



**AKI**

ASSOCIATION  
OF KENYA INSURERS



Insurance Industry  
Annual Report **2010**



# **INSURANCE INDUSTRY ANNUAL REPORT 2010**

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## Foreword



It is my pleasure to present to you the 7<sup>th</sup> issue of the Insurance Industry Annual Report, a publication by the Association of Kenya Insurers (AKI). The report focuses on the performance of the insurance industry in Kenya, highlights global insurance performance and outlines future outlook.

The global economy has made a fragile recovery from the financial crisis experienced in late 2008.. The 2010 recovery did result in improvements in the labour market conditions in high-income countries and expanded domestic demand in developing countries. At the moment sovereign debt angst stemming from the euro zone and the USA is contaminating otherwise positive outlook. Central Banks are taking positions to shore up confidence through increased interest rates. This will result in inflation and reduced spending, complicating recovery.

According to the IMF global growth will be 4.3% in 2011 and 4.5% in 2012. The first quarter 2011 growth was as expected. Supply disruptions as a result of the Japanese tsunami and higher commodity prices for manufacturing countries were counterbalanced by growth in Germany, France, emerging and developing economies. The fundamental drivers for growth including accommodative macro-economic conditions, pent-up demand for consumer durables and investment, and strong potential growth in emerging and developing countries remain in place. The advanced economies will experience growth about 2.5% whilst emerging and developing economies will grow at 6.5%.

In East Africa 2010 GDP growth for Kenya, Tanzania, Uganda and Rwanda was 5.6%, 7%, 6.3% and 7.5% respectively. The implementation of the EAC Common Market Protocol continues. The Association of Kenya Insurers participated in two EAC insurer association forums. The forum is still in its infancy and will be formalized into an association for the region in the course of time. A good number of AKI members have affiliates operating in the East Africa region. The East Africa Community is receiving consistent attention from all the governments in the region. The prospects for the region are good anticipating the exploitation of natural resources including massive oil finds in Uganda, the independence of South Sudan, and a compelling demographic driving middle class growth. Our counterparts in the region are as keen to learn from us as we are to learn from them and concerted

initiatives to drive insurance penetration in the region will surely emerge.

The Kenyan economy grew by 5.6% in 2010 compared to 2.6% in 2009. The growth was mainly driven by agriculture, building and construction. The growth in the building and construction sector was due to private sector investments and increased investments by the government in physical infrastructure in 2010. The economy is projected to grow by 5.7%, 6.3% and 6.5% in the next 3 years respectively. However, the projected growth could be affected by rising inflation due to high fuel prices and adverse weather conditions as well as the risks associated with the implementation of the new constitution and the next general elections in 2012.

It is noteworthy that an increase in insurance penetration has been registered for the second straight year. The Insurance Industry recorded gross written premium of Kshs. 79.1 billion compared to Kshs. 64.47 billion 2009, representing an increase of 22.7%. Gross earned premium increased by 17.7% to stand at Kshs. 63.44 billion in 2010 compared to Kshs. 53.92 billion in 2009. The industry's annual performance therefore exceeded the overall economic growth of 5.6% recorded in 2010. The insurance penetration is estimated at 3%. However, this is projected to increase in future due to the ongoing improvement in the regulatory environment, the review of the Insurance Act, product development and innovations taking place in the industry. The Association congratulates the Insurance Regulatory Authority for its highly visible media campaign aimed at increasing insurance utilisation. The Association and individual members have been conducting media campaigns and will continue to do so.

The Association of Kenya Insurers continues to request government through the Insurance Regulatory Authority to consider market making insurance legislation that will uplift financial intermediation in the country. Government should also bring its assets to the insurance market rather than carrying the random cost and frequency of risk on its balance sheet. The prospective provision of employee life and medical insurance benefits to civil servants would provide a benchmark for all employers in the country, bring to the fore the utility of the insurance mechanism and exit the culture of fund-raising from its desperate features to a purely compassionate expression. In a nutshell the PPP espoused by the government should be harnessed for the good of Kenyans and provide a benchmark for the region.

It is my firm belief that this report will continue to be an important source of information on the performance of the insurance industry and I hope you will find it informative and valuable.

**STEPHEN O. WANDERA**  
**CHAIRMAN, AKI**

## 1. Economic Overview

In 2010, Kenya's economic performance continued on a positive trajectory as it recovered from past internal and external shocks. The post-election violence, drought, food and financial crises had led to a slowdown of Kenya's economic growth. Between 2004 and 2007, the country had registered growth rates of between 5.1 and 7.1%. Favourable weather conditions, in particular good rainfall, experienced during the last quarter of 2009 and the first half of 2010 enabled Kenya to secure reliable energy supplies and increased agricultural output.

In 2010, Kenya benefited from the global economic recovery as well as higher prices for its exports especially coffee. The agriculture and manufacturing sectors became Kenya's new growth drivers after two years of weak performance. The economy grew by 5.6%, compared with 2.6% in 2009, and 1.7% in 2008.

The rebound of agriculture, coupled with increased competition in some key services, helped contain inflation in 2010. High growth can also be attributed to increased public investment under the economic stimulus programme implemented by the government at the end of 2009. Huge investments were undertaken in key sectors of the economy, namely agriculture, infrastructure, services, health and education.

Tourism has suffered since the December 2007 post-election violence and has yet to achieve its pre-violence performance. In 2010, however, tourism did experience significant gains. Even though the number of tourist arrivals in 2010 was still below those in 2007/08, confidence is gradually being restored and the Kenya Tourism Board (KTB) has mounted intensive marketing campaigns in European and Asian markets.

Increased rainfall in 2010 contributed to a 13.4% growth in electricity generated during the first half of 2010 compared with the similar period in 2009. Thermal power production increased by 12.3%, while geo-thermal power production declined by 2.5%. Total local electricity generation for 2010 amounted to 6.4 billion Kilowatt hours, out of which 49.9% was generated by hydro-power, 22.5% by geo-thermal power and 27.6% by thermal power. During the year 2010, electricity consumption increased compared to a similar period in 2009.

Kenya's manufacturing sector contributed significantly to total output and export earnings in 2010 and has a strong potential to create employment. The sector is dominated by food processing. The post-election crisis had strongly impacted the manufacturing sector resulting in a dismal growth of 3.6% in 2008 and further plummeted to 2% in 2009. More stable energy supplies enabled the sector to rebound in 2010. It grew by 7.8% in the third quarter of 2010 compared to a decline of 0.5% in the previous year.

The building and construction sector has been exemplary since 2005. The government's infrastructure development programme invested in road networks and the provision of affordable housing. The annual demand in the real estate sector, estimated at about 150,000 housing units, far exceeds the supply side, which offers only 35,000 units, leaving an annual deficit of 115,000. In spite of the significant opportunities, lending to the real estate sector stood at 8.4% of total credit by banks and mortgage finance companies in 2010, compared with a ratio of 12.2% realized in 2009.

## 2. World Insurance Performance in 2010

The global insurance industry returned to positive growth in 2010<sup>1</sup>. Total premium volume rose by 2.7% in real terms (i.e. adjusted for inflation) above the pre-crisis levels of 2009. Capital has been fully restored in the non-life sector.

<sup>1</sup> Swiss Re: "World Insurance Report 2010"



Premiums in the emerging markets grew strongly by 11% while premium growth in the industrialized countries was a paltry 1.4%. The capital base of the industry continued to strengthen in 2010.

**Table 1: Real Premium Growth**

	Life	Non - Life	Average Growth
Industrialised countries	1.8%	1.0%	1.4%
Emerging markets	13%	8.5%	11%
World	3.2%	2.1%	2.7%

Source: Swiss Re - Sigma 2/2011

## 2.1 Global Life Insurance Premiums

Global Life insurance premiums increased by 3.2% in 2010. Asian emerging markets and a number of large continental European markets contributed the most to the growth. In the US and the UK, premiums continued to decline, although at a slower pace compared to 2009. The capital position of life insurers continued to recover. Improved sales, lower lapses and higher capital gains on financial assets supported operating margins. However, profitability continued to remain low due to low interest rates.

## 2.2 Global Non Life Premiums

Global non-life insurance premiums rose by 2.1% in 2010. In emerging Asia and the newly industrialized countries in the region, the strong economic rebound pushed up non-life premium growth, while soft pricing continued to slow growth in Europe and the US. Consequently underwriting results deteriorated further in 2010, despite average natural catastrophe losses.

## 2.3 Global Catastrophic Losses

According to Swiss Re's latest sigma study, worldwide economic losses from natural catastrophes and man-made disasters were USD 218 billion in 2010, more than triple the 2009 figure of USD 68 billion. The cost to the global insurance industry was more than USD 43 billion, an increase of more than 60% over the previous year. Approximately 304,000 people died in these events, the highest number since 1976. In 2010, two sizable earthquakes struck Chile and New Zealand, causing a loss of \$8 billion and \$4 billion respectively. The recent earthquake and tsunami in Japan far exceeds the cost of last year's events, leaving many insurers on edge given the apparent fragility of the world's economy.



**Table 2: Catastrophic Losses ranking**

Ranking	Insured Losses (in USD M)	Date (Start)	Event	Country
1	8000	22/02/2010	Earthquake (Mw 8.8) triggers tsunami	Chile
2	4453	04/09/2010	Earthquake (Mw 7.0)	New Zealand
3	2754	27/02/2010	Winter storm Xynthia	France/Germany/Spain et al
4	2165	04/10/2010	Thunderstorms, tornadoes, hail floods	US
5	2050	23/12/2010	Floods caused by heavy rains, tropical cyclone Tasha	Australia
6	2000	12/05/2010	Storms with winds up to 130 km/h, hail	US
7	1231	13/03/2010	Storm with wind up to 120 km/h, hail, rain, floods	US
8	1079	22/03/2010	Storm, winds up to 120 km/h, hail, rain mudslides	Australia
9	1070	06/03/2010	Storms, hail, rain: floods	Australia
10	1000	20/04/2010	Explosion On Deepwater Horizon	Gulf of Mexico, US

Source: Swiss Re, Sigma catastrophe database

## 2.4 Global Outlook For 2011

Demand for insurance is expected to rise as the recent natural catastrophes in Japan and Oceania have highlighted the importance of non-life insurance in mitigating the financial impact of catastrophic events, which are still underinsured in the emerging market countries. Due to the ageing of the population, the role of the life insurance is also likely to increase, especially as governments are under pressure to reduce budget deficits and address the huge liabilities of their old-age provision.

In 2011, the economic recovery is expected to continue supporting premium growth in life and non-life insurance in the industrialised countries and emerging markets. Profitability in both sectors will continue to be low as interest rates are expected to rise slowly. The devastating earthquakes in Japan and New Zealand are likely to result in higher premiums in those countries and help to stop the trend of softening rates worldwide.

Premium growth in life is expected to continue in 2011. Growth is expected to remain strong in the emerging markets. In medium to long term, the macro environment will be crucial for life insurance profitability. With higher charges on risky investments (under Solvency II), life companies will be forced to shift assets into less risky asset classes, such as highly rated government and corporate bonds. This might reduce profitability and partially erode the attractiveness of savings products with fixed guarantees.

## 2.5 Insurance Performance in Africa

Life Insurance premiums in Africa fell by 2.4% to USD 47 billion in 2010, after having increased by 1.7% in 2009. South Africa is the dominant market, accounting for more than 90% of the regional life premium volume. Premium income in South Africa fell by 2.1% in 2010 (2009: 1.7%). A number of takaful companies have set up operations in Egypt as well as in other African countries. This is likely to increase the appeal for life insurance to the continent's Muslim population.

Life insurance in the region is likely to experience growth in the medium term as the economic recovery gains momentum.

Non-life premiums in Africa rose by 4.1% to USD 19 billion (2009:3.8%). South Africa which accounted for half of the regional non-life premium volume grew by 4.2%. Non Life premium income declined in Egypt by 2.6% but increased in Namibia by 10%. Due to rising commodity prices, the African economies performed relatively well during the global economic crisis and the expansion should continue. The Non-life insurance market should benefit accordingly.

**Table 3: Summary of insurance performance in selected countries in Africa**

COUNTRY	Non -Life Premium (USD Millions)	Penetration	Life Premium (USD Millions)	Penetration	Total Premium (USD Millions)	Total Penetration
KENYA	654	2.05%	334	1.05%	988	3.10%
ALGERIA	1075	0.7%	87	0.1%	1162	0.8%
EGYPT	938	0.4%	647	0.3%	1,585	0.4%
MOROCCO	1764	1.9%	827	0.9%	2,591	2.8%
NIGERIA	1008	0.4%	188	0.1%	1,196	0.4%
TUNISIA	673	1.5%	102	0.2%	775	1.7%
NAMIBIA	277	2.3%	610	5.0%	887	7.3%
S.AFRICA	10,111	2.8%	43,186	12.0%	53,297	14.8%

Source: Swiss "World Insurance Report, 2010" and Kenya "Economic Survey 2010"

### 3. Kenyan Insurance Sector

There were 46 licensed insurance companies at the end of 2010. 22 companies wrote non-life insurance business only, 9 wrote life insurance business only while 14 were composite (both life and non-life). There were 163 licensed insurance brokers, 23 medical insurance providers (MIPs) and 4223 insurance agents. Other licensed players included 120 investigators, 80 motor assessors, 21 loss adjusters, 2 claims settling agents, 10 risk managers and 26 insurance surveyors.

**Table 4: Insurance Players in Kenya**

Year	Agents	Brokers	Investigators/ Investigators	MIPS	Insurance/ Surveyors	Risk Managers	Loss Adjusters
2007	2665	201	213	21	30	8	23
2008	3356	141	152	19	19	6	17
2009	3076	137	163	21	26	5	18
2010	4223	163	200	23	26	10	21

The penetration of insurance in Kenya is estimated at 3%. The penetration ratio can be improved further by increasing the number of intermediaries particularly agents.

### 3.1 Changes in Legislation

There were notable legislative changes affecting the insurance sector in the year 2010 as outlined below:-

#### **Finance Act, 2010**

The following are the highlights from the Budget Speech read on the 10th of June, 2010 by the Deputy Prime Minister and Minister for Finance Hon. Uhuru Kenyatta:-

#### **The Insurance Act Cap 487**

Under the Insurance (Amendment) Regulations 2010 the following amendments took effect on 10th June, 2010:-

#### **Vide Legal Notice No 85, Kenya Gazette Supplement 2010, the Insurance Regulations, have been amended as follows:-**

Under Regulation 20, four copies of accounts, balance sheets, certificates returns or statements shall be forwarded to the Commissioner accompanied by an authentication certificate signed by both the principal officer and the auditor who prepared the accounts. It also allowed for the submission of such returns through the use of Information Technology.

Regulation 39 (2) which required that a broker submit additional bank guarantee or government bond being 25% of outstanding premium due from the broker to the Insurer in excess of the period permitted upon renewal of registration, under Section 156 (2) was deleted following the introduction of cash and carry in the year 2007.

Under Regulation 49 the fees payable by the members of the Insurance industry for registration or renewal of registration under the Act and the Regulations shall be paid to the Insurance Regulatory Authority.

The definition of medical insurance business was introduced under the Third Schedule to read as follows: "Medical Insurance Business means the insurance business of paying for medical expenses, including the business of covering disability or long term nursing or custodial care needs."

#### **Vide Legal Notice No 86, Kenya Gazette Supplement, 2010.**

Legal Notice No 105 of 2004 relating to the Insurance (Policyholders Compensation Fund) Regulations 2004 was revoked effective 10th June, 2010. The same was replaced with new regulations which are broader and more comprehensive, now referred to as Insurance (Policyholders Compensation Fund) Regulations 2010.

Apart from the amendment proposed to Section 23 whose effective date is 31st December, 2011, the following amendments proposed to the Insurance Act , Cap 487 under the Finance Act, 2010 took effect on 1st January, 2011 as follows:-

#### **Section 3A: Objects and functions of the Authority**

Under Section 3A, the mandate of the Insurance Regulatory Authority was expanded to allow the Authority to issue supervisory guidelines, come up with prudential standards and share information with the other Regulatory authorities all aimed at strengthening the regulators role.



## **Section 23: Minimum Capital Requirements**

The Finance Act, 2009 introduced Corporate Governance by amending Section 23 of the Insurance Act to restrict ownership and management of an insurer to 25% and 20% of paid up share capital or voting rights respectively. No person shall control or be beneficially entitled, directly or indirectly to more than 25% of the paid up share capital or voting rights of an insurer. Such a person would further not be entitled to appoint more than 25% of the board of directors of an insurer or receive more than 25% of the aggregate dividends of an insurer in any given financial year.

Further, no person can be appointed an Executive Director, Managing Director, Principal Officer or Senior Manager if such person controls or is beneficially entitled directly or indirectly to more than 20% of the paid up share capital or voting rights of the insurer. Such a person shall also not be entitled to appoint more than 20% of the board of directors or receive more than 20% of the aggregate dividends of the insurer in any given financial year.

The amendment was initially set to take effect on 31st December, 2010 but was later extended to 31st December, 2011 under the Finance Act, 2010. Indirect control or beneficial shareholding by natural persons or family members (including extended family members) was further defined and capped at 25% of the paid up share capital of an insurer.

Listed Companies were however exempted from this proviso. This means that shareholding by listed entities in an insurer in excess of 25% is permitted.

## **Section 42 (1): Admitted Assets**

Section 42(1) (d) was deleted. The item referred to unpaid premium due to the insurer for more than three months, and that previously secured under automatic non forfeiture against the surrender value of a life insurance policy as an inadmissible asset. Note: There was also a corresponding amendment under the regulations where outstanding premiums were deleted from the statement of admitted assets under the Part B of the Second Schedule, item 3(vii).

## **Section 67D (2): Dealing with Unregistered and unauthorized persons**

The prescribed penalty of Kenya Shillings two hundred thousand charged by IRA for persons carrying on insurance or reinsurance business without registration, persons charging a rate of premium other than that filed with the Commissioner, as well as persons found to be engaging in business malpractices shall be paid to the Policyholders Compensation Fund in such manner as may from time to time be prescribed by the Authority. It was previously payable by the crossed bankers draft in favour of the Permanent Secretary Treasury.

## **Section 71: Restriction on Loans, Advances etc by Insurer**

The unsecured loan or advance that an insurer may grant to an employee on compassionate grounds was increased from Kenya Shillings Twenty Thousand (Kshs.20,000/= ) to Kenya Shillings One Hundred Thousand( Kshs.100,000/=).

## **Section 150A: Registration of Medical Insurance Providers**

Medical Insurance Providers were previously acting as Risk takers in direct competition with Insurers. It was recommended that there be a clear distinction between medical insurers and medical service providers in order to prevent the direct conflict.

Under the Finance Act, 2010, Section 150A was amended to align the law accordingly to allow for this as follows:-

“Every person engaged in the business of placing medical insurance business with an insurer in expectation of payment by way of a commission, fee or remuneration shall apply to the Authority for registration as a Medical Insurance Provider under this Act.”

## **Section 153 (5) : Registration and Re-registration**

Following the signing of the East African Community Common Market protocol, insurance agents will be in a position to sell insurance and insurance related products anywhere across the various member partner states within the region.

## **Section 156: Advance payment of Premium**

Section 156 (7) which prescribed a penalty of 5% on outstanding premium payable by brokers for failure to remit premium under section 156(2) was deleted. Section 156(2) had been deleted in 2007 following the introduction of "cash and carry" for all classes of business.

## **Section 179: Personal liability of the Insurers Directors**

An amendment to Section 179 under the Finance Act, 2010 provided that a Director of an insurer who fails to pay the prescribed contribution to the Policyholders Compensation Fund and any outstanding penalty interest charge shall be held jointly and severally liable for the payment of the outstanding contribution and applicable interest. The liability of the Directors shall commence on the expiry of ninety (90) days from the due date of the outstanding statutory contribution.

## **Amendments from Other Statutes:-**

### **The Traffic Act, Cap 403**

Effective 1st January, 2011, the Registration **Book** in respect of Motor vehicles was to be referred to as Registration **Certificate**, under Sections 6,9 and 13 of the Traffic Act, Cap 403 respectively . There was also a further requirement that when a motor vehicle ceases to be used on the road, the owner is required to return both the registration certificate and the identification plates to the Registrar of Motor vehicles for cancellation.

### **Competition Act, 2010**

The Competition Act, 2010 received Presidential assent on the 30th December 2010 but its operational date was not gazetted. It provides for the creation of an autonomous Regulatory Authority to be known as the Competition Authority. The Authority will be responsible for investigating complaints from legal, natural persons and consumer bodies; promote the creation of consumer bodies, come up with rules and standards to govern competition and further allow for the exchange of information with other Regulatory agencies on matters of competition and consumer welfare.

### **HIV AIDS Prevention and Control Act, 2006**

Although the Act was passed on 30th December 2006 it became operational effective 1st December 2010 except for Section 39. The Act prohibits any person to compel another person to undergo an HIV test as a precondition for employment, marriage, or for purposes of taking out any insurance cover.

Section 35 however exempts life and health insurance from this requirement by requiring an insurer to provide a limit below which one will not be required to be tested. For any cover over and above this limit the proposer would be required to be tested.



### **Virtual Courts, New Civil Procedures and Court of Appeal Rules**

New Civil procedure and Court of Appeal Rules were introduced effective December 2010 as part of the ongoing reforms in the judiciary. With the new rules in place, the judiciary is expected to actively be engaged in case management with a view to reducing the backlog of matters in Court.

Further, reforms have been witnessed with the introduction of Virtual Courts interlinking Court stations across the country. This is expected to bring about a reduction in costs and time incurred travelling to various stations by litigants and their advocates.

### **The Proceeds of Crime and Anti Money Laundering Act, 2009**

Vide Legal Notice No 89, Kenya Subsidiary legislation, 2010; the Minister for Finance gazetted Monday, 28th June, 2010 as the effective date for the Proceeds of Crime and Anti-Money Laundering Act, 2009.

## 4. Premium Income

The gross written premium by the industry was Kshs 79.10 billion compared to Kshs 64.47 billion in 2009 representing a growth of 22.7%. The gross written premium from Non-Life insurance was Kshs 52.35 billion (2009: Kshs 43.11 billion) while that from life insurance business was Kshs 26.71 billion (2009: Kshs 21.36).

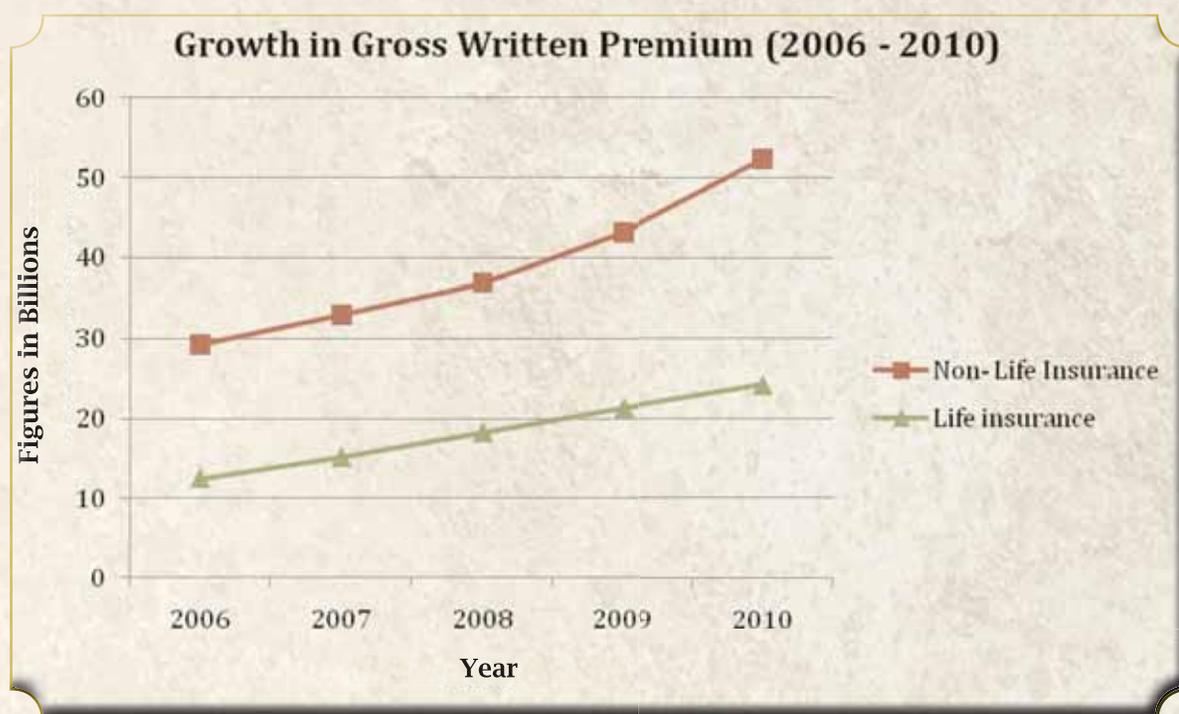
Non-Life insurance premium grew by 21.43% while life insurance premium and contributions from deposit administration & investment/unit linked contracts grew by 25.23%. The industry has consistently recorded growth over the last eight years as illustrated in table 5 below.

**Table 5: Gross Written Premium for the Period 2003 – 2010**

Year	2003	2004	2005	2006	2007	2008	2009	2010
Non- Life Insurance	19.40	22.78	25.39	29.20	32.95	36.89	43.11	52.35
Life insurance*	8.50	9.97	11.03	12.48	15.14	18.30	21.36	26.71
Total	27.90	32.75	36.42	41.68	48.09	55.19	64.47	79.06

Figures in billions Kenya shillings.

\* Figures include deposit administration and investments/ unit linked contracts contributions.



### 4.1 Profitability

Industry earnings from investment and other income increased by 58.3% from Kshs. 15.10 billion in 2009 to Kshs. 23.93 billion in 2010. The combined industry profit after taxation increased by 79.5% to Kshs. 7.70 billion in 2010 compared to Kshs. 4.29 billion in 2009. The overall underwriting profit posted under non-life insurance was Kshs. 1.27 billion compared to Kshs. 414 million in 2009.

## 4.2 Assets & Liabilities

Total assets held by the industry increased by 27.2% to Kshs 209.72 billion in 2010 (2009: Kshs 164.88 billion). Total liabilities increased by 22.1% to Kshs 159.87 billion in 2010 (2009: Kshs 130.97 billion). Net assets increased by 47.0% to Kshs 49.85 billion in 2010 (2009: Kshs 33.91 billion).

## 4.3 Claims

The industry incurred net claims totaling Kshs 40.07 billion in 2010 compared to Kshs 30.66 billion in 2009, representing an increase of 30.7%.

## 4.4 Expenses

Total commission and expenses for the industry was Kshs 24.54 billion in 2010 (2009: Kshs 21.41 billion), representing an increase of 14.6%.

## 4.5 Insurance Industry Performance Relative to the Economy

The performance of the industry relative to the Kenyan economy for the period 2006 to 2010 is shown in table 6 below.

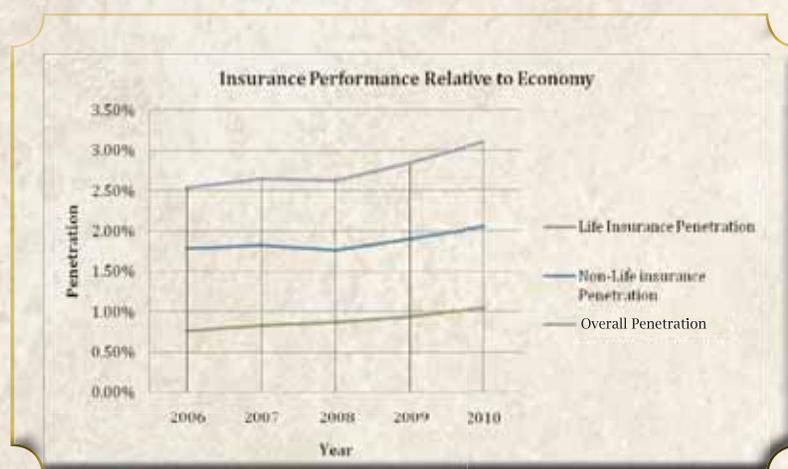
**Table 6: Insurance Performance relative to economy**

	2006	2007	2008	2009	2010
Gross Domestic Product (GDP) at market prices <sup>1</sup>	1,623	1,834	2,111	2,365	2,551
Life Insurance Premium*	12.48	15.14	18.30	21.36	26.71
Life Insurance Penetration	0.76%	0.83%	0.87%	0.94%	1.05%
Non-Life insurance Premium	29.20	32.95	36.89	43.11	52.35
Non-Life insurance Penetration	1.78%	1.82%	1.76%	1.90%	2.05%
Total Premium*	41.68	48.09	55.19	64.47	79.06
Overall Penetration**	2.54%	2.65%	2.63%	2.84%	3.10%

Figures in billions Kenya shillings

\*Premium includes deposit administration and unit linked contracts contributions.

$$**\text{Insurance Penetration} = \frac{\text{Gross Premium}}{\text{GDP}} \times 100$$



<sup>1</sup> Source: Economic Survey 2011

The penetration of insurance in the year 2010 was 3.1% compared to 2.8% in 2009. Life insurance recorded a penetration ratio of 1.05% (2009:0.94%) while that of non-life insurance was 2.05% (2009:1.9%).

## 5. Statements of Comprehensive Income and Financial Position

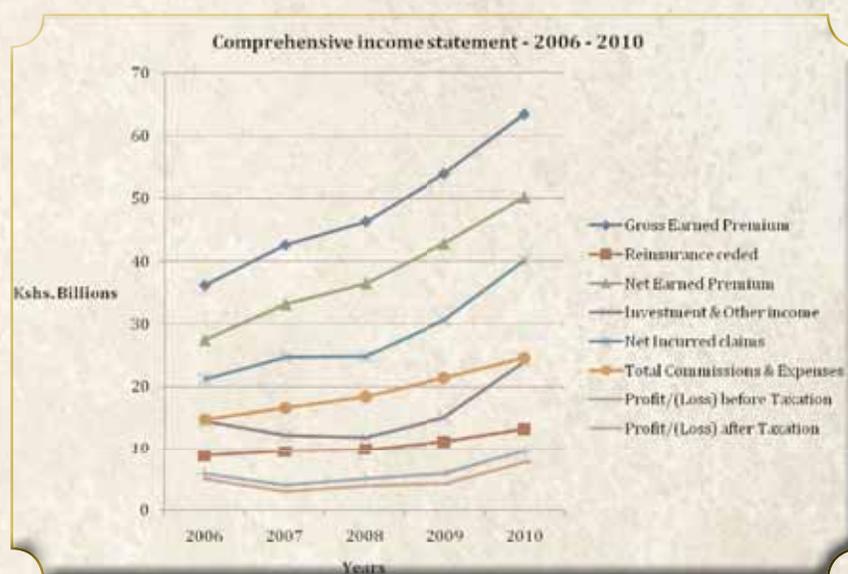
### 5.1 Combined Industry Statement of Comprehensive Income

The insurance industry's statement of comprehensive income for the last five years is shown in table 7 below.

Table 7

	2006	2007	Growth %	2008	Growth %	2009	Growth %	2010	Growth %
Gross Earned Premium	36.14	42.58	17.82	46.32	8.78	53.92	16.41	63.44	17.66
Reinsurance ceded	8.74	9.48	8.47	9.84	3.80	11.12	13.01	13.23	18.97
Net Earned Premium	27.40	33.10	20.80	36.48	10.21	42.80	17.32	50.21	17.31
Investment & Other income	14.42	12.19	-15.46	11.75	-3.61	15.10	28.51	23.91	58.34
Net Income	41.82	45.29	8.30	48.23	6.49	57.90	20.05	74.12	28.01
Net Incurred claims	21.20	24.70	16.51	24.83	0.53	30.66	23.48	40.07	30.69
Total Commissions & Expenses	14.77	16.58	12.25	18.35	10.68	21.41	16.68	24.54	14.62
Profit/(Loss) before Taxation	5.85	4.01	-31.45	5.05	25.94	5.83	15.45	9.51	63.12
Provision for Taxation	0.87	0.99	13.79	1.20	21.21	1.54	28.33	1.81	17.53
Profit/(Loss) after Taxation	4.97	3.02	-39.24	3.85	27.48	4.29	11.43	7.70	79.49

Figures in billions Kenya shillings



The gross earned premium increased by 17.66% in 2010 from 2009. Reinsurance premium ceded increased by 19.0%. Investment and other income increased by 58.3% in 2010 from 2009 due to recovery of the capital market.

Net incurred claims and commissions & expenses increased by 30.7% and 14.6% in 2010 respectively. Profit before taxation increased by 63.1% in 2010 compared to 15.5% in 2009. Provision for taxation increased by 17.5% in 2010 compared to 28.3% in 2009.

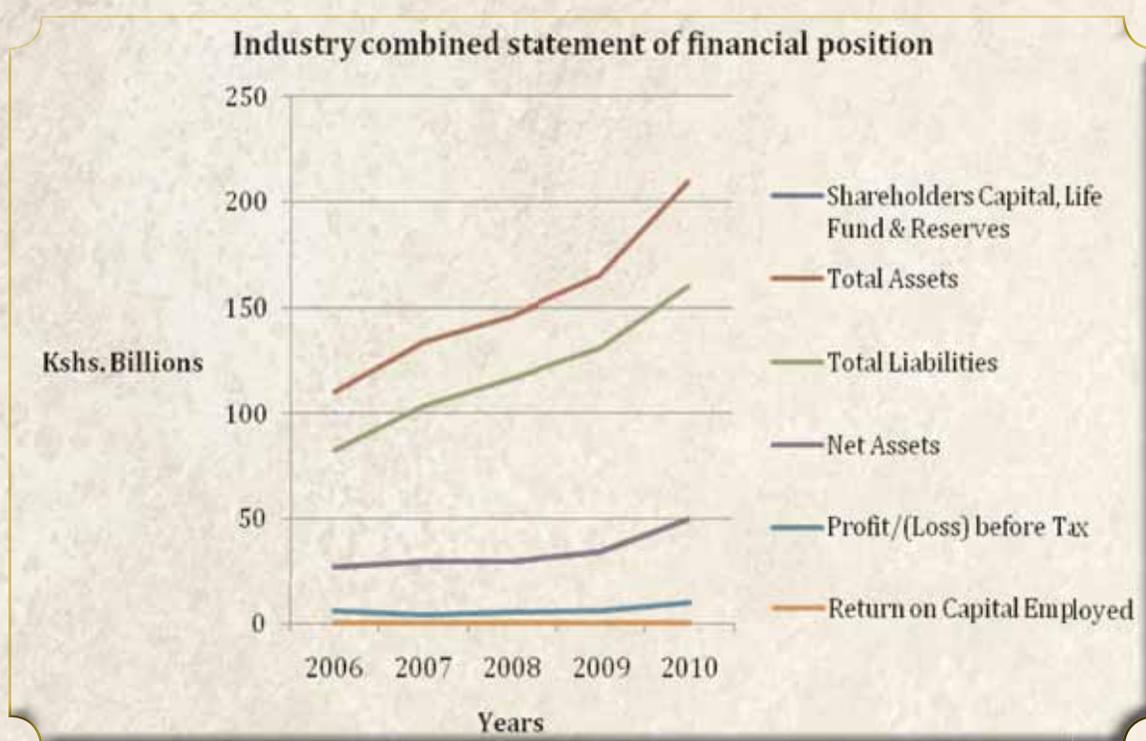
## 5.2 Combined Industry Statement of Financial Position

The insurance industry's combined Statement of Financial Position is shown in table 8 below.

**Table 8**

	2006	2007	Growth %	2008	2009	Growth %	2010	Growth %
Shareholders Capital, Life Fund & Reserves	27.40	30.04	9.64	29.62	33.91	14.48	49.85	47.01
Total Assets	110.07	134.10	21.83	146.12	164.88	12.84	209.72	27.20
Total Liabilities	82.67	103.83	25.60	116.37	130.97	12.55	159.87	22.07
Net Assets	27.40	30.04	9.64	29.62	33.91	14.48	49.85	47.01
Profit/(Loss) before Tax	5.85	4.01	-31.45	5.05	5.83	15.45	9.51	63.12
Return on Capital Employed	0.21	0.13	-38.10	0.17	0.15	-11.76	0.19	26.67

Figures in billions Kenya shillings



The insurance industry shareholders capital, life fund and reserves increased by 47.0% in 2010 compared to 14.5% in 2009. Total assets and liabilities grew by 27.2% and 22.1% in 2010 compared to 12.8% and 12.6% in 2009 respectively.

Net assets increased by 47.0% in 2010 compared to 14.5% in 2009. Profit before tax increased by 63.1% in 2010 compared to 15.5% in 2009. Return on capital employed increased by 26.7% compared to a decrease of 11.8% in 2009.

## 6. Non-Life Insurance Business

Non-life insurance covers property and casualty risks, which in Kenya are divided into thirteen broad classes. Non-life insurance typically comprises any insurance that is short term in nature. Nearly all short term insurance covers run for a period not exceeding 12 months with the exception of a few e.g. Contractors All Risks (CAR).

Non life insurance is broadly divided into two areas, namely, commercial lines and personal lines. Personal lines products are designed mainly for individuals and include such covers like private car, domestic package, golfers, travel insurance and others, while commercial lines insures corporate risks such as supermarkets, industries, hotels and so on. The major classes of non life insurance business are motor, fire, WIBA, personal accident, marine, theft and medical insurance. In the past, medical was reported under personal accident. Other classes include liability, aviation, engineering and miscellaneous accidents. Micro-insurance and 'TAKAFUL' are gaining prominence in Kenya. Thirty seven (37) insurance companies write non-life insurance business.

### 6.1 Premium Income

Gross premium for the year was Kshs. 52.36 billion compared to Kshs. 43.11 billion in 2009. This represents a 21% growth compared to 17% realised in 2009. The contribution of non-life insurance business to the GDP was 2.05% in 2010 compared to 1.90% in 2009. The table below shows the gross premium, market share and percentage growth per company for the last three years for all companies that write Non-life Insurance business.

Table 9: Gross Written Premium, Percentage Growth and Market Share

Company	2008			2009			2010		
	Gross Premium	Percentage Growth (%)	Market Share (%)	Gross Premium	Percentage Growth (%)	MarketShare (%)	Gross Premium	Percentage Growth (%)	Market Share (%)
Amaco	976,595	73.23	2.65	1,387,417	42.07	3.22	1,736,718	25.18	3.32
APA	3,002,903	27.48	8.14	3,633,629	21.00	8.43	4,611,408	26.91	8.81
Blue Shield	2,203,284	-3.09	5.97	1,965,169	-10.81	4.56	1,240,274	-36.89	2.37
British American	992,955	46.08	2.69	1,454,066	46.44	3.37	1,785,090	22.77	3.41
Cannon	602,062	7.91	1.63	795,705	32.16	1.85	937,443	17.81	1.79
Cfc Life*	631,264	-6.44	1.71	848,660	34.44	1.97	732,961	-13.63	1.40
Chartis	2,084,859	15.71	5.65	2,033,698	-2.45	4.72	2,612,757	28.47	4.99
Concord	668,902	14.17	1.81	675,174	0.94	1.57	472,866	-29.96	0.90
Co-operative	1,280,698	24.49	3.47	1,652,979	29.07	3.83	2,961,208	79.14	5.66
Corporate	365,800	4.2	0.99	368,231	0.66	0.85%	359,874	-2.27	0.69
Directline	696,226	168.46	1.89	1,188,241	70.67	2.76%	1,573,296	32.41	3.00
Fidelity	737,893	7.87	2	796,930	8.00	1.85	863,792	8.39	1.65
First Assurance	1,350,061	29.99	3.66	1,647,090	22.00	3.82	2,089,694	26.87	3.99
Gateway	527,422	20.85	1.43	623,014	18.12	1.45	523,463	-15.98	1.00
Geminia	513,045	11.32	1.39	619,301	20.71	1.44	770,130	24.35	1.47
GA Insurance	887,907	30.14	2.41	1,119,900	26.13	2.60	1,411,585	26.05	2.70
Heritage	1,712,210	13.75	4.64	1,918,978	12.08	4.45	2,477,112	29.08	4.73
ICEA	1,416,838	20.77	3.84	1,653,013	16.67	3.83	1,959,759	18.56	3.74
Intra	462,800	14.87	1.25	502,130	8.50	1.16	559,755	11.48	1.07
Invesco**							562,853	-	1.08

Jubilee	3,109,317	26.9	8.43	3,689,991	18.68	8.56	4,711,566	27.69	9.00
Kenindia	2,831,687	-6.5	7.67	2,833,971	0.08	6.57	3,341,735	17.92	6.38
Kenyan Alliance	156,919	-55.6	0.43	294,766	87.85	0.68	502,240	70.39	0.96
Kenya Orient	439,170	54.97	1.19	586,789	33.61	1.36	777,797	32.55	1.49
Lion	1,597,683	31.21	4.33	1,740,228	8.92	4.04	1,835,477	5.47	3.51
Madison	549,812	-12.17	1.49	664,152	20.80	1.54	939,862	41.51	1.80
Mayfair	454,771	66.52	1.23	561,162	23.39	1.30	702,078	25.11	1.34
Mercantile	377,432	2.05	1.02	425,087	12.63	0.99	484,351	13.94	0.93
Occidental	874,531	18.05	2.37	1,028,034	17.55	2.38	1,135,075	10.41	2.17
Pacis	251,860	55	0.68	313,598	24.51	0.73	425,013	35.53	0.81
Phoenix	628,637	19.51	1.7	492,496	-21.66	1.14	426,899	-13.32	0.82
Pioneer*	130,513	45.82	0.35	169,531	29.90	0.39	132,556	-21.81	0.25
Real	872,290	16.79	2.36	1,167,599	33.85	2.71	1,396,858	19.64	2.67
Shield*							15,389		0.03
Tausi	487,336	-2.65	1.32	511,380	4.93	1.19	554,273	8.39	1.06
The Monarch	114,664	-18.4	0.31	162,672	41.87	0.38	261,974	61.04	0.50
Trident	440,049	21.91	1.19	517,850	17.68	1.20	605,292	16.89	1.16
UAP	2,465,158	23.25	6.68	3,064,856	24.33	7.11	3,866,576	26.16	7.38
Total	36,895,551	11.98	100.00	43,108,486	16.84	100.00	52,357,448	21.45	100.00

Figures in Kshs. '000

\* Premium figures are for medical insurance business written by companies that specialise in life insurance.

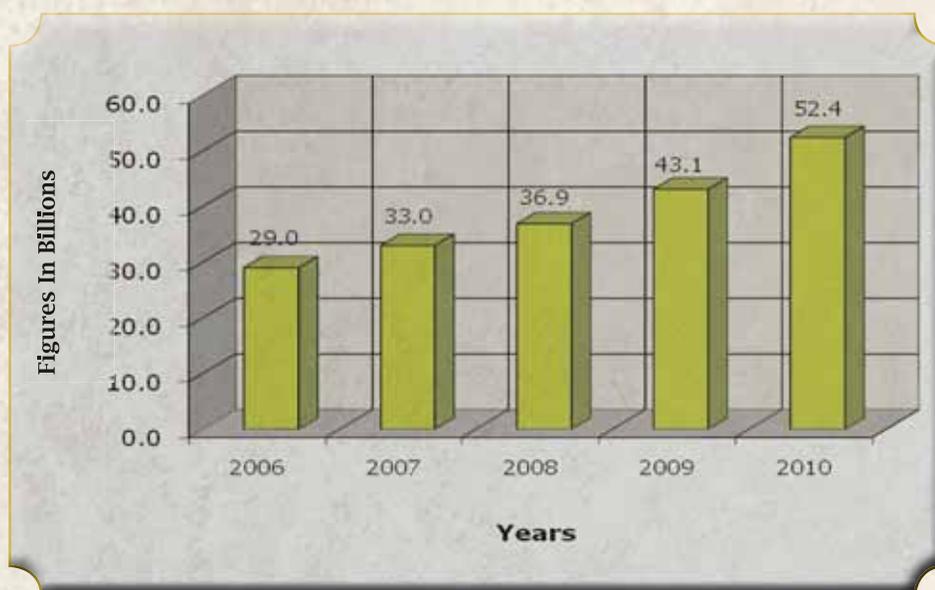
\*\* Invesco Assurance Company was not operational in 2008 and 2009, hence the figures are not available.

Table 9 above shows that seven (7) companies recorded negative growth, fourteen (14) companies recorded growth of over 25 % while three (3) companies recorded growth of over 50% during the year under review.

### Non Life insurance premium growth for the last five years (2006 – 2010)

Non-life insurance premium has grown in the last five years by over Kshs. 23 billion which represents an average growth of Kshs. 4.7 billion per year. This is presented in the graph below:

### Non Life Insurance Premium Growth for the last five years (2006-2010)



## 6.2 Performance of main classes of business

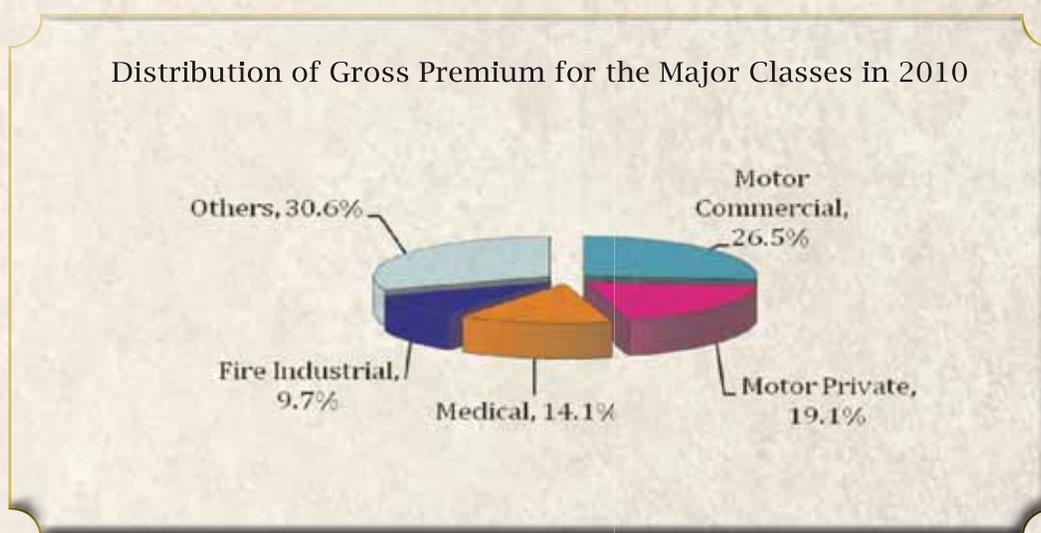
The following classes of insurance i.e. motor private, motor commercial, fire industrial and medical each recorded gross premiums of Kshs. 5.0 billion and above and accounted for 69% of the total gross premium in 2010. The other remaining classes accounted for 16 billion or 31% of the total gross general insurance premium. Table 10 below shows the distribution of gross premium per class.

**Table 10: Distribution of Gross Written Premium per Class**

	Class of Business	Amount (Billions)	% of Total Premium
1	Motor Commercial	13.9	26.5%
2	Motor Private	10.0	19.1%
3	Medical	7.4	14.1%
4	Fire Industrial	5.1	9.7%
5	Others	16.0	30.6%
	<b>Total</b>	<b>52.4</b>	<b>100.0%</b>

Motor insurance business accounted for 45.6% of the total gross premium while all other classes shared the balance. This has been the trend for the last six years. In previous years the personal accident class of business might appear to have performed well. However, this is attributed to the fact that the class has previously been reported together with medical insurance as one class of business.

## Non Life insurance premium distribution for the major classes in 2010



### 6.3 Gross Written Premium Growth per Class

Table 11 below shows distribution of gross premium per class from 2008 to 2010. Between 2009 and 2010 Motor private class of business recorded the highest growth of 36.2% followed by Liability with 30.6% growth. In the year 2009, Aviation had the highest growth followed by Liability. Personal accident insurance recorded a negative growth during the year. This may be attributed to the separation of premiums for personal accident and medical business.

**Table 11: Distribution of gross written premium per class from 2008 to 2010**

Class of Business	2008	2007/2008 Growth %	2009	2008/2009 Growth %	2010	2009/2010 Growth %
Aviation	324,968	24.29	479,388	47.52	532,060	10.99
Engineering	1,274,417	21.63	1,317,430	3.38	1,538,485	16.78
Fire Domestic	672,104	8.13	785,016	16.80	866,158	10.34
Fire Industrial	4,322,691	13.44	4,418,965	2.23	5,063,678	14.59
Liability	918,143	21.11	940,762	2.46	1,228,252	30.56
Marine	1,735,729	10.19	1,704,169	-1.82	2,105,758	23.57
Motor Private	6,102,723	10.41	7,306,829	19.73	9,951,385	36.19
Motor Commercial	9,322,442	5.86	11,254,995	20.73	13,901,314	23.51
Personal Accident	7,069,521	13.04	8,393,409	18.73	2,523,201	-69.94
Medical	0	0.0	5,887,152	25.0	7,433,967	26.27
Theft	1,764,987	8.92	2,003,838	13.53	2,152,772	7.43
WIBA	2,145,004	99.77	3,092,460	44.17	3,448,261	11.51
Miscellaneous Accidents	1,292,640	-18.63	1,411,233	9.17	1,513,800	7.27
<b>Total</b>	<b>36,895,551</b>	<b>11.98</b>	<b>43,108,486</b>	<b>16.84</b>	<b>52,357,448</b>	<b>21.46</b>

Figures in Kshs. 000

Table 12: Gross Written Premium per company per class

Company	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
Amaco	-	11,316,063	4,675,762	31,668,011	5,339,577	6,682,706	537,429,913	1,051,363,216	19,574,750	-	8,959,807	19,433,431	40,274,372	1,736,717,608
APA	112,751,000	117,343,000	57,201,000	335,274,000	249,649,000	142,473,000	548,371,000	763,052,000	142,358,000	1,574,629,000	141,015,000	311,937,000	115,355,000	4,611,408,000
Blue Shield	-	2,720,416	900,147	1,720,881	270,884	885,146	301,468,564	921,203,900	1,552,577	-	2,419,705	4,069,262	3,062,532	1,240,274,013
British American	-	60,078,000	37,296,000	86,522,000	12,001,000	111,122,000	300,680,000	388,175,000	241,980,000	411,376,000	58,680,000	47,723,000	29,456,000	1,785,090,000
Cannon	-	77,231,955	10,750,755	56,632,450	8,858,958	22,094,562	251,047,996	302,992,093	33,765,662	-	32,545,708	94,536,352	46,986,524	937,443,015
CFC Life	-	-	-	-	-	-	-	-	-	732,961,000	-	-	-	732,961,000
Charis Kenya	-	9,165,000	56,856,000	669,982,000	455,875,000	67,037,000	304,199,000	351,717,000	421,647,000	-	156,997,000	111,917,000	7,365,000	2,612,757,000
Concord	-	12,828,362	5,286,128	25,230,894	2,652,996	52,569,532	121,182,600	109,872,383	4,433,211	-	19,205,428	45,261,804	74,342,928	472,866,267
Co-operative	-	45,350,000	57,976,000	187,276,000	9,408,000	1,919,000	1,009,669,000	921,770,000	143,973,000	175,801,000	281,555,000	101,134,000	25,378,000	2,961,208,000
Corporate	-	10,726,000	5,287,000	22,815,000	1,192,000	5,176,000	137,430,000	123,776,000	9,352,000	-	27,978,000	9,645,000	6,497,000	359,874,000
Directline *	-	-	-	-	-	-	-	1,573,296,380	-	-	-	-	-	1,573,296,380
Fidelity Shield	-	8,900,000	12,150,000	75,879,000	4,181,000	32,766,000	245,940,000	342,143,000	18,563,000	-	39,553,000	81,527,000	2,190,000	863,792,000
First Assurance	-	177,160,000	26,544,000	225,814,000	31,928,000	61,919,000	473,658,000	654,882,000	79,170,000	79,699,000	78,198,000	156,340,000	43,932,000	2,089,694,000
Gateway	-	1,623,854	3,685,191	7,992,258	2,802,271	456,475	146,759,422	345,693,697	2,207,119	-	2,572,487	6,239,664	3,430,163	523,462,601
Gemina	-	14,360,614	21,895,463	91,462,762	6,969,666	71,867,526	120,835,487	201,557,880	21,743,945	20,739,181	65,997,511	118,698,894	14,001,324	770,130,253

Company	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
GA Insurance	-	79,475,725	25,867,385	190,560,462	17,073,210	116,943,371	175,141,759	205,003,172	23,987,111	210,352,572	96,980,891	180,260,116	89,938,903	1,411,584,677
Heritage	-	25,390,000	119,691,000	184,787,000	97,272,000	53,303,000	510,665,000	413,762,000	176,253,000	557,736,000	74,329,000	174,231,000	89,692,000	2,477,112,000
ICEA	35,710,000	90,797,000	42,598,000	241,108,000	32,976,000	77,511,000	435,840,000	531,403,000	101,350,000	118,873,000	130,949,000	112,940,000	7,704,000	1,959,759,000
Intra Africa	-	37,737,268	19,880,548	51,635,377	3,160,219	40,501,368	132,088,807	127,267,052	8,888,366	-	38,921,428	81,695,610	17,979,083	559,755,126
Invesco	-	91,317	8,411	88,094	18,648	30,000	81,035,530	479,206,467	1,934,291	-	180,746	242,350	17,045	562,852,899
Jubilee	8,177,000	106,882,000	37,349,000	447,608,000	55,885,000	225,383,000	651,744,000	328,004,000	301,403,000	2,114,280,000	123,412,000	135,908,000	175,531,000	4,711,566,000
Kenindia	-	170,017,000	36,657,000	685,426,000	36,030,000	334,809,000	438,638,000	570,427,000	171,151,000	38,017,000	270,090,000	558,970,000	31,505,000	3,341,735,000
Kenya Alliance	-	3,951,294	16,311,777	21,919,183	1,112,759	6,526,450	254,388,731	152,779,661	12,874,067	-	20,637,694	11,150,119	678,758	502,240,493
Kenya Orient	-	26,318,707	4,614,428	21,162,233	4,117,287	4,184,669	313,974,050	317,128,990	5,966,358	-	15,458,464	20,471,474	44,399,869	777,796,529
Lion of Kenya	317,043,000	52,318,000	41,128,000	264,136,000	29,574,000	126,953,000	163,407,000	495,008,000	75,211,000	-	88,663,000	151,978,000	30,058,000	1,835,477,000
Madison	-	27,642,000	4,201,000	51,794,000	38,255,000	7,341,000	106,058,000	199,975,000	110,845,000	337,580,000	15,525,000	29,892,000	10,753,000	939,862,000
Mayfair	-	55,235,460	20,041,911	84,542,902	6,913,662	68,525,126	130,394,626	81,848,863	18,436,568	-	59,330,853	108,850,551	67,957,023	702,077,545
Mercantile	-	6,809,000	6,947,000	37,734,000	1,742,000	4,200,000	52,226,000	34,872,000	7,429,000	43,316,000	13,731,000	13,409,000	261,936,000	484,351,000
Occidental	-	45,831,308	26,389,179	141,610,439	5,336,860	115,820,774	176,856,896	240,117,043	36,316,377	-	97,038,474	200,624,599	49,133,486	1,135,075,435
Pacis	-	3,681,000	8,587,000	28,934,000	5,361,000	2,113,000	182,391,000	121,108,000	20,465,000	12,928,000	14,230,000	23,905,000	1,310,000	425,013,000
Phoenix of East Africa	58,379,000	50,760,000	5,901,000	55,834,000	4,137,000	8,179,000	164,388,000	39,569,000	14,832,000	-	10,746,000	11,969,000	2,206,000	426,899,000



Company	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor-Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
Pioneer	-	-	-	-	-	-	-	-	-	132,556,179	-	-	-	132,556,179
Real	-	61,668,000	30,210,000	149,155,000	20,899,000	29,108,000	447,346,000	358,158,000	149,776,000	-	24,242,000	79,902,000	46,394,000	1,396,858,000
Shield Assurance	-	-	-	-	-	-	-	-	-	15,789,000	-	-	-	15,789,000
Tausi	-	25,978,758	22,420,397	85,306,887	5,210,005	85,416,202	80,239,017	54,045,969	12,045,331	-	70,392,705	94,776,659	18,441,131	554,273,061
The Monarch	-	4,203,957	1,582,660	6,099,032	2,635,670	4,457,802	81,872,202	113,827,465	19,171,421	-	3,447,451	16,413,305	8,262,593	261,973,558
Trident	-	24,953,099	9,655,082	72,189,508	3,003,089	63,912,339	84,901,996	141,556,567	9,325,577	-	41,163,521	103,904,478	50,726,350	605,291,606
UAP Insurance	-	89,941,000	85,614,000	423,779,000	66,411,000	153,572,000	789,117,000	844,752,000	105,220,000	857,334,000	126,626,000	228,305,000	96,906,000	3,866,576,000
<b>TOTAL</b>	<b>532,060,000</b>	<b>1,538,485,157</b>	<b>866,158,224</b>	<b>5,063,678,373</b>	<b>1,228,251,761</b>	<b>2,105,758,048</b>	<b>9,951,384,596</b>	<b>13,901,313,798</b>	<b>2,523,200,731</b>	<b>7,433,966,932</b>	<b>2,251,771,873</b>	<b>3,448,260,668</b>	<b>1,513,800,084</b>	<b>52,357,448,245</b>

\* Directline Assurance writes Motor Commercial only.

From the above table, it should be noted that only five companies wrote Aviation business hence the low premiums. The gross premium grew by about 21% and 8 companies managed to hit the Kshs 2 billion mark. In 2009 only six companies had reached the Kshs. 2 billion mark.

Table 13: Underwriting Profit/Loss per class per company

Company	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor-Private	Motor-Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
Amaco	-	-1,171,474	-11,044,032	-6,620,588	-634,576	962,873	20,753,676	51,252,660	11,503,274	-	2,421,272	-31,272	24,613,227	92,005,039
APA	2,535,000	-8,428,000	10,942,000	-40,532,000	-34,746,000	24,913,000	-34,546,000	15,100,000	-52,605,000	-137,971,000	51,715,000	62,495,000	60,693,000	-80,436,000
Blue Shield	-	1,605,178	733,081	903,132	-368,509	-244,684	54,742,100	4,314,669	1,348,188	-	-7,672,669	1,510,307	-221,749	56,649,046
British American	-	9,502,000	3,984,000	134,000	-2,384,000	27,516,000	-79,740,000	55,125,000	90,007,000	22,310,000	25,989,000	4,213,000	-4,245,000	152,411,000
Cannon	-	-17,648,585	3,232,522	-264,733	-28,014,995	-680,977	-53,982,011	-39,123,723	11,820,761	-	-631,322	36,693,182	49,718,774	-43,881,107
CFC Life	-	-	-	-	-	-	-	-	-	-192,934,000	-	-	-	-192,934,000
Chartis Kenya	-	-2,677,000	31,033,000	5,449,000	52,369,000	3,344,000	-9,874,000	-6,685,000	83,632,000	-	32,454,000	39,692,000	1,944,000	230,681,000
Concord	-	17,396,300	2,650,734	-2,996,247	771,017	39,929,498	12,326,704	-11,682,038	10,702,987	-	-10,281,362	-29,541,281	5,280,752	34,557,065
Co-operative	-	6,818,000	16,889,000	26,802,000	1,001,000	265,000	-142,760,000	120,949,000	15,163,000	-3,508,000	91,844,000	29,379,000	500,000	163,339,000
Corporate	-	2,034,000	1,314,000	6,978,000	3,451,000	840,000	-34,920,000	26,000	1,369,000	-	18,968,000	6,287,000	-1,651,000	4,696,000
Directline	-	-	-	-	-	-	-	-38,917,916	-	-	-	-	-	-38,917,916
Fidelity Shield	-	-3,955,000	-516,000	-2,554,000	-1,932,000	7,393,000	-41,163,000	45,541,000	-348,000	-	307,000	12,979,000	-439,000	15,313,000
First Assurance	-	18,960,000	5,486,000	13,261,000	-7,665,000	-3,479,000	-35,630,000	44,115,000	8,759,000	-7,837,000	7,839,000	3,364,000	12,147,000	59,320,000
Gateway	-	3,624,736	-11,180,732	-5,232,112	3,398,049	2,548,693	-23,091,112	-1,863,004	360,161	-	-2,178,152	-320,523	2,965,181	-30,968,816
Geminia	-	-528,336	-2,988,847	11,289,265	-1,296,988	8,370,205	1,077,842	5,636,875	942,684	-3,099,504	1,737,071	10,951,839	3,339,629	35,431,735
GA Insurance	-	8,087,112	146,277	79,192,069	13,293,088	-4,883,625	-68,105,055	-43,035,993	-4,636,420	19,621,412	-1,238,327	-14,777,498	31,347,922	15,010,962
Heritage	11,000	3,215,000	7,777,000	-30,570,000	28,855,000	7,911,000	-85,030,000	16,301,000	21,905,000	-80,990,000	18,018,000	55,707,000	19,816,000	-17,076,000
ICEA	2,898,000	27,627,000	14,366,000	-35,838,000	-3,707,000	9,759,000	-113,407,000	-9,111,000	13,307,000	-40,766,000	23,684,000	28,916,000	-6,778,000	-89,050,000
Intra Africa	-	4,079,222	-479,608	4,050,804	-1,190,111	-1,840,481	-12,138,490	22,364,305	-13,107,529	-	-3,749,172	11,051,347	2,450,426	11,490,713
Invesco	-	-31,625	-1,351,248	-1,101,815	-14,251	-228,137	10,643,497	16,213,765	-2,496,590	-	-18,512	40,576	-95,317	21,560,344

Company	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
Jubilee	-954,000	11,883,000	8,934,000	-4,462,000	19,678,000	21,421,000	-31,451,000	-543,000	95,071,000	96,468,000	31,971,000	33,551,000	54,029,000	335,598,000
Kenindia	-	19,509,000	12,291,000	39,424,000	-16,495,000	-33,950,000	-33,461,000	61,037,000	17,134,000	-34,796,000	-9,034,000	67,820,000	3,738,000	93,216,000
Kenya Alliance	-	-679,761	12,440,686	7,454,567	6,566,523	-3,519,040	197,343	4,763,776	36,594,466	-	9,634,682	14,675,669	294,471	88,423,382
Kenya Orient	-	-3,933,831	1,135,139	-910,687	-5,365,337	419,340	-61,024,877	49,144,001	-399,446	-	1,802,981	-1,690,597	6,554,683	-14,268,632
Lion of Kenya	6,964,000	10,663,000	9,598,000	23,408,000	26,668,000	26,725,000	26,510,000	39,598,000	8,551,000	-	9,892,000	-47,804,000	5,879,000	146,652,000
Madison	-	-24,670,000	1,175,000	5,245,000	10,687,000	13,040,000	-17,890,000	86,655,000	-7,130,000	1,013,000	-1,978,000	-3,282,000	-7,189,000	55,676,000
Mayfair	-	-1,131,908	4,542,295	-5,388,636	-159,435	2,671,947	-3,186,257	2,932,786	-2,874,780	-	-178,062	-20,363,246	15,776,998	-7,358,298
Mercantile	-	1,124,000	-5,559,000	2,484,000	294,000	955,000	-17,336,000	1,125,000	1,021,000	1,339,000	5,526,000	3,355,000	18,406,000	12,734,000
Occidental	-	533,622	2,936,656	23,272,528	1,077,166	-6,880,547	14,616,609	-41,832,151	6,583,128	-	-2,297,461	-6,154,696	11,722,207	3,577,061
Pacis	-	-1,194,000	1,485,000	-349,000	1,823,000	-173,000	-29,990,000	31,755,000	7,461,000	-3,190,000	4,727,000	5,379,000	532,000	18,267,000
Phoenix of East Africa	1,093,000	4,283,000	127,000	3,868,000	789,000	703,000	-49,963,000	565,000	700,000	-	885,000	1,638,000	368,000	-34,944,000
Pioneer	-	-	-	-	-	-	-	-	-	-1,233,601	-	-	-	-1,233,601
Real	-	-30,228,000	7,314,000	-51,241,000	12,518,000	-4,469,000	-2,612,000	75,827,000	-10,924,000	-	9,727,000	17,022,000	6,899,000	29,833,000
Shield Assurance	-	-	-	-	-	-	-	-	-	-1,542,566	-	-	-	-1,542,566
Tausi	-	-1,995,984	-196,486	-12,568,096	741,784	11,437,929	15,242,911	3,185,357	1,334,035	-	1,989,701	30,322,421	6,837,708	56,331,280
The Monarch	-	1,123,494	464,528	5,635,945	580,400	-1,104,364	-19,052,924	-9,124,779	7,246,898	-	1,216,177	5,962,541	1,625,444	-5,426,640
Trident	-	-2,501,924	3,818,257	-15,834,965	-9,578,966	-6,056,707	5,671,908	2,968,560	-6,292,367	-	2,149,763	-3,151,748	19,444,780	-9,363,409
UAP Insurance	-	15,309,000	13,616,000	30,637,000	7,348,000	18,506,000	-74,076,000	108,507,000	40,454,000	-162,776,000	38,558,000	64,074,000	4,903,000	105,062,000
Total	12,547,000	66,601,236	145,115,222	68,024,431	78,356,859	162,121,923	-912,647,136	663,084,150	392,156,450	-529,892,259	353,798,608	419,962,021	351,207,136	1,270,433,642

Ten (10) companies made a profit in motor private compared to 6 companies last year. The overall result for motor private was a loss of Kshs 913 million. Ten (10) companies made a net loss in motor commercial. The overall result was a profit of Kshs 663 million. Motor private and medical made losses during the year. Motor commercial made the highest profit during the year. Fourteen (14) companies made net losses while five (5) companies made a profit of over Kshs 100 million.

**Table 14: Summary of Revenue Accounts - 2010**

	Aviation	Engineering	Fire Domestic	Fire Industrial	Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total
Gross Written Premium	532,060,000	1,538,485,157	866,158,224	5,063,678,373	1,228,251,761	2,105,758,048	9,951,384,596	13,901,313,798	2,523,200,731	7,433,966,932	2,251,771,873	3,448,260,668	1,513,800,084	52,357,448,245
Net Earned Premium	6,058,000	381,119,549	643,738,607	1,069,632,660	562,743,311	1,020,854,810	8,106,204,687	11,986,239,838	1,713,619,836	5,896,039,130	1,442,772,234	3,148,465,257	714,879,616	36,692,370,535
Net Claims Incurred	2,823,000	211,128,283	221,852,107	473,580,214	251,336,527	513,885,570	6,071,619,997	7,043,094,421	603,601,839	4,802,568,412	661,337,128	1,469,402,276	148,965,063	22,475,197,935
Total Expenses	-9,314,000	103,386,031	276,770,279	528,029,015	233,047,924	344,846,319	2,947,233,826	4,280,059,266	717,863,548	1,623,364,977	427,636,498	1,259,102,960	214,707,417	12,946,740,960
Underwriting Profit/Loss	12,547,000	66,601,236	145,115,222	68,024,431	78,356,859	162,121,923	-912,647,136	663,084,150	392,156,450	-529,892,259	353,798,608	419,962,021	351,207,136	1,270,433,642

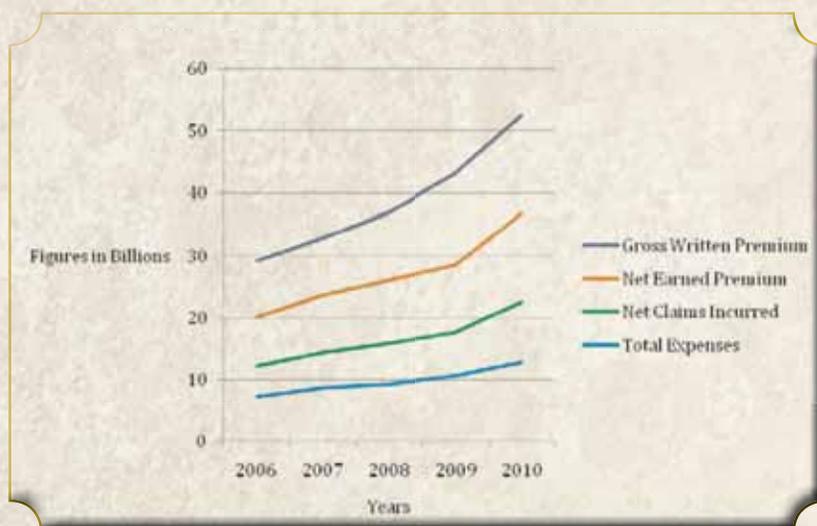
The industry made an underwriting profit of Kshs 1.27 billion compared to Kshs 414 million in 2009. WIBA made a profit for the third consecutive year. Motor private improved from a loss of Kshs 1.2 billion in 2009 to a loss of Kshs 913 million in 2010.

**Table 15: Summary of Non Life Insurance Revenue Accounts (2006-2010)**

	2006	2007	2008	2009	2010
Gross Written Premium	29.2	32.9	36.9	43.1	52.4
Net Earned Premium	20.2	23.6	26.1	28.5	36.7
Net Claims Incurred	12.3	14.5	15.9	17.6	22.5
Total Expenses	7.3	8.7	9.4	10.6	12.9
Underwriting Profit/Loss	0.6	0.4	0.8	0.4	1.3

Figures in Billions

## Summary of Non-Life Insurance Revenue Account Trend (2006 - 2010)



### 6.4 Claims

#### Incurred Claims

Non Life sector of insurance business incurred claims amounting to Kshs. 22.5 billion in 2010, compared to 17.6 billion in 2009. This reflects an increase of 28%. The net earned premium for 2010 was Ksh. 36.7 billion compared to Ksh. 28.5 billion in the previous year. This represents 29% growth.

Table 16: Technical Loss Ratio per Class

Class	Net Earned Premium	Net Incurred Claims Incurred	Loss Ratio
Aviation	6,058	2,823	46.6%
Engineering	381,120	211,128	55.4%
Fire Domestic	643,739	221,852	34.5%
Fire Industrial	1,069,633	473,580	44.3%
Public Liability	562,743	251,337	44.7%
Marine	1,020,855	513,886	50.3%
Motor Private	8,106,205	6,071,620	74.9%
Motor Commercial	11,986,240	7,043,094	58.8%
Personal Accident	1,713,620	603,602	35.2%
Medical	5,896,039	4,802,568	81.5%
Theft	1,442,772	661,337	45.8%
WIBA	3,148,465	1,469,402	46.7%
Miscellaneous Accidents	714,880	148,965	20.8%

Table 16 above shows that medical insurance had the highest loss ratio of 81.5% followed

by motor private at 75%. There is need to monitor the premium rates charged for these classes of business, or the claims management process or both. Miscellaneous accidents had the lowest loss ratio of 20.8%. Five (5) classes of insurance had loss ratios of 50% and above.

**Table 17: Technical Loss Ratio per Class per year for the Last five Years**

Class	2006	2007	2008	2009	2010
Aviation	11.5%	52.5%	65.4%	33.5%	46.6%
Engineering	52.4%	26.8%	55.1%	46.8%	55.4%
Fire Domestic	26.8%	26.1%	35.2%	33.7%	34.5%
Fire Industrial	34.0%	59.1%	51.1%	55.0%	44.3%
Public Liability	49.1%	27.4%	47.3%	48.0%	44.7%
Marine	39.5%	47.4%	51.2%	51.4%	50.3%
Motor Private	75.8%	75.8%	83.5%	80.8%	74.9%
Motor Commercial	51.0%	50.6%	57.4%	58.6%	58.8%
Personal Accident	73.4%	68.0%	50.2%	68.1%	35.2%
Medical			74.0%	80.4%	81.5%
Theft	59.1%	51.6%	60.8%	59.8%	45.8%
WIBA	90.4%	104.8%	37.9%	37.8%	46.7%
Miscellaneous Accidents	21.8%	40.5%	31.2%	31.8%	20.8%
<b>Average</b>	<b>61.1%</b>	<b>61.7%</b>	<b>61.0%</b>	<b>61.7%</b>	<b>61.3%</b>

Figures in Ksh. '000

The motor private technical loss ratio improved marginally from 80.8% to 75% during the year under review. WIBA had a technical loss ratio of 46.7% up from 37.8% and 37.9% in 2008 and 2009 respectively. Personal Accident technical loss ratio improved from 68.1% in 2009 to 35.2% in 2010. Over the last five years, the highest technical loss ratio was 105% in 2007 reported under WIBA. The overall average loss ratio improved marginally from 61.7% in 2009 to 61.3% in 2010.

## 6.5 Expenses

Total expenses amounted to Kshs 12.9 billion compared to Kshs 10.6 billion in 2009. This represents an increase of 22% from the previous year. The increase in expenses for the period 2008/2009 was 13%. The total expenses account for 25% of the gross written premium for the year under review. This has been the scenario for the last five years.

## 6.6 Underwriting Results

The overall underwriting result for Non life insurance was Kshs 1.27 billion compared to Kshs 414 million in the previous year.

## 7. Life Insurance Business

Life insurance is a contract between a policyholder and an insurer, where the insurer promises to pay a designated beneficiary a sum of money (the “benefits”) upon the death of the insured person. Depending on the contract terms, other events such as terminal illness or critical illness may also trigger payment. In return, the policy holder agrees to pay a stipulated amount (the “premium”) to the insurer at regular intervals or in lump sum. The value for the policy owner is the ‘peace of mind’ in knowing that the death of the insured person will not result in financial hardship.

Life insurance policies normally comprise the following:-

- Protection policies – designed to provide a benefit in the happening of the insured event.
- Investment policies – where the main objective is to facilitate the growth of capital.

In Kenya, there are four broad classes of life insurance business offered or carried out. These are:-

- i) **Ordinary Life business** - This class comprises all individual life policies
- ii) **Group Life business** - This class comprises: -
  - a. Group Life schemes mainly organized by employers on behalf of their employees.
  - b. Group Credit/Group Mortgage Schemes - These are loan protection policies organized by financiers like banks, sacco, etc.
  - c. Last expense schemes - Many a time, this cover is given as a rider to the group life schemes. However, it is also available on stand alone basis.

### iii) **Deposit Administration/Pension Business**

The uniqueness of the Deposit Administration class of business is that the insurance company gives a guarantee on the capital plus a minimum rate of return on the pension funds. Most clients find this guarantee very useful because their retirement funds are guaranteed and the insurance company covers any investment risk.

- iv) **Investment/Unit Linked Contracts** - Their main objective is to facilitate the growth of capital invested by the client.

### 7.1 Premium Income

Total premium income, and contributions from all the classes of life insurance business (Ordinary Life, Group Life, Deposit Administration and Investment/Unit Linked Contracts) was Kshs 26.71 billion in 2010 compared to Kshs. 21.36 billion in 2009. This represents a growth of 25% (2009: 16.7%). It is important to note that figures from the investment/unit linked class of business were not captured in 2009. The contribution of the life insurance sector to the GDP grew by 11.7% to 1.05% in 2010 compared to 0.94% in 2009.

The distribution of gross written premium, pension contributions and investment/unit linked contracts’ contributions in the year 2010 is illustrated in Table 18 on page 29:-

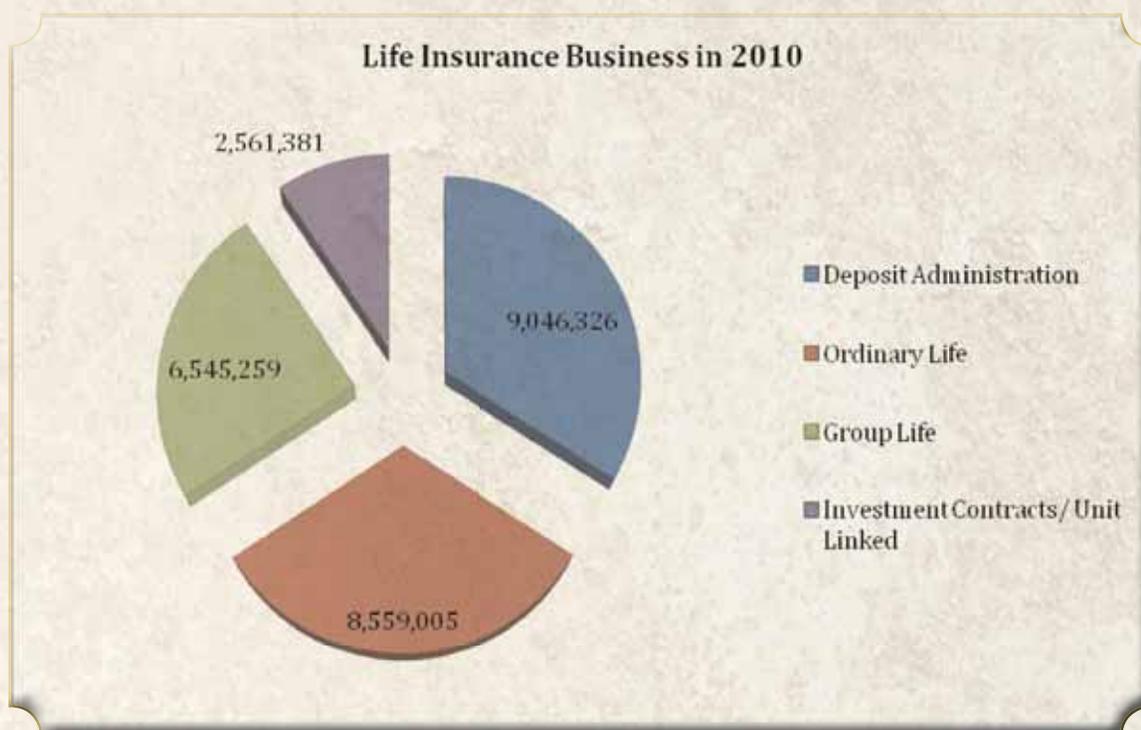
**Table 18: Summary of Gross Written Premiums and contributions in 2010**

Class of Business	2006		2007		2008		2009		2010	
	Gross Premium (Kshs)	% Share								
Deposit Administration	4,420,386	35.42	5,480,506	37.69	6,627,626	36.20	8,167,155	38.23	9,046,326	33.86
Ordinary Life	5,218,026	41.81	6,061,129	41.68	7,109,690	38.84	7,589,022	35.52	8,559,005	32.04
Group Life	2,841,894	22.77	3,000,154	20.63	4,569,458	24.96	5,607,233	26.25	6,545,259	24.50
Investment/ Unit Linked Contracts									2,561,381	9.59
<b>Total</b>	<b>12,480,305</b>	<b>100.00</b>	<b>14,541,789</b>	<b>100.00</b>	<b>18,306,773</b>	<b>100.00</b>	<b>21,363,410</b>	<b>100.00</b>	<b>26,711,971</b>	<b>100.00</b>

Figures in '000

\*This class of business was not captured in our previous reports.

The Deposit Administration class of business has the biggest market share of 33.9% followed closely by the ordinary Life with a market share of 32.0%. The percentage growth for life insurance portfolio was 16% in 2007, 26% in 2008, 16.9% in 2009 and 25% in 2010.

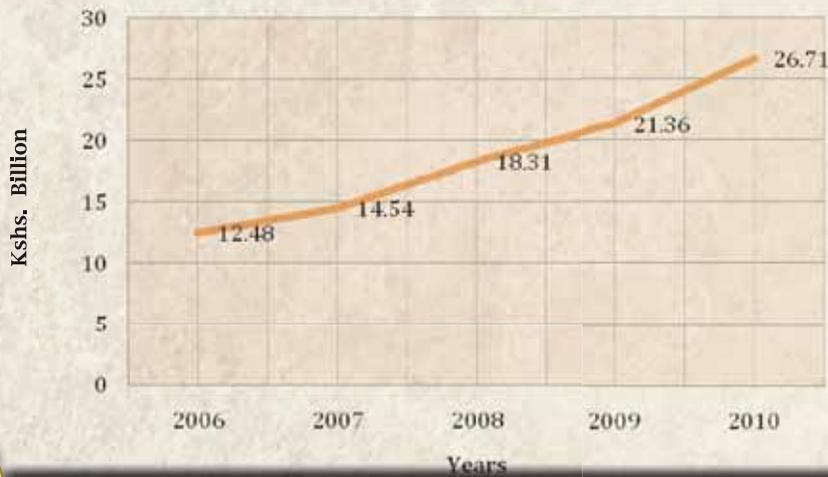


Figures in Kshs. '000

The Deposit Administration class of business has the biggest markets shares with total contributions of Kshs. 9.05 billion, while the ordinary Life Class of business was second with a total premium of Kshs. 8.56 billion.

The Life insurance premiums and contributions have been growing steadily over the years, growing from Kshs. 12.48 billion in 2006 to Kshs. 26.71 billion in 2010 as represented in the graph overleaf.

### Growth of life Insurance Premiums & Contributions (2006 - 2010)



#### Ordinary Life Business

Ordinary life business recorded a gross premium income of Kshs. 8.56 billion in 2010 compared to 7.59 billion in the year 2009. The growth in the ordinary life business during the year was 12.8% (2009: 6.8%).

#### Group Life Business

Group life business recorded gross premium income of Kshs. 6.55 billion compared to Kshs. 5.61 billion in 2009. The overall growth in group life business during the year was 16.8% (2009: 22.8%). This drop in growth could be attributed to the declining premium rates witnessed in 2010 as a result of premium undercutting.

This class of business comprises three main product lines i.e. group life schemes, group credit/mortgage schemes and the last expense schemes. Group life schemes had a total premium of Kshs. 3.45 billion in 2010 representing a share of 52.8% of the business. Group credit/mortgage schemes had a total premium of Kshs. 3 billion representing a share of 45.8% of the business. The last expense schemes represented 1.5% of the business. The pie chart below illustrates the composition of the group life class of business in 2010.

## Group Life Business Composition - 2010



Figure in '000

### Deposit Administration

Contributions to Deposit Administration schemes during the year amounted to Kshs. 9.05 billion compared to Kshs 8.17 billion in 2009 recording a growth of 10.8 % (2009: 23.2%). This class of business comprises; group pension schemes and personal pension plans. The decline in the growth rate in 2010 compared to 2009 could be attributed to the amendment of the Retirement Benefits Act in 2010, allowing the withdrawal of 50% of the employers' pension fund which was previously locked in the schemes until retirement age.

### Investment / Unit Linked Contracts

Contributions to this class of business during the year amounted to Kshs. 2.56 billion compared to Kshs. 2.11 billion in 2009 recording a growth of 21.3%. The favourable investment climate experienced in the country in 2010 contributed to the growth of this class of business.

The gross written premium per company and market share over the last five years is illustrated on page 32:-

Table 19: Ordinary Life and Group Life Gross written premium and market share (2006 – 2010)

COMPANY	2006		2007		2008		2009		2010	
	GROSS PREMIUM	MARKET SHARE								
Apollo	205,140	2.55%	161,526	1.78%	168,890	1.45%	183,782	1.39%	214,589	1.42%
British American	1,537,546	19.08%	1,861,719	20.55%	2,347,974	20.10%	2,501,850	18.96%	2,674,360	17.70%
Cannon	74,131	0.92%	69,944	0.77%	74,518	0.64%	78,685	0.60%	81,361	0.54%
Capex	27814	0.35%	28,359	0.31%	27,223	0.23%	17,391	0.13%	17,036	0.11%
CFC Life	797,790	9.90%	894,347	9.87%	1,009,245	8.64%	1,047,523	7.94%	1,231,335	8.15%
Co-operative	612,623	7.60%	918,401	10.14%	1,089,386	9.33%	1,221,620	9.26%	1,595,094	10.56%
Corporate	51,348	0.64%	65,901	0.73%	78,811	0.67%	100,643	0.76%	118,318	0.78%
First Assurance	5398	0.07%	27,180	0.30%	58,175	0.50%	98,761	0.75%	78,863	0.52%
Geminia	11,972	0.15%	12,651	0.14%	12,545	0.11%	14,446	0.11%	17,834	0.12%
Heritage	101057	1.25%	151,193	1.67%	164,450	1.41%	143,116	1.08%	172,150	1.14%
ICEA	886,641	11.00%	689,132	7.61%	1,028,216	8.80%	1,271,690	9.64%	1,287,041	8.52%
Jubilee	459,487	5.70%	735,336	8.12%	981,285	8.40%	1,087,831	8.24%	1,149,748	7.61%
Kenindia	294,198	3.65%	297,156	3.28%	339,951	2.91%	348,944	2.64%	446,138	2.95%
Kenyan Alliance	48,235	0.60%	46,283	0.51%	34,293	0.29%	34,850	0.26%	37,222	0.26%

Madison	551,959	6.85%	517,923	5.72%	501,303	4.29%	515,238	3.90%	551,572	3.65%
Mercantile	63,160	0.78%	45,847	0.51%	37,314	0.32%	42,685	0.32%	44,426	0.29%
Metropolitan Life	16,435	0.20%	16,813	0.19%	116,924	1.00%	112,278	0.85%	99,281	0.66%
The Monarch	30787	0.38%	69,182	0.76%	32,008	0.27%	38,292	0.29%	28,512	0.19%
Old Mutual	453,795	5.63%	478,047	5.28%	455,508	3.90%	456,172	3.46%	554,272	3.67%
Pan Africa	1,396,908	17.33%	1,470,433	16.23%	2,510,032	21.49%	3,025,151	22.92%	3,830,693	25.36%
Pioneer	165,696	2.06%	187,608	2.07%	236,974	2.03%	330,540	2.50%	412,482	2.73%
Shield Assurance	113,352	1.41%	152,934	1.69%	144,949	1.24%	148,243	1.12%	144,582	0.96%
UAP Life Assurance	154,447	1.92%	163,367	1.80%	229,173	1.96%	376,525	2.85%	317,352	2.10%
<b>Total</b>	<b>8,059,919</b>	<b>100.00%</b>	<b>9,061,283</b>	<b>100.00%</b>	<b>11,679,147</b>	<b>100.00%</b>	<b>13,196,255</b>	<b>100.00%</b>	<b>15,104,261</b>	<b>100.00%</b>

Figures in Kshs. '000

The combined gross written premium for the Ordinary and Group Life business was Kshs. 15.1 billion compared to 13.2 billion in 2009 reflecting a 14.5% growth (2009:13.0%). Six (6) companies recorded premiums of over Kshs. 1 billion each in these two classes of business in 2010. Two (2) companies recorded premiums of over Kshs 2.5 billion each.



Table 20: Deposit Administration Contributions and Market Share (2006 – 2010)

Company	Pension Contribution 2006	% Market Share 2006	Pension Contribution 2007	% Market Share 2007	Pension Contribution 2008	% Market Share 2008	Pension Contribution 2009	% Market Share 2009	Pension Contribution 2010	% Market Share 2010
Apollo	68,028	1.54	83,099	1.52%	106,828	1.61%	114,013	1.40%	146,196	1.62%
British American	242,542	5.49	339,774	6.20%	595,390	8.99%	901,688	11.04%	854,542	9.45%
CFC Life	863,978	19.55	879,434	16.05%	998,574	15.08%	1,359,372	16.64%	1,282,510	14.18%
Heritage	156,103	3.53	170,928	3.12%	233,243	3.52%	339,734	4.16%	292,302	3.23%
ICEA	1,382,680	31.28	1,825,796	33.31%	1,934,684	29.21%	2,087,325	25.56%	2,240,642	24.77%
Jubilee	779,626	17.64	985,402	17.98%	1,286,695	19.43%	1,653,424	20.24%	2,130,361	23.55%
Kenindia	560,485	12.68	675,092	12.32%	791,634	11.95%	906,967	11.11%	1,040,999	11.51%
Kenyan Alliance	34,016	0.77	28,150	0.51%	35,405	0.53%	40,061	0.49%	50,869	0.56%
Madison	162,176	3.67	225,712	4.12%	269,068	4.06%	266,245	3.26%	346,619	3.83%
Mercantile	27,580	0.62	18,536	0.34%	24,248	0.37%	55,607	0.68%	60,318	0.67%
The Monarch	-	-	4,615	0.08%	3,609	0.05%	7,328	0.09%	13,281	0.15%
Pan Africa Life	41,911	0.95	41,911	0.76%	78,581	1.19%	105,785	1.30%	199,694	2.21%
Pioneer Assurance	-	-	2,976	0.05%	2,525	0.04%	3,400	0.04%	4,188	0.05%
Shield Assurance	26,034	0.59	61,472	1.12%	9,953	0.15%	0	0.00%	0	0.00%
UAP Life	75,227	1.70	137,609	2.51%	252,842	3.82%	326,205	3.99%	383,804	4.24%
<b>Total</b>	<b>4,420,386</b>	<b>100.00</b>	<b>5,480,506</b>	<b>100.00%</b>	<b>6,623,278</b>	<b>100.00%</b>	<b>8,167,155</b>	<b>100.00%</b>	<b>9,046,326</b>	<b>100.00%</b>

Figures in Kshs. '000

Fourteen (14) companies wrote this class of business in 2010. Two (2) companies recorded pension contribution above Kshs. 2 billion each, while four (4) companies recorded contributions above Kshs. 1 billion each.

**Table 21: Investment/Unit Linked Contracts contributions and Market Share (2009 – 2010)**

COMPANY	2009		2010	
	Contribution	Market Share	Contribution	Market Share
Apollo	-	0.00%	11,834	0.46%
British American	1,045,135	49.51%	1,250,836	48.83%
Cannon Assurance	68,591	3.25%	68,651	2.68%
Kenyan Alliance	2,077	0.10%	2,516	0.10%
Pioneer	8,595	0.41%	16,167	0.63%
Old Mutual	771,082	36.53%	821,980	32.09%
UAP Life	168,324	7.97%	162,323	6.34%
Madison	-	0.00%	184,271	7.19%
Metropolitan	47,025	2.23%	42,803	1.67%
<b>Total</b>	<b>2,110,829</b>	<b>100.00%</b>	<b>2,561,381</b>	<b>100.00%</b>

Figures in Kshs. '000

The total contributions received in 2010 were Kshs. 2.56 billion reflecting an increase of 21.3% over the 2009 contributions of Kshs. 2.11 billion

**Table 22 : Investment/Unit Linked Fund and Market Share (2009 – 2010)**

COMPANY	2009		2010	
	Fund as at 31/12/2009	Market Share	Fund as at 31/12/2010	Market Share
Apollo	24,151	0.45%	38,155	0.45%
British American	1,640,901	30.39%	3,183,016	37.23%
Cannon Assurance	250,170	4.63%	264,144	3.09%
Kenyan Alliance	10,342	0.19%	13,013	0.15%
Pioneer	50,097	0.93%	70,647	0.83%
Old Mutual	2,986,543	55.31%	3,759,407	43.97%
UAP Life	378,905	7.02%	629,285	7.36%
Madison	-	0.00%	504,900	5.91%
Metropolitan	58,457	1.08%	87,650	1.03%
<b>Total</b>	<b>5,399,566</b>	<b>100.00%</b>	<b>8,550,217</b>	<b>100.00%</b>

Figures in Kshs. '000

The total fund grew by 58.6% in 2010 and amounted to Kshs.8.55 billion compared to Kshs. 5.34 billion in 2009.

## 7.2 Claims

The Life insurance business claims and policyholder benefits totalled to Kshs. 15.89 billion compared to Kshs.12.78 billion in 2009 representing an increase of 24.3% (2009: 20.6%).

Ordinary life business claims increased by 55.2% from Kshs 3.93 billion in 2009 to Kshs 6.10 billion in 2010. Group life claims decreased by 9.26 % from Kshs 4.13 billion in 2009 to Kshs 3.78 billion in 2010. Benefits paid on deposit administration business increased by 27.6% from Kshs 4.71 billion in 2009 to Kshs 6.01 billion in 2010.

The distribution of net incurred claims for the last five years 2006 - 2010 is shown in table 23 below.

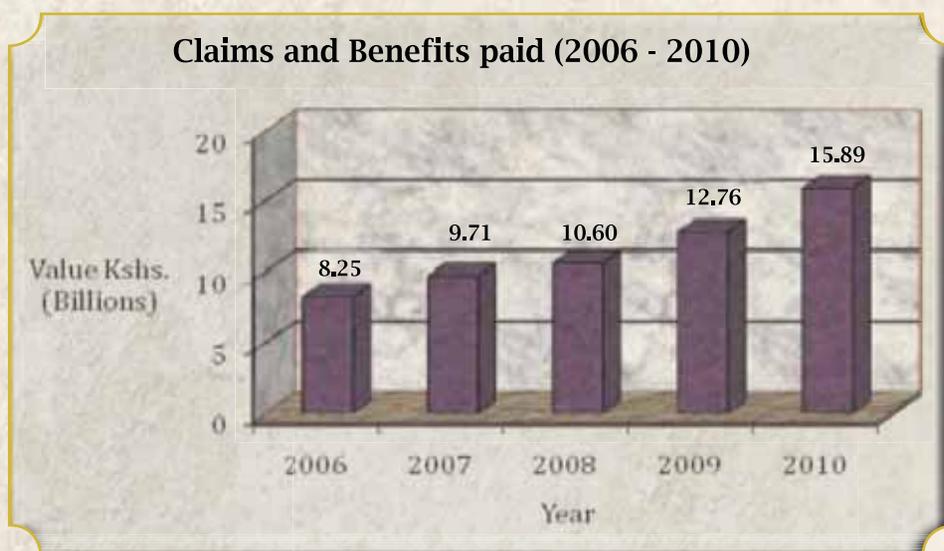
**Table 23**

Class of Business	2006		2007		2008		2009		2010	
	Gross Claims Paid (Kshs)	Share %								
Ordinary Life	4,095,582	49.63%	4,096,137	42.09%	3,740,162	35.29%	3,929,535	37.08%	6,102,196	38.39%
Group Life	1,274,149	15.44%	1,451,272	14.91%	2,718,695	25.65%	4,133,953	39.01%	3,779,642	23.78%
Deposit Administration	2,882,221	34.93%	4,183,946	42.99%	4,139,192	39.06%	4,711,578	44.46%	6,011,536.4	37.82%
Total	8,251,952	100.00%	9,731,355	100.00%	10,598,049	100.00%	12,775,066	100.00%	15,893,375	100.00%

Figures in Kshs. '000

Claims and benefits paid over the last five years are illustrated in graph 3 below: -

**Graph 3**



Claims and benefits paid have been increasing steadily over the last 5 years.

### 7.3 Commissions and Management Expenses

The total operating and other expenses incurred in 2010 on life business (ordinary and group life) was Kshs. 4.71 billion compared to Kshs. 4.10 billion in the year 2009 representing an increase of 14.9%.

Commission expenses for ordinary and group life amounted to Kshs. 2.79 billion compared to Kshs 1.89 billion in the year 2009 representing an increase of 47.6%.

### 7.4 Reinsurance

The total reinsurance premium ceded by life insurers was 1.68 billion in 2010 compared to 1.42 billion in 2009 representing an increase of 18.3%.

## 7.5 Investment and Other Income

Investment and other income from ordinary and group life classes increased by 60.4% to Kshs. 6.53 billion in 2010 compared to Kshs. 4.07 billion in 2009.

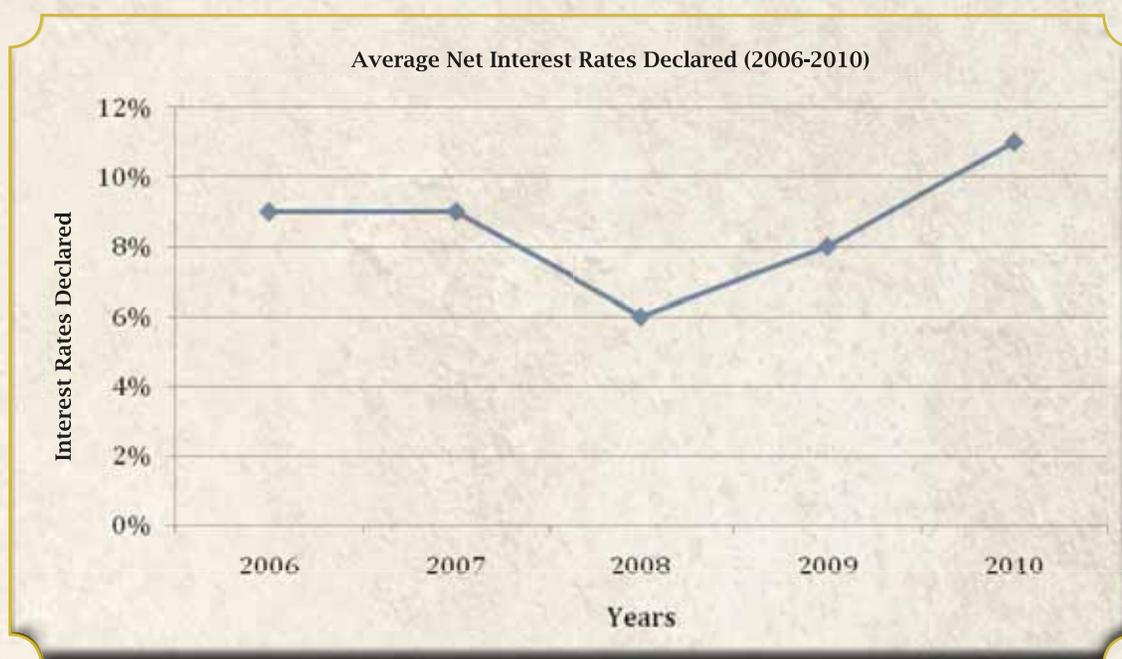
## 7.6 Deposit Administration Business

There was a growth of 10.8% in pension fund contributions with total contribution amounting to Kshs. 9.05 billion in 2010 compared to Kshs. 8.17 billion in 2009.

The total fund held by insurance companies increased by 19.6% to Kshs. 48.87 billion from Kshs. 40.85 billion in the year 2009.

Most insurance companies declared higher investment returns on funds in 2010 compared to 2009. The industry recorded an average net return of 11.0% in 2010 compared to 8.2% in 2009.

The total interest paid by the industry on deposit administration schemes was Kshs. 4.97 billion compared to Kshs. 3 billion in 2009 representing an increase of 65.7%. The total benefits paid during the year amounted to Kshs. 6.01 billion compared to Kshs. 4.71 billion in 2009 representing an increase of 27.6%.



The Interest rates have been increasing steadily with an exception of year 2008 when the investment market was very unfavourable. The Industry recorded an average net rate of return of 11.0% in 2010 compared to 8.2% in 2009.

Detailed reports of life insurance business statistics for the year 2010 are annexed (Appendix I – IV).

## Appendix I: Pension Business Statistics

Company	PENSION CONTRIBUTIONS 2010	MARKET SHARE 2010 (%)	PENSION CONTRIBUTIONS 2009	MARKET SHARE 2009	INTEREST RATE DECLARED (%)			SURRENDERS AND ANNUITIES PAID 2010	SURRENDERS AND ANNUITIES PAID 2009	SURRENDERS AND ANNUITIES PAID 2008	INTEREST PAYABLE TO POLICY HOLDERS 2010	INTEREST PAYABLE TO POLICY HOLDERS 2009	FUND AS AT END OF THE YEAR 31/12/2010	FUND AS AT END OF THE YEAR 31/12/09	FUND MARKET SHARE (%)
					2010	2009	2008								
Apollo	146,196	1.62	114,013	1.40	11.00	10.00	4.00	49,380	89,520	53,448	48,612	730,458	566,298	1.49	1.81
British American	854,542	9.45	901,688	11.04	15.00	9.00	6.00	737,039	183,842	109,194	195,930	3,268,977	2,754,617	6.69	8.78
CFC Life	1,282,510	14.18	1,359,372	16.64	10.00	6.00	5.00	929,250	624,222	617,938	379,564	7,100,559	6,160,510	14.53	19.64
Heritage	292,302	3.23	39,734	4.16	10.00	6.00	8.00	216,315	165,301	161,805	73,010	1,602,714	1,385,750	3.28	4.42
ICEA	2,240,642	24.77	2,087,325	25.56	11.50	8.10	9.25	2,164,338	2,440,035	1,867,497	1,585,836	15,407,069	13,763,825	31.53	43.87
Jubilee	2,130,361	23.55	1,653,424	20.24	12.75	8.20	8.00	807,176	554,771	555,283	544,734	9,851,911	7,524,085	20.16	23.98
Kenindia	1,040,999	11.51	906,967	11.11	12.00	10.00	9.50	700,218	357,987	375,995	564,158	6,578,193	5,438,012	13.46	17.33
Kenyan Alliance	50,869	0.56	40,061	0.49	10.00	7.00	6.00	18,105	54,282	27,825	15,994	299,223	241,059	0.61	0.77
Madison	346,619	3.83	266,245	3.26	10.00	8.25	5.00	211,361	95,496	160,643	68,468	1,548,798	1,260,540	3.17	4.02
Mercantile	60,318	0.67	55,607	0.68	7.00	8.00	8.00	27,818	41,984	36,832	21,203	290,003	236,300	0.59	0.75
Pan Africa Life	199,694	2.21	105,785	1.30	12.50	10.00	10.00	54,560	24,402	19,916	91,843	706,181	469,204	1.45	1.50
The Monarch	13,281	0.15	7,328	0.09	12.00	12.00	12.00	2,225	785	1,515	1,907	34,784	21,074	0.07	0.07
Pioneer Assurance	4,188	0.05	3,400	0.04	10.00	8.50	5.00	302	217		583	14,445	9,558	0.03	0.03
UAP Life Assurance	383,804	4.24	326,205	3.99	10.00	4.00	7.50	93,450	78,734	100,109	40,260	1,436,458	1,021,601	2.94	3.26
<b>Total</b>	<b>9,046,326</b>	<b>100</b>	<b>8,167,155</b>	<b>100</b>	<b>10.98</b>	<b>8.22</b>	<b>6.45</b>	<b>6,011,536</b>	<b>4,711,578</b>	<b>4,092,839</b>	<b>3,004,439</b>	<b>48,869,773</b>	<b>40,852,433</b>	<b>100.00</b>	<b>100</b>

Figures in Kshs'000

The Total fund for year 2010 was Kshs. 48.87 billion compared to Kshs. 40.85 billion in 2009 reflecting a growth of 19.6%. The average net interest rate declared by the industry was very impressive. Thirteen (13) out of the fourteen (14) companies declared net interest rates of 10% and above. The highest declared net interest rate was 15%.

## Appendix II: Ordinary Life Insurance Business Statistics

COMPANY	GROSS PREMIUMS	MARKET SHARE	REINSURANCE	NET PREMIUM	INVESTMENT INCOME+OTHER INCOME	CLAIMS + BENEFITS	COMMISSIONS	OPERATING & OTHER EXPENSES	TOTAL EXPENSES <sup>+</sup>
Apollo	40,538	0.47%	302	40,236	31,352	36,580	1,710	12,380	14,090
British American	2,065,695	24.13%	58,003	2,007,692	1,660,286	2,128,540	652,422	677,810	1,330,232
Cannon	76,007	0.89%	1,208	74,799	159,238	35,410	8,131	37,072	45,203
Capex	14,846	0.17%	0	14,846	51,915	2,559	81	61,829	61,909
CFC Life	1,094,199	12.78%	22,450	1,071,749	248,058	548,356	178,847	421,633	600,480
Co-operative	188,593	2.20%	0	188,593	31,186	53,285	28,631	66,747	95,378
Corporate	118,029	1.38%	631	117,398	39,830	80,313	33,791	23,369	57,160
Geminia	13,611	0.16%	1,697	11,914	12,727	17,309	1,571	5,422	6,994
ICEA	728,523	8.51%	50,555	677,968	352,373	341,148	162,211	154,184	316,395
Jubilee	693,793	8.10%	11,788	682,005	132,286	223,910	218,756	202,619	421,375
Kenindia	377,709	4.41%	621	377,088	309,868	221,938	61,188	73,989	135,177
Kenyan Alliance	289	0.03%	0	289	289	843	126	336	462
Madison	467,995	5.47%	0	467,995	159,676	323,256	82,122	197,061	279,183
Mercantile	37,746	0.44%	4,681	33,065	26,422	37,437	7,698	11,755	19,453
Metropolitan Life	56,910	0.66%	49	56,860	18,332	5,690	4,260	72,303	76,563
Old Mutual	376,496	4.40%	33,349	343,147	788,844	157,757	47,686	789,604	837,290
Pan Africa Life	1,697,407	19.83%	14,074	1,683,333	930,325	1,699,517	310,151	453,994	764,145
Pioneer	311,557	3.64%	352	311,205	46,299	109,698	88,743	111,361	200,103
Shield Assurance	133,645	1.56%	10	133,635	28,206	57,835	28,101	67,071	95,172
UAP Life Assurance	65,417	0.76%	0	65,417	6,346	20,816	33,460	48,376	81,837
<b>Total</b>	<b>8,559,005</b>	<b>100.00%</b>	<b>199,770</b>	<b>8,359,235</b>	<b>5,033,858</b>	<b>6,102,197</b>	<b>1,949,686</b>	<b>3,488,915</b>	<b>5,438,601</b>

Figures in Kshs. '000

### Appendix III: Group Life Insurance Business Statistics

COMPANY	GROSS PREMIUMS	MARKET SHARE	REINSURANCE	NET PREMIUM	INVESTMENT INCOME + OTHER INCOME	CLAIMS + BENEFITS	COMMISSIONS NET	OPERATING & OTHER EXPENSES	TOTAL EXPENSES
Apollo	174,051	2.66%	82,011	92,040	55,110	93,545	7,962	27,100	35,062
British American	608,665	9.30%	203,788	404,877	88,328	492,924	61,113	78,638	139,751
Cannon	5,354	0.08%	2,277	3,077	5,358	1,548	548	1,147	1,695
Capex	2,190	0.03%	0	2,190	0	2,069	0	0	0
CFC Life	137,136	2.10%	54,619	82,517	21,717	28,373	10,610	38,842	49,452
Co-operative	1,406,501	21.49%	80,869	1,325,632	112,823	786,929	23,513	440,860	464,373
Corporate	289	0.00%	0	289	98	248	0	53	53
First Assurance	78,863	1.20%	71,976	6,887	28,876	57,031	5,288	5,141	10,429
Geminia	4,224	0.06%	3,752	472	2,614	878	352	1,856	2,207
Heritage	172,150	2.63%	50,352	121,798	53,955	26,104	8,686	43,316	52,002
ICEA	558,518	8.53%	156,282	402,236	522,397	645,938	28,021	106,363	134,384
Jubilee	455,955	6.97%	264,426	191,529	45,659	68,917	55,743	69,840	125,584
Kenindia	68,429	1.05%	48,143	20,286	72,816	14,438	7,503	11,270	18,773
Kenyan Alliance	36,933	0.56%	26,882	10,052	5,765	2,033	2865	7,194	10,059
Madison	83,577	1.28%	15,858	67,719	4,153	29,958	3,275	33,759	37,034
Mercantile	6,680	0.10%	3,863	2,817	2,960	3,044	5	8,816	8,821
Metropolitan Life	42,372	0.65%	7,067	35,305	2,283	27,119	3,681	17,662	21,343
Monarch	28,512	0.44%	23,012	5,501	24,923	26,627	3,948	9,764	13,712
Old Mutual	177,776	2.72%	46,442	131,334	86,253	77,790	6,837	15,506	22,343
Pan Africa Life	2,133,286	32.59%	273,670	1,859,616	281,553	1,299,382	579,892	83,413	663,305
Pioneer	100,925	1.54%	64,656	36,270	13,293	29,685	9,270	7,954	17,224
Shield Assurance	10,937	0.17%	455	10,482	941	4,243	1,156	5,489	6,645
UAP Life Assurance	251,935	3.85%	98,926	153,009	62,983	60,819	20,997	201,659	222,656
<b>Total</b>	<b>6,545,258</b>	<b>100.00%</b>	<b>1,579,326</b>	<b>4,965,935</b>	<b>1,494,858</b>	<b>3,779,642</b>	<b>841,265</b>	<b>1,215,642</b>	<b>2,056,907</b>

Figures in Kshs. '000

## Appendix IV: Combined Life Insurance Business Statistics

COMPANY	ORDINARY LIFE	GROUP LIFE	GROSS PREMIUMS ORDINARY LIFE & GROUP LIFE	MARKET SHARE	DEPOSIT ADMINISTRATION	INVESTMENT/UNIT LINKED CONTRACTS	TOTAL GROSS PREMIUMS PLUS DEPOSIT ADMINISTRATION & INVESTMENT/UNIT LINKED CONTRACTS CONTRIBUTIONS	MARKET SHARE	REINSURANCE	NET PREMIUM	INVESTMENT INCOME+OTHER INCOME	CLAIMS + BENEFITS	COMMISSIONS	OPERATING & OTHER EXPENSES	TOTAL EXPENSES
Apollo	40,538	174,051	214,589	1.40%	146,196	11,834	372,619	1.39%	82,313	132,276	86,462	130,125	9,672	39,480	49,152
British American	2,065,695	608,665	2,674,360	17.70%	854,542	1,250,836	4,779,738	17.89%	261,791	2,412,569	1,748,614	2,621,464	713,535	756,448	1,469,983
Cannon	76,007	5,354	81,361	0.50%	0	68,651	150,012	0.56%	3,486	77,875	164,596	36,957	8,679	38,219	46,898
Capex	14,846	2,190	17,036	0.10%	0	0	17,036	0.06%	0	17,036	51,915	4,628	81	61,829	61,909
CFC Life	1,094,199	137,136	1,231,335	8.20%	1,282,510	0	2,513,845	9.41%	77,069	1,154,266	269,775	576,729	189,457	460,475	649,932
Co-operative	188,593	1,406,501	1,595,094	10.60%	0	0	1,595,094	5.97%	80,869	1,514,225	144,009	840,214	52,144	507,607	559,751
Corporate	118,029	289	118,318	0.80%	0	0	118,318	0.44%	631	117,687	39,928	80,561	33,791	23,422	57,213
First Assurance	0	78,863	78,863	0.50%	0	0	78,863	0.30%	71,976	6,887	28,876	57,031	5,288	5,141	10,429
Gemina	13,611	4,224	17,834	0.10%	0	0	17,835	0.07%	5,449	12,386	15,341	18,187	1,923	7,278	9,201
Heritage	0	172,150	172,150	1.10%	292,302	0	464,452	1.74%	50,352	121,798	53,955	26,104	8,686	43,316	52,002
ICEA	728,523	558,518	1,287,041	8.50%	2,240,642	0	3,527,683	13.21%	206,837	1,080,204	874,770	987,086	190,232	260,547	450,779
Jubilee	693,793	455,955	1,149,748	7.60%	2,130,361	0	3,280,109	12.28%	276,214	873,534	177,945	292,827	274,499	272,459	546,959
KenIndia	377,709	68,429	446,138	3.00%	1,040,999	0	1,487,137	5.57%	48,764	397,374	382,684	236,376	68,691	85,259	153,950

COMPANY	ORDINARY LIFE	GROUP LIFE	GROSS PREMIUMS ORDINARY LIFE & GROUP LIFE	MARKET SHARE	DEPOSIT ADMINISTRATION	INVESTMENT/ UNIT LINKED CONTRACTS	TOTAL GROSS PREMIUMS PLUS DEPOSIT ADMINISTRATION & INVESTMENT/UNIT LINKED CONTRACTS CONTRIBUTIONS	MARKET SHARE	REINSURANCE	NET PREMIUM	INVESTMENT INCOME+OTHER INCOME	CLAIMS + BENEFITS	COMMISSIONS	OPERATING & OTHER EXPENSES	TOTAL EXPENSES
Kenyan Alliance	289	36,933	37,222	0.30%	50,869	2,516	90,607	0.35%	26,882	12,568	6,054	2,876	2,990	7,530	10,520
Madison	467,995	83,577	551,572	3.70%	346,619	184,271	1,082,462	4.05%	15,858	535,714	163,829	353,214	85,397	230,820	316,217
Mercantile	37,746	6,680	44,426	0.30%	60,318		104,744	0.39%	8,544	35,882	29,382	40,481	7,703	20,571	28,274
Metropolitan Life	56,910	42,372	99,281	0.70%	0	42,803	142,085	0.53%	7,116	92,165	20,615	32,809	7,941	89,965	97,906
The Monarch	0	28,512	28,512	0.20%	13,281		41,793	0.16%	23,012	5,501	24,923	26,627	3,948	9,764	13,712
Old Mutual	376,496	177,776	554,272	3.70%	0	821,980	1,376,252	5.15%	79,791	474,481	875,097	235,547	54,523	805,110	859,633
Pan Africa Life	1,697,407	2,133,286	3,830,693	25.40%	199,694		4,030,387	15.09%	287,744	3,542,949	1,211,878	2,998,899	890,043	537,407	1,427,450
Pioneer	311,557	100,925	412,482	2.70%	4,188	16,167	432,837	1.62%	65,008	347,475	59,592	139,383	98,012	119,315	217,327
Shield Assurance	133,645	10,937	144,582	1.00%	0	0	144,582	0.54%	465	144,117	29,147	62,078	29,257	72,560	101,817
UAP Life Assurance	65,417	251,935	317,352	2.10%	383,804	162,325	863,238	3.23%	0	218,183	69,329	81,636	54,458	250,035	304,493
<b>Total</b>	<b>8,559,005</b>	<b>6,545,259</b>	<b>15,104,261</b>	<b>100.00%</b>	<b>9,046,326</b>	<b>2,561,381</b>	<b>26,711,969</b>	<b>100.00%</b>	<b>1,680,169</b>	<b>13,327,152</b>	<b>6,528,716</b>	<b>9,881,838</b>	<b>2,790,950</b>	<b>4,704,558</b>	<b>7,495,508</b>

Figures in Kshs. '000

## Appendix V

AKI MEMBER COMPANIES 2011					
	NAME OF COMPANY	PHYSICAL ADDRESS	TELEPHONE NO.	FAX NO.	EMAIL ADDRESS
1	Africa Merchant Assurance Ltd	2nd Floor, Trans-National Plaza, Mama Ngina Street, Box 64599-00200 Nbi	312121	340022	info@amaco.co.ke
2	APA Insurance Company Ltd	Apollo Center, Off Ring road, Box 30065 -0100 Nbi	2862000	2862200	info@apainsurance.org
3	Apollo Life Insurance Ltd	Apollo Center, Off Ring road, Box 30065 -0100 Nbi	3641000	3641100	insurance@apollo.co.ke
4	Blue Shield Insurance Company Ltd	Blue Shield Towers, Mara Road, 49610-00100 Nbi	2765000	2712625/6	info@blueshield.co.ke
5	British American Insurance Company Ltd	Britak Centre, Mara/Ragati Road, 30375-00100 Nbi	2710927	2717626	insurance@british-american.co.ke
6	Cannon Assurance Company Ltd	Gateway Business Park, Mombasa Road, Box 30216-00100 Nbi	3966000	829075/828081	info@cannonassurance.com
7	Capex Life Assurance Company Ltd	Avenue Office Suites, Ngong Road, Box 12043-00400 Nbi	2712384/5	2712390	capex@swiftkenya.com
8	CFC Life Assurance Ltd	CFC House, Mamlaka Road, Box 30390-00100 Nbi.	2866000	2718365	info@cfclife.co.ke
9	Chartis Kenya Insurance Company Ltd	AIG House, Eden Square Complex, Chiromo Road, Box 49460-00100 Nbi	3676000	3676001/2	chartiskenya@chartisinsurance.com
10	Concord Insurance Company Ltd	Yaya Centre, Argwing Kodhek Road, Box 30634-00100 Nbi	2720167	2720165	info@concord-ic.com
11	Co-operative Insurance Company Ltd	CIC Plaza, Mara Road, Box 59485-00100 Nbi	2823000	2823330	cic@cic.co.ke
12	Corporate Insurance Company Ltd	Corporate Place, Kiambere Road, Box 43172-00100 Nbi	2717617	2717775	cic@swiftkenya.com
13	Directline Assurance Company Ltd	17th Floor, Hazina Towers, Monrovia Street, Box 40863-00100 Nbi	2242405	2242746	info@directline.co.ke
14	Fidelity Shield Insurance Company Ltd	Fisco Center, Muthangari Drive, Box 47435-00100 Nbi	4443063/9	4445699	info@fidelityshield.com
15	First Assurance Company Ltd	First Assurance House, Gitanga Rd, Box 30064-00100 Nbi	2692250	2692290	hoinfo@firstassurance.co.ke
16	GA Insurance Company Ltd	GA Hse, Ralph Bunche Rd, Box 42166-00100 Nbi	2711633	2714542	info@gakenya.com
17	Gateway Insurance Company Ltd	Gateway House, Gateway Place, Millimani Road, 60656-00200 Nbi	2713131	2713138	info@gateway-insurance.co.ke
18	Geminia Insurance Company Ltd	Geminia Insurance Plaza, Kilimanjaro Avenue, Box 61316-00200 Nbi	2782000	2782100	info@geminia.co.ke
19	Heritage Insurance Company Ltd	CFC House, Mamlaka Road, Box 30390-00100 Nbi	2783000	2727800	info@heritage.co.ke
20	Insurance Company of East Africa Ltd	ICEA Building, Kenyatta Avenue, Box 46143-00100 Nbi	2750000	2223803	genins@icea.co.ke
21	Intra Africa Assurance Company Ltd	Williamson House, 4th Ngong Avenue, Box 43241-00100 Nbi	2712610	2723288	intra@swiftkenya.com
22	Invesco Assurance Company Ltd	Bishop Mangua Centre, Box 52964-00200 Nbi	2605220	248514	info@invescoassurance.co.ke
23	Jubilee Insurance Company Ltd	Jubilee Insurance Hse, Mama Ngina Street, Box 30376-00100 Nbi	3281000	3281150	jic@jubileekenya.com
24	Kenindia Assurance Company Ltd	Kenindia House, Loita Street, Box 44372-00100 Nbi	2214439	2218380	kenindia@africaonline.co.ke
25	Kenya Orient Insurance Company Ltd	Capital Hill Towers, Cathedral Road, Box 34530-00100 Nbi	2728603/4	2728605	info@kenyaorient.co.ke
26	Kenyan Alliance Insurance Company Ltd	Chester House, Koinange Street, Box 34530-00100 Nbi	2216450	2217340	kai@kenyanalliance.com
27	Lion of Kenya Insurance Company Ltd	5th Floor, Williamson House, Box 30190-00100 Nbi	2710400	2711177	insurance@lionofkenya.com
28	Madison Insurance Company Ltd	Madison Insurance House, Upper Hill Rd, Box 47382-00100 Nbi	2864000	2864622/444	madison@madison.co.ke
29	Mayfair Insurance Company Ltd	Mayfair Centre, Ralph Bunche Road, Box 45161-00100 Nbi	2999000	2999111	info@mayfair.co.ke



## AKI MEMBER COMPANIES 2011

	NAME OF COMPANY	PHYSICAL ADDRESS	TELEPHONE NO.	FAX NO.	EMAIL ADDRESS
30	Mercantile Insurance Company Ltd	Ecobank Towers, Muindi Mbingu Street, Box 20680-00200 Nbi	2243682/1	2215528	mercantile@mercantile.co.ke
31	Metropolitan Life Assurance Company Ltd	International Life House, Mama Ngina St., Box 46780-00100 Nbi	2243126	2243179	info@metropolitan.co.ke
32	Monarch Insurance Company Ltd	Prudential Assurance Building, Wabera St., Box 44003-00100 Nbi	4348493/8	340691	info@themonarchinsco.com
33	Occidental Insurance Company Ltd	Corner Plaza, 2nd Floor, Parklands Road, Box 82788-00100 Nbi	8024149	3750193	enquiries@occidental.co.ke
34	Old Mutual Life Assurance Company Ltd	Old Mutual Building, Cnr of Mara/Hospital Rd, Box 30059-00100 Nbi	2829000	2722415	omken@oldmutualkenya.com
35	Pacis Insurance Company Ltd	Centenary Hse, 2nd Floor, Off Ring Rd, Westlands, Box 1870-00100 Nbi	4452560	4452561	info@paciskenya.com
36	Pan Africa Life Assurance Company Ltd	Pan Africa House, Kenyatta Avenue, Box 44041-00100 Nbi	2781000	2243297	insurance@pan-africa.com
37	Phoenix of E. A. Assurance Company Ltd	Ambank House, 17th Floor, University Way, Box 30129-00100 Nbi	2229302	2211848	info@phoenixassurance.co.ke
38	Pioneer Life Assurance Company Ltd	Pioneer House, Moi Avenue, Box 30129-00100 Nbi	2220814/5	2224985	info@pioneerassurance.co.ke
39	REAL Insurance Company Ltd	Royal Ngao House, Hospital Road, Box 40001-00100 Nbi	4904000	2717888/3831	genaral@realinsurance.co.ke
40	Shield Assurance Company Ltd	Avenue Office Suites, Ngong Road, Box 25093-00100 Nbi	2712591	2712597	info@shieldassurance.co.ke
41	Takaful Insurance of Africa Ltd	CIC Plaza, Mara Road, Box 1181-00100 Nbi	2725134/5	2720653	info@takafulafrica.com
42	Tausi Assurance Company Ltd	Tausi Court, Tausi Road, Off Muthithi Rd, Box 28889-00100 Nbi	3746602	3746618	clients@tausiassurance.com
43	Trident Insurance Company Ltd	Capital Hill Towers, Cathedral Road, Box 13501-00100 Nbi	2721710	2726234	info@trident.co.ke
44	UAP Insurance Company Ltd	Bishops Garden Towers, Bishops Road, Box 43013-00100 Nbi	2850000	2719030	uapinsurance@uapkenya.com
45	UAP Life Assurance Company Ltd	Bishops Garden Towers, Bishops Road, Box 43013-00100 Nbi	2850300	2719030	life@uaplif.com
46	Xplico Insurance Company Ltd	Connaught Place, Lantana Road, Box 38106-00623 Nbi	4442888	4445550	info@xplico.co
<b>ASSOCIATE MEMBER</b>					
1	Africa Trade Insurance Agency (ATIA)	Kenya Re Towers, Box 62328-00200 Nbi	2726999	2719701	underwriting@atia-aca.org
<b>OTHER IMPORTANT CONTACTS</b>					
1	Insurance Regulatory Authority (IRA)	Zep-Re Place, Box 43505-00100 Nbi	4996000	2710126	commins@skyweb.co.ke
2	College of Insurance (COI)	College of Insurance, Off Mombasa Rd, South C, Box 56928-00200 Nbi	504227/605601	605605	info@coi.ac.ke
3	Insurance Institute of Kenya (IIK)	College of Insurance, Off Mombasa Rd, South C, box 1200-00200 Nbi	2106898	605606	iik@wananchi.com
4	Association of Insurance Brokers of Kenya (AIBK)	College of Insurance, Off Mombasa Rd, South C, Box 606220-00200 Nbi	6006129	6006220	aibk@wananchi.com
5	Association of Kenya Reinsurers (AKR)	Africa Re Towers, Box 10620-00100 Nbi	4973000	2738444	mail@zep-re.com





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