference is made to the consultations we have had and the fruitful completion of the same.

This is to notify you of the appointment of Minet Insurance Broker as our healthcare insurance provider for **AFRISTAR RAILWAYS OPERATION COMPANY.** This coverage extends to 1,600 employees at an annual premium of Ksh. 120,000,000. The coverage period is effective from **15th July 2023 to 14th July 2025**, with **FIDELITY SHIELD INSURANCE COMPANY LIMITED** selected as the preferred underwriter.

You are hereby authorized to access all the information deemed necessary to manage our insurance portfolio and to exercise all due diligence care and expertise in the accomplishment of your duty as our broker.

This letter rescinds all previous appointments and the authorization contained herein shall remain in effect until cancelled in writing by us.

We look forward to a mutually beneficial working relationship.

Yours Sincerely,

.....

NURSING COUNCIL OF KENYA

INSURANCE SERVICE PROVIDER RECOMMENDATION FORM

DATED: 29/08/2025

CONFIDENTIAL RECOMMENDATION

This is to certify that: **FIDELITY SHIELD INSURANCE COMPANY LIMITED** of **P.O. BOX 47435 – 00100, NAIROBI** is providing us with **Insurance Services** as follows;

(i) General Insurance Policies Handled:

Class of Insurance	**Insurance Period Year**	**Annual Premium**
WIBA GPA/EL	18st July 2025 – 17th July 2026	**Kshs. 4,184,007**
Medical Insurance	18st July 2025 – 17th July 2026	**Kshs. 69,223,121**
Total premium written		**Kshs. 73,407,128**

(ii) Performance Evaluation

Performance rating of the Services of above Insurance Service Provider in the following areas:	**Excellent**	**Good**	**Average**	**Below Average**
Claims Handling	✓			
Underwriting responsiveness	✓			
General Customer Care	✓			

Declaration:

We confirm that the above Insurance firm was engaged to provide Insurance Services for the said policies for the above said period for 467 members and more than 1500 lives (staff plus dependents)

Name of Authorized Signatory: **Anne Mukuna**

Title/Designation**: Ag Registrar/CEO**

Signature :.....

Kabarnet Lane, off Ngong road

+254 20785 665,+254 20785669|Mobile: +254721920567, +254733924

Email: info@nckkenya.go.ke|www.nckkenya.go.ke

P.O BOX 20056-00200, Nairobi Kenya

The Nursing Council is ISO 9001: 2015Certified

NURSING COUNCIL OF KENYA

Promoting Quality Nursing and Midwifery Education and Practice in Kenya
All communications to be addressed to the Registrar/CEO

Our Ref: NCK/SC/6/6/2024

Date 18th June,2024

Managing Director
Kenbright Insurance Brokers LTD
P.O Box 28281-00200
Nairobi

Dear Sir,

RE: NOTIFICATION OF AWARD FOR PROVISION OF MEDICAL INSURANCE SERVICES
TENDER NO: NCK/HR/INS/4/2024.

I refer to the bid submitted by your company for the above service.

I am pleased to inform you that the council has, after prudent evaluation of your bid, awarded the contract for provision of general insurance services at a **total cost of Ksh** 69,223,121 for 467 staff members for medical insurance services by Fidelity Shield Insurance

1.Please acknowledge receipt of this letter of notification in writing to signify your acceptance.

2.The contract shall be signed by the parties within 30days of the date of this letter

We look forward to a good working relationship with you.

Yours faithfully,
FOR: NURSING COUNCIL OF KENYA

Anne Mukuna
Ag REGISTRAR/CEO

Kabarnet Lane, off Ngong Road
Tel: +254 20 7854665, +254 20 7854669 | Mobile: +254721920567, +254733924669
Email: info@nckenya.go.ke | www.nckenya.go.ke
P.O Box 20056 – 00200, Nairobi, Kenya
The Nursing Council of Kenya is ISO 9001:2015 Certified

MEDICAL SCHEME SERVICE CHARTER

BETWEEN

FIDELITY SHIELD INSURANCE COMPANY LTD

AND

UNITED STATES INTERNATIONAL UNIVERSITY – AFRICA

SEPTEMBER, 2025

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Between

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And

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FIDELITY and USIU are hereinafter referred to as 'parties' collectively and 'party' individually:

WHEREAS;

A. USIU has contracted FIDELITY to provide medical insurance services for its students for the period commencing 1st September, 2025 and ending 31st August, 2026 as per the terms of the Policy document; and

B. USIU and FIDELITY seek to enter into this service charter that shall regulate the implementation of the contract above referenced.

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1. Both parties have read and understood the conditions of the provisions and all agree that the same shall form the basis of their engagement.

2. The under listed documents shall be deemed to form, be read and construed as part of this contract agreement :-
    i). This Contract Agreement;
    ii). Invitation to bid;
    iii). Instructions to tenderers;
    iv). The Form of Acceptance;
    v). Tender document submitted by FIDELITY;

vi). Price Schedules submitted by FIDELITY;

vii). Request for quotation (RFQ) for provision of medical insurance services for USIU-Africa Schedule of requirements;

viii). The medical insurance policy documents duly issued by FIDELITY;

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xi). Other completed Tendering forms submitted with the Tender;

xii). All other written correspondence between USIU and FIDELITY relating to this tender.

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b) The party seeking to renew this agreement shall give the other a written notice of the intention to renew at least three (3) months prior to the expiry of the agreement; in the absence of which, the agreement shall be deemed to have come to an end on expiry of its term.

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The purpose of this agreement is:-

a) To achieve conformance and ensure the fulfillment of parties' obligations;

b) To manage performance and establish mechanisms for effective service delivery; and

c) To build a professional and mutually beneficial relationship between the parties.

3. SCOPE

The scope of this agreement shall include, but will not be limited to: -

a) Setting timescales within which each party needs to perform individual activities;

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have caused this Agreement to be executed on the day and year first above written.

Signed for and on behalf of
FIDELITY GENERAL INSURANCE LIMITED by

.....

Richard Marisin
Managing Director

In the Presence of:

.....

John Nyagaka
General Manager

Signed for and on behalf of
UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA by

.....

Prof. Mwenda Ntarangwi
Vice Chancellor

In the Presence of:

.....

Helen P. Ambasa
Director- Legal Services

HELEN P. AMBASA
ADVOCATE, COMMISSIONER FOR OATHS
& NOTARY PUBLIC
P. O. Box 8369 - 00100,
NAIROBI

United States International University-Africa

CLIENT REFERENCE /RECOMMENDATION FORM

This is to certify that:-
Fidelity Insurance Company Limited has been providing us with similar services for a period of 1 year.

We have consistently received timely support in handling medical claims, inquiries, and any adjustments needed to ensure our employees' healthcare needs are met effectively. We do not hesitate in recommending Fidelity Insurance Company Limited.

PERFOMANCE EVALUATION
(The insured to indicate client rating by ticking the appropriate box)

No.	How do you rate the performance of the insurance broker as per their responsiveness to the following:-	Excellent	Good	Average	Poor
1	Claims handling	✓			
2	Responsiveness	✓			
2	General Customer Care	✓			

DECLARATION
We confirm that the above insurance company is currently engaged to handle our insurance policies and the total annual premium paid value for the year 2025/2026 is more than Kshs 60,000,000 for **2000 principal members** and more than **2000 lives**

Name of Authorized Signatory	Millicent Wanderi
Title/Designation	Senior Insurance Officer
Signature	.....
Date	18.11.2025
Telephone Contact	0780640963
Email Address	mwanderi@usiu.ac.ke
Official Stamp	

UNITED STATES INTERNATIONAL UNIVERSITY USIU AFRICA 18 NOV 2025 INSURANCE OFFICE AFRICA

JAVA HOUSE

TO WHOM IT MAY CONCERN,

CLIENT REFERENCE /RECOMMENDATION FORM

This is to certify that **Fidelity Insurance Company Limited** has been providing us with similar services for a period of 1 year.

We have consistently received timely support in handling medical claims, inquiries, and any adjustments needed to ensure our employees' healthcare needs are met effectively. We do not hesitate in recommending Fidelity Insurance Company Limited.

PERFOMANCE EVALUATION

(The insured to indicate client rating by ticking the appropriate box)

No.	How do you rate the performance of the insurance broker as per their responsiveness to the following:-	Excellent	Good	Average	Poor
1	Claims handling	☑			
2	Responsiveness	☑			
2	General Customer Care	☑			

DECLARATION

We confirm that the above insurance firm is currently engaged to handle our insurance policies and the total annual premium paid value for the year 2025/2026 is more than **Kshs. 65,000,000** for **2000 principal members** and more than **2500 lives**

Name of Authorized Signatory	Jude Chege
Title/Designation	Human Resources Manager
Signature	.....
Date	13th November 2025
Telephone Contact	+254728025271
Email Address	jude.chege@javahouseafrica.com
Official Stamp	NAIROBI JAVA HOUSE HEAD OFFICE ABC Place, Waiyaki Way P.O. Box 21533 - 00505 Nairobi, Kenya Email: admin@nairobijavahouse.com Tel: +254 (020) 318 4468 / 316 6871/2 Fax: (020) 445 2558

JAVA HOUSE planetyogurt 360 DEGREES KUKITO Foodscape

DAYSTAR UNIVERSITY

TO WHOM IT MAY CONCERN,

CLIENT REFERENCE /RECOMMENDATION FORM

Please to certify that:-

Fidelity Shield Insurance Company Limited has been providing us with healthcare insurance services since **25/08/2025**, to date and our cover is still active with them.

We have consistently received timely support in handling medical claims, inquiries and any adjustments needed to ensure our employees' healthcare needs are met effectively. We do not hesitate in recommending Fidelity Shield Insurance Company Limited.

PERFOMANCE EVALUATION

(The insured to indicate client rating by ticking the appropriate box)

No.	How do you rate the performance of the insurance broker as per their responsiveness to the following:-	Excellent	Good	Average	Poor
1	Claims handling	✓			
2	Responsiveness	✓			
2	General Customer Care	✓			

DECLARATION:

We confirm that the above insurance firm is currently engaged to handle our insurance policy and the total annual premium paid value for the year **2025/2026** is more than **Kshs. 86,109,100** for **over 2,500 Students**

Yours Sincerely,

Prof. Muturi Wachira
DVC - Finance, Administration and Planning

Cc: Fidelity Insurance Company Ltd

Cc: Vice Chancellor
DVC-ARSA, University Registrar, Principal Nairobi Campus, Chief Manager Human Resource, Chief Manager Finance, Dean of Students, Ag. USM, Procurement and Contracting Manager.

RECEIVED
15 SEP 2025
REGISTRAR COMPANY
TRADE OFFICE

DAYSTAR

r.34(2)

REGISTRATION NO.
IRA/01/013/01

REGISTRATION AS AN INSURER/REINSURER

Registration is granted to

FIDELITY SHIELD INSURANCE COMPANY LIMITED (Name)

of **P.O. BOX 47435-00100** (Address)

NAIROBI

to carry on, in Kenya/outside Kenya, the following classes of insurance business:-

LONG TERM INSURANCE BUSINESS
~~LIFE ASSURANCES/ANNUITIES/PERSONAL PENSION/UNIT-LINKED AND LINKED INVESTMENT/NON-LINKED INVESTMENT/GROUP LIFE/GROUP CREDIT/ PERMANENT HEALTH/DEPOSIT ADMINISTRATION~~

GENERAL INSURANCE BUSINESS
AVIATION/ENGINEERING/FIRE DOMESTIC/FIRE COMMERCIAL/ LIABILITY/MARINE/MOTOR-PRIVATE/MOTOR-COMMERCIAL/PERSONAL ACCIDENT/THEFT/WORK INJURY BENEFITS/MEDICAL/~~MICRO INSURANCE~~ MISCELLANEOUS -----

Subject to the provisions of the Insurance Act (Cap 487)

CERTIFIED TRUE COPY OF THE ORIGINAL
COMMISSIONER OF INSURANCE

Dated the **22nd December, 2017**

P.O. BOX 43505, 00100
NAIROBI

GODFREY R. KIPTUM
Ag. Commissioner of Insurance

ESTHER WANJIKU NDUNG'U
ADVOCATE
AND COMMISSIONER FOR OATHS
P.O. Box 79459-00200,
NAIROBI

WANINI GICHIMU
ADVOCATE & COMMISSIONER FOR OATHS

I Certify that this is a True Copy of the Original
12/09/2025
WANINI GICHIMU-ADVOCATE
P. O. Box 4464-00100 NAIROBI

CFN/IRA/00/001/03
17th July, 2018

CIRCULAR NO. IC & RE – 01/2018

To: Insurance & Reinsurance Companies

RE: CONTINUOUS MONITORING OF INSURERS' RISK PROFILE

The Insurance (Amendment) Act, 2017, changed the licensing regime for insurers with effect from 7th July 2017. As a result, insurers are no longer required to renew their registration annually as previously required under Section 188 of the Insurance Act.

The Authority has developed a framework for continuous monitoring of insurers which requires insurers to furnish the Authority with information from time to time.

Consequently, pursuant to the provisions of Section 7 of the Insurance Act, all insurers are required submit the following to the Authority latest by **30th September 2018**:

1. An updated corporate profile. The '**Corporate Profile Return**" can be downloaded from the IRA ERS Portal under the "Documents tab" and uploaded on the IRA ERS submission Portal https://iraersportal.ira.go.ke/IRAERSPortal/. Please note that the template used will be similar to the 'Renewal of Registration' template previously used during licensing.

2. An Investment policy as provided for under Section 50(2) of the Insurance Act as amended in 2015 and the Investment Guidelines issued by the Authority on 3rd April 2017. Please note that the policy should be

ZEP-RE PLACE Longonot Road Upperhill
P.O. Box 43303 - 00100 Nairobi Kenya
+254 20 4996000 +254 719 047000
commission@ira.go.ke
ISO 9001:2008

submitted under item No. 7 in the Applicants Attachments section in the Corporate Profile Return together with the certificate from the Central Bank of Kenya.

3. Current and future premium rates for Annuities, Group Life and Group Credit insurance business. Please note that the rates should be submitted under item No. 4 in the Applicants Attachments section in the Corporate Profile Return together with the Actuary's Certificate.

Lastly, in line with the Authority's objective of protecting the interest of policyholders and insurance beneficiaries as provided for under Section 3A(2) of the Insurance Act, all insurers are required to incorporate the phrase "**Regulated by the Insurance Regulatory Authority**" in all their stationeries and advertising materials. This requirement should be implemented with immediate effect.

Yours faithfully,

GODFREY K. KIPTUM
Ag. COMMISSIONER OF INSURANCE & CHIEF EXECUTIVE OFFICER

ESTHER WANJIKU NDUNG'U
ADVOCATE
AND COMMISSIONER FOR OATHS
P.O. Box 79459-00200,
NAIROBI

WANINI GICHIRU
ADVOCATE & COMMISSIONER FOR OATHS
P.O. BOX 47750-00100, NAIROBI

REPUBLIC OF KENYA

BUSINESS REGISTRATION SERVICE
P. O. BOX 30404-00100
NAIROBI

TO
MILLICENT NGETICH
P.O. BOX 47435
00100 - G.P.O NAIROBI

THE COMPANIES ACT, 2015

Records relating to the below company held by the Companies Registry as at **07 May 2026**

COMPANY NAME	FIDELITY SHIELD INSURANCE COMPANY LIMITED
TYPE OF COMPANY	PRIVATE LIMITED COMPANY
COMPANY NUMBER	C.28443
NOMINAL SHARE CAPITAL	1,000,000,000.00
NUMBER AND TYPE OF SHARES (VALUE PER SHARE)	ORDINARY: 10000000 (KSH.100.0 EACH)
DATE OF REGISTRATION	1989-03-10
REGISTERED OFFICE	TELEPHONE: +254709988000, EMAIL: INFO@FIDELITYSHIELD.COM, COUNTY: NAIROBI DISTRICT: WESTLANDS DISTRICT LOCALITY: WESTLANDS STREET:WARIDI LANE, OFF WAYAKI WAY, WESTLANDS, , BUILDING: NAIROBI/BLOCK3/51
POSTAL ADDRESS	P.O BOX 47435 00100 - G.P.O NAIROBI
ENCUMBRANCES	

Name of Directors and Shareholders of the above company with their particular are as follows

NAME	DESCRIPTION	ADDRESS	NATIONALITY.	SHARES
HAMERPOP INVESTMENT COMPANY LIMITED	SHAREHOLDER	P.O BOX 44585 - 00100 - G.P.O NAIROBI	KENYA	ORDINARY 780000
TANDALA INVESTMENT COMPANY LIMITED	DIRECTOR SHAREHOLDER	P.O BOX 57326 NAIROBI -	KENYA	ORDINARY 1500000
NAZNIN REHMTULLA	SHAREHOLDER		N/A	ORDINARY 8233
JOSEPH KIPKETER KOSKEY ALTERNATE DIRECTOR TO TANDALA INVESTMENT COMPANY LIMITED	DIRECTOR	P.O BOX 79157 - 00200 - CITY SQUARE	KENYA	
SAMEER NAUSHAD MERALI	DIRECTOR	P.O BOX 55358 - 00200 - CITY SQUARE	KENYA	
ABDULALI AKBERALI KARIM KURJI	DIRECTOR	P.O BOX 30278 - 00100 - G.P.O NAIROBI	KENYA	
TROGON INVESTMENT COMPANY LIMITED	SHAREHOLDER	P.O BOX 44585 - 00100 - G.P.O NAIROBI	KENYA	ORDINARY 780000
REYNA INVESTMENTS LIMITED	SHAREHOLDER	P.O BOX 55358 - 00200 - CITY SQUARE	KENYA	ORDINARY 1431767
LAWRENCE KIBET CHELIMO	DIRECTOR	P.O BOX 9287 - 00100 - G.P.O NAIROBI	KENYA	
SOUTHERN SHIELD HOLDINGS LIMITED	SHAREHOLDER	P.O BOX 30278 - 00100 - G.P.O NAIROBI	KENYA	ORDINARY 1500000
GLADYS MARJORIE AKINYI	DIRECTOR	P.O BOX 11313 - 00100 - G.P.O NAIROBI	KENYA	
NICHOLAS ITUKU KAMERE	DIRECTOR	P.O BOX 64964 - 00620 - MOBIL PLAZA	KENYA	
KEVIN KIPRONO KANGOGO	DIRECTOR	P.O BOX 67073 - 00200 - CITY SQUARE	KENYA	
RICHARD KIPKIRUI MARISIN	DIRECTOR	P.O BOX 23867 - 00100 - G.P.O NAIROBI	KENYA	
MILLICENT CHEPKIRUI NGETICH	SECRETARY	P.O BOX 9287 - 00100 - G.P.O NAIROBI	KENYA	
			TOTAL	6000000

REMARKS

Yours Faithfully,
REGISTRAR OF COMPANIES

REF NO: OSPVT-RKI35BEE

DISCLAIMER: THIS IS A SYSTEM GENERATED CERTIFICATE AND DOES NOT REQUIRE A SIGNATURE.

NAIROBI CITY COUNTY

City Hall Building,
City Hall Way,
Nairobi, Kenya

P.O. Box 30075-00100
Nairobi, Kenya
info@nairobi.go.ke

UNIFIED BUSINESS PERMIT

TRADE LICENCE

LICENSE NO.: **UBP255711**
VALIDITY: **ANNUAL**

EFFECTIVE DATE: **04 FEB, 2026**
EXPIRY DATE: **09 FEB, 2027**

Nairobi City County grants this Trade License to

BUSINESS NAME: **FIDELITY INSURANCE COMPANY LIMITED - WESTLANDS**

Registration details:

Registration No.: **-**
KRA PIN: **P000609367J**
Postal address: **0**

Physical address:

Unit: **-**, Floor: **-**, **FIDELITY INSURANCE CENTER**,
Plot: **209/4523**, **WARIDI LANE**,
Parklands/Highridge, **Westlands**, **Nairobi**

To engage in the following activities/businesses/occupations:

600 PROFESSIONAL, TECHNICAL AND FINANCIAL SERVICES

Large financial services including Saccos and co-operative societies with over 25 employees

- Direct Life, Health, and Medical Insurance Carriers

Fixed on Canopy

- Fixed on Canopy

- Wall Painting

- Directional Signs

Having paid a license fee of **KES. 197,200.00 (ONE HUNDRED NINETY SEVEN THOUSAND TWO HUNDRED SHILLINGS ONLY)**

100	SBP	KES. 150,000.00
200	FIRE	KES. 25,000.00
400	PEST CONTROL	KES. 3,000.00
900	ADVERTISEMENT	KES. 7,300.00
900	ADVERTISEMENT	KES. 0.00
900	ADVERTISEMENT	KES. 11,900.00

DISCLAIMER

BUSINESS UNDER THIS PERMIT SHALL BE CONDUCTED AT THE ADDRESS AS INDICATED

Issuance of this permit does not exempt the permit holder from compliance checks, inspections, top-ups or adherence to applicable laws. The Nairobi City County Trade Licensing Act 2019 Section 17(1) gives the Director the powers to suspend or cancel a permit in case of false information or non-compliance with the applicable laws.

Date of Issue: **04 Feb, 2026**

By Order of:

UNIFIED BUSINESS PERMIT NAIROBI CITY COUNTY

NAIROBI CITY COUNTY DIRECTOR T.L.D

POWERED BY

NairobiPay

UBP255711

E-Verify

Scan this QR Code to verify the authenticity of this document

Alternatively visit nairobiservices.go.ke

NAIROBI CITY COUNTY

City Hall Building,
City Hall Way,
Nairobi, Kenya

P.O. Box 30075-00100
Nairobi, Kenya
info@nairobi.go.ke

TERMS & CONDITIONS

This licence is issued under section 12 of the Act subject to the following terms and conditions: -

1. Compliance with the provisions of the Nairobi City County Trade Licensing Act and any other legislation relevant to the trade.
2. This licence is not transferable.
3. Where a business is carried on in or from more than one premise, the business carried on in or from each premise is deemed to be separated business and as such a separate license is required;
4. The licence holder must notify the Director of any changes in the nature of trade, directorship or ownership of the business, location of business or cessation of trade.
5. The licence is a Nairobi City County Government property and must be displayed in a conspicuous place within the business premises and the licence holder must produce the licence whenever an authorized officer requires him or her.
6. The owner of the business should not sell/display their goods outside their licensed premises.
7. A person who forges or alters a licence without authority commits an offence and shall be liable on conviction to a fine not exceeding Kenya shillings fifty thousand or to imprisonment for a term not exceeding three months, or both.
8. A person who fails or neglects to renew a licence as required and continues to operate the business or trade commits an offence and shall be liable on conviction to a fine not exceeding Kenya shillings fifty thousand or to imprisonment for a term not exceeding three months, or both.
9. Granting of this License does not legitimise any illegal activity including occupation of a county road reserve or any prohibited area.
10. Under this license, it shall be the duty of every occupier, or owner or agent of a house, or other premise to clean or cause to be cleaned ten meters radius around his or her house or other premises or any area otherwise in his or her control
11. The licence holder shall ensure that appropriate safety measures are in place to mitigate fire and other hazards.
12. The licensed business shall only be conducted in full compliance with National and County health and safety laws and regulations.
13. The licensed business shall submit to periodic inspections for compliance with applicable standards, regulations and laws.
14. The licence holder shall comply with any other condition or directive as shall be necessary for purposes of health, hygiene and safety.
15. Subject to compliance to provided signage dimensions, siting & location requirements as per Outdoor Advertising & Signages policy (2015), NCG Advertising Act (2018) & PLUPA (2019).

POWERED BY

Nairobi Pay

KENYA REVENUE AUTHORITY

Business Tax Compliance Certificate

For General Tax Questions
Contact KRA Call Centre
Tel: +254 (020) 4999 999
Cell: +254(0711)099 999
Email: callcentre@kra.go.ke

www.kra.go.ke

Taxpayer PIN : **P000609367J**

Certificate Date: 26/06/2026

Name and Address :

FIDELITY SHIELD INSURANCE COMPANY LTD

FISCO CENTRE, NAIROBI CITY, Nairobi West District,
PO Box:47435,
Postal Code:00100

Certificate Number:

KRALTO1563022926

This is to confirm that FIDELITY SHIELD INSURANCE COMPANY LTD,
Personal Identification Number P000609367J
has filed relevant tax returns and
paid taxes due as provided by Law.

This Certificate will be valid for twelve (12) months up to 25/06/2027.

Caveat This certificate is issued on the basis of information available with the authority as at the certificate date mentioned above. The Authority reserves the right to withdraw the certificate if new evidence materially alters the tax compliance status of the recipient.

Disclaimer : This certificate is system Generated and therefore does not require signature.You may confirm validity of this certificate on the iTax Portal by using the TCC Checker.This certificate confirms your compliance status for a period of five years preceding the date of issue. The certificate may however be with withdrawn on grounds of outstanding debt affecting periods prior to this.

CO-OPERATIVE BANK
We are you

The Co-operative Bank of Kenya Limited
Head Office
Co-operative Bank House
Haile Selassie Avenue
P.O.Box 48231 - 00100 GPO, Nairobi
Tel: (020) 3276100
Fax: (020) 2227747 / 2219831
Website: www.co-opbank.co.ke

THE CHIEF EXECUTIVE OFFICER,
NATIONAL BIO-SAFETY AUTHORITY,
NACOSTI BUILDING, LORESHO,
OFF WAIYAKI WAY, WESTLANDS,
P.O. BOX 28251-00100,
NAIROBI, KENYA.

REQUEST FOR TENDERS NO NBA/753/0001/2026-27

11th September, 2026

TENDER GUARANTEE NO. 1215OBIDH2600485

GUARANTOR: THE CO-OPERATIVE BANK OF KENYA LIMITED

We have been informed that **Fidelity Shield Insurance Company Limited** of **P.O. Box 47435- 00100, Nairobi, Kenya** (hereinafter called "the Applicant") has submitted or will submit to the Beneficiary its Tender (hereinafter called "the Tender") for **Provision of Medical Insurance Cover for Staff and Board Members- Underwriters Only** under request for Tender No. **NBA/753/0001/2026-27** (hereinafter called "the ITT").

Furthermore, we understand that, according to the Beneficiary's conditions, Tenders must be supported by a Tender Guarantee.

At the request of the Applicant, we, The Co-operative Bank of Kenya Limited, having our registered office at Co-operative Bank House, P.O. Box 48231- 00100 GPO, Nairobi, Kenya, as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of **KES. 326,000.00 (Kenya Shillings Three Hundred Twenty Six Thousand Only)** upon receipt by us of the Beneficiary's complying demand, supported by the Beneficiary's statement, whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that either the Applicant:

a. Has withdrawn its Tender during the period of Tender validity set forth in the Applicant's Form of Tender ("the Tender Validity Period"), or any extension thereto provided by the Applicant; or
b. Having been notified of the acceptance of its Tender by the Beneficiary during the Tender Validity Period or any extension thereto provided by the Applicant, (i) has failed to execute the Contract Agreement, or (ii) has failed to furnish the Performance Security.

This Guarantee will expire: (a) if the Applicant is the successful Tenderer, upon our receipt of copies of the Contract Agreement signed by the Applicant and the Performance Security issued to the Beneficiary in relation to such Contract Agreement; or (b) if the Applicant is not the successful Tenderer, upon the earlier of (i) our receipt of a copy of the Beneficiary's notification to the Applicant of the results of the Tendering process; or (ii) Twenty eight days after the end of the Tender Validity Period.

Consequently, any demand for payment under this Guarantee must be accompanied by the Original Guarantee and must be received by us at our office at The Co-operative Bank of Kenya Limited, Trade Services Unit, Co-op Trust Plaza, Bunyala Road, Upper Hill, P.O. Box 48231 - 00100, Nairobi, Kenya on or before **20th March, 2027.**

This Guarantee shall be governed and construed in accordance with the Laws of the Republic of Kenya and is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

For: The Co-operative Bank of Kenya Limited;

MIRIAM NDUMI
AUTHORISED SIGNATORY

THE CO-OPERATIVE BANK OF KENYA LTD
TRADE SERVICES UNIT
USER TS04
NAIROBI

SHARON MATE
AUTHORISED SIGNATORY

Directors: John Murugu (Chairman), Dr. Gideon Muriuki (Group Managing Director & CEO), M. Malonza (Vice Chairman), J. Sitienei, B. Simiyu, W. Ongoro, R. Kimanthi, Weda Welton (Mrs), Alice Mwololo (Mrs), Margaret Karangatha (Mrs), L. Karissa, G. Mburia, D. M. Muriuki.

r.34(2)

REGISTRATION NO.
IRA/01/013/01

REGISTRATION AS AN INSURER/REINSURER

Registration is granted to

FIDELITY SHIELD INSURANCE COMPANY LIMITED (Name)

of **P.O. BOX 47435-00100** (Address)

NAIROBI

to carry on, in Kenya/outside Kenya, the following classes of insurance business:-

LONG TERM INSURANCE BUSINESS
~~LIFE ASSURANCES/ANNUITIES/PERSONAL PENSION/UNIT-LINKED AND LINKED INVESTMENT/NON-LINKED INVESTMENT/GROUP LIFE/GROUP CREDIT/ PERMANENT HEALTH/DEPOSIT ADMINISTRATION~~

GENERAL INSURANCE BUSINESS
AVIATION/ENGINEERING/FIRE DOMESTIC/FIRE COMMERCIAL/ LIABILITY/MARINE/MOTOR-PRIVATE/MOTOR-COMMERCIAL/PERSONAL ACCIDENT/THEFT/WORK INJURY BENEFITS/MEDICAL/~~MICRO INSURANCE~~ MISCELLANEOUS -----

Subject to the provisions of the Insurance Act (Cap 487)

CERTIFIED TRUE COPY OF THE ORIGINAL
COMMISSIONER OF INSURANCE

Dated the **22nd December, 2017**

P.O. BOX 43505, 00100
NAIROBI

GODFREY R. KIPTUM
Ag. Commissioner of Insurance

ESTHER WANJIKU NDUNG'U
ADVOCATE
AND COMMISSIONER FOR OATHS
P.O. Box 79459-00200,
NAIROBI

WANINI GICHIMU
ADVOCATE & COMMISSIONER FOR OATHS

I Certify that this is a True Copy of the Original
12/09/2025
WANINI GICHIMU-ADVOCATE
P. O. Box 4464-00100 NAIROBI

CFN/IRA/00/001/03
17th July, 2018

CIRCULAR NO. IC & RE – 01/2018

To: Insurance & Reinsurance Companies

RE: CONTINUOUS MONITORING OF INSURERS' RISK PROFILE

The Insurance (Amendment) Act, 2017, changed the licensing regime for insurers with effect from 7th July 2017. As a result, insurers are no longer required to renew their registration annually as previously required under Section 188 of the Insurance Act.

The Authority has developed a framework for continuous monitoring of insurers which requires insurers to furnish the Authority with information from time to time.

Consequently, pursuant to the provisions of Section 7 of the Insurance Act, all insurers are required submit the following to the Authority latest by **30th September 2018**:

1. An updated corporate profile. The '**Corporate Profile Return**" can be downloaded from the IRA ERS Portal under the "Documents tab" and uploaded on the IRA ERS submission Portal https://iraersportal.ira.go.ke/IRAERSPortal/. Please note that the template used will be similar to the 'Renewal of Registration' template previously used during licensing.

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3. Current and future premium rates for Annuities, Group Life and Group Credit insurance business. Please note that the rates should be submitted under item No. 4 in the Applicants Attachments section in the Corporate Profile Return together with the Actuary's Certificate.

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Yours faithfully,

GODFREY K. KIPTUM
Ag. COMMISSIONER OF INSURANCE & CHIEF EXECUTIVE OFFICER

ESTHER WANJIKU NDUNG'U
ADVOCATE
AND COMMISSIONER FOR OATHS
P.O. Box 79459-00200,
NAIROBI

WANINI GICHIRU
ADVOCATE & COMMISSIONER FOR OATHS
P.O. BOX 47750-00100, NAIROBI

Certificate of Membership

The Association of Kenya Insurers

P.O. Box 45338, 00100 GPO, Nairobi Kenya

No. A.K.I M10311

Expires on
31st December 2026

This is to certify that

Fidelity Shield Insurance Company Limited

is a member of the Association

Issued this 1st *day of* Jan 2026

Signed

Chairman

Secretary / Executive Director

AKI
ASSOCIATION OF KENYA INSURERS

Association Of Kenya Insurers
Certified True Copy Of The Original
Date: 09/01/2026
Signature

Digitally signed by *dmvic.com Date: 06.01.2026 13:58 EAT

r.34(2)

REGISTRATION NO.
IRA/01/013/01

REGISTRATION AS AN INSURER/REINSURER

Registration is granted to

FIDELITY SHIELD INSURANCE COMPANY LIMITED (Name)

of **P.O. BOX 47435-00100** (Address)

NAIROBI

to carry on, in Kenya/outside Kenya, the following classes of insurance business:-

LONG TERM INSURANCE BUSINESS
~~LIFE ASSURANCES/ANNUITIES/PERSONAL PENSION/UNIT LINKED AND LINKED INVESTMENT/NON LINKED INVESTMENT/GROUP LIFE/GROUP CREDIT/ PERMANENT HEALTH/DEPOSIT ADMINISTRATION~~

GENERAL INSURANCE BUSINESS
AVIATION/ENGINEERING/FIRE DOMESTIC/FIRE COMMERCIAL/ LIABILITY/MARINE/MOTOR-PRIVATE/MOTOR-COMMERCIAL/PERSONAL ACCIDENT/THEFT/WORK INJURY BENEFITS/MEDICAL/~~MICRO INSURANCE~~ MISCELLANEOUS -----

Subject to the provisions of the Insurance Act (Cap 487)

CERTIFIED TRUE COPY OF THE ORIGINAL
06/01/2026
COMMISSIONER OF INSURANCE

Dated the **22nd December, 2017**

P.O. BOX 43505, 00100
NAIROBI

GODFREY K. KIPTUM
Ag. Commissioner of Insurance

No. C. 28443

CERTIFICATE OF CHANGE OF NAME

I hereby Certify, that—

FIDELITY INSURANCE COMPANY LIMITED

having, with the sanction of a **Special Resolution** of the said Company, and with the approval of the REGISTRAR OF COMPANIES, changed its name, is now called FIDELITY SHIELD INSURANCE COMPANY LIMITED

and I have entered such new name on the Register accordingly.

Given under my hand at Nairobi this TENTH day of MARCH One Thousand Nine Hundred and EIGHTY NINE

I Certify this document as a true Copy of the original
CAREN N. JAGUGA
ADVOCATE
P. O. Box 622 - 00100
NAIROBI

Snr. Dy. Registrar of Companies

GPE 3250—5m—9/82—(P9)

No.
C. 2844[3].

CERTIFICATE OF INCORPORATION

I hereby Certify, that—

FIDELITY INSURANCE COMPANY LIMITED.....

.....

.....

.....

is this day Incorporated under the Companies Act (Cap. 486) and that the Company is LIMITED.

Given under my hand at Nairobi this THIRTY FIRST day of OCTOBER One Thousand Nine Hundred and EIGHTY FOUR.

I Certify this document as a true Copy of the original
CAREN N. JAGUGA
ADVOCATE
P. O. Box 622 - 00100
NAIROBI

Snr. Dy. *Registrar of Companies*

SELF-DECLARATION FORMS

FORM SD1 & SD2

SELF DECLARATION THAT THE PERSON/TENDERER IS NOT DEBARRED IN THE MATTER OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL ACT 2015 (SD1)

AND

SELF DECLARATION THAT THE PERSON/TENDERER WILL NOT ENGAGE IN ANY CORRUPT OR FRAUDULENT PRACTICE (SD2)

I **RICHARD MARISIN** of Post Office Box. **47435-00100** being a resident of **NAIROBI** in the Republic of **KENYA** do hereby make a statement as follows: -

1. THAT I am the **MANAGING DIRECTOR** of. **FIDELITY SHIELD INSURANCE CO. LTD** who is a Bidder in respect of **Tender No**. **NBA/753/0001/2026-27** for **PROVISION OF MEDICAL INSURANCE COVER FOR STAFF AND BOARD MEMBERS- UNDERWRITERS ONLY** and duly authorized and competent to make this statement.

2. THAT the aforesaid Bidder, its Directors and subcontractors have not been debarred from participating in procurement proceeding under Part IV of the Act.

3. THAT the aforesaid Bidder, its servants and/or agents /subcontractors will not engage in any corrupt or fraudulent practice and has not been requested to pay any inducement to any member of the Board, Management, Staff and/or employees and/or agents of **NATIONAL BIO-SAFETY AUTHORITY** which is the procuring entity.

4. THAT the aforesaid Bidder, its servants and/or agents /subcontractors have not offered any inducement to any member of the Board, Management, Staff and/or employees and/or agents of **NATIONAL BIO-SAFETY AUTHORITY**.

5. THAT the aforesaid Bidder will not engage/has not engaged in any corrosive practice with other bidders participating in the subject tender.

6. THAT what is deponed to herein above is true to the best of my knowledge, information and belief.

MANAGING DIRECTOR **14TH September 2026**