



International
Forum of Insurance
Guarantee Schemes

IFIGS

IFIGS ANNUAL SURVEY

< As of end 2024 >

PURPOSE

The purpose of this survey is to share IGS related information from different jurisdictions among the IFIGS members. It aims to enhance the understanding of one another, creating opportunities to learn from each other and to cooperate in the area of one's interest.

The results of the survey will be provided to all members of IFIGS and parts of the information may be shared with other interested parties under review of the IFIGS Management Committee.

SURVEY INSTRUCTIONS

1) This survey is composed of **five sections**.

- I. General
- II. Protection (Life Insurance)
- III. Protection (Non-life Insurance)
- IV. Resolution
- V. Fund Management

2) To complete the survey, please fill in those sections applicable to your IGS and **select all answers** that apply.

- If any portion of the survey is not applicable in your jurisdiction, please mark this section with a dash (-) or leave it blank.

3) **[For 'Protection (Life Insurance)' section]** If your IGS adds together similar benefits by person to determine protection, please use the table at the end of the Life Insurance portion of the survey to identify these categories. Then, use your answers to complete the "Category" section in each table.

For example, a jurisdiction may determine protection for each person by adding together similar benefits into few main categories, such as 'Death Benefits', 'Health Expenses', 'Monthly Income', 'Cash Value', 'Accumulated Value', etc.

I. GENERAL

GENERAL INFORMATION

1. Insurance Guarantee Scheme

Name of institution	Policyholders Compensation Fund
Year of establishment	2005
Address	KWFT Centre, 6th Floor, Masaba Road, Upper Hill, P.O. Box 24203 - 00100, Nairobi, Kenya

2. Contact Person Details

IFIGS representative	Noel Zuma
Title	Director, Compensation & Insurance Risk Monitoring
Email address	nzuma@pcf.go.ke
Telephone	(+254) 726 622 496

Contact Person	Amayoka Buhere
Title	Insurance Officer – Insurance Risk Monitoring
Email address	bamayoka@pcf.go.ke
Telephone	(+254) 713 620 519

3. Legal Structure of IGS

Government legislated and administered	☒
Government legislated and privately administered	☐
Privately established and administered	☐
Other	☐

Notes: *Please add any additional information that will assist in understanding your IGS*

Established under law? Yes ☒ No ☐

Notes: *Please add any relevant law or other information that will assist in understanding*

4. Additional Key Powers

Resolution	☒
Supervision	☐
Risk Management	☒
Other	☐

Notes :

5. Insured Institutions

Number of covered institutions	65
Life	21
Non-life	34
Composite	4
Micro	6
Mandatory membership	Yes ☒ No ☐

Notes :

6. Number of Employees

Full-time	31	Part-time
Temporary		Others

Notes :

7. Protection by person, policy, benefit and/or claim

All policies or benefits held by a person	☐
On each policy	☐
On benefits of the same type	☐

- | | |
|------------------------|-------------------------------------|
| On each claim | ☒ |
| Unlimited coverage | ☐ |
| Other (please specify) | ☐ |

Notes:

II. PROTECTION (LIFE INSURANCE)

(i) Individual Life Insurance

Definition: Life insurance pays a benefit on the death of the insured life.

PROTECTION METHOD

Please indicate the method or methods of protecting individual life insurance.

- | | | |
|------------------------|-------------------------------------|-----|
| Continuation of policy | ☐ | |
| Cash Compensation | ☐ | |
| Payment of claims | ☒ | |
| Other (please specify) | ☐ | [] |
| | ☐ | [] |

PROTECTION OF PRODUCT, BENEFIT OR CLAIMS

How do you protect individual life insurance?

- | | | |
|-----------------------|-------------------------------------|---|
| Protection of product | ☐ | If selected, please fill in the Product Table |
| Protection of benefit | ☐ | If selected, please fill in the Benefits Table |
| Protection of claims | ☒ | |

Do you provide protection of policy riders and/or associated accounts?

- | | |
|-----------------------------------|--------------------------|
| Protection of policy riders | ☐ |
| Protection of associated accounts | ☐ |

PROTECTION BY PRODUCT

How much protection do you provide?

PRODUCT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Term	\$1,925				
Whole Life	\$1,925				
Universal Life	\$1,925				
Investment Linked	\$1,925				
Disability	\$1,925				
Other (please specify)					

Notes:

PROTECTION BY BENEFIT

How much protection do you provide?

BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Death Benefit	\$1,925				
Cash Surrender Value	\$1,925				
Investment Linked Value	\$1,925				
Endowment: Death or Maturity Value	\$1,925				
Value of investment in a life insurance wrapper	\$1,925				
Disability	\$1,925				
Other (please specify)					

Notes:

PROTECTION OF RIDERS AND ASSOCIATED ACCOUNTS

If you protect riders and associated accounts:

RIDERS & ACCOUNTS	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Accidental Death Rider					
Other Riders (please specify)					
Dividend Deposit Accounts					
Premium Deposit Accounts					
Other (please specify)					

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(ii) Individual Annuity

Definition: Annuities pay a series of payments over a fixed period or until the death of the annuitant (the insured life).

PROTECTION METHOD

Please indicate the method or methods of protecting individual annuities.

Continuation of policy ☐

Cash Compensation ☐

Payment of claims ☐

Other (please specify) ☐ []

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Retirement Annuity/Income	0				
Disability Annuity/Income	0				
Term Certain Annuity	0				
Indexed Annuities	0				
Structured Settlement Annuity	0				
Other (please specify)	0				

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(iii) Individual Savings

Definition: Savings accounts are those whose value is the amount deposited plus interest less withdrawals.

PROTECTION METHOD

Please indicate the method or methods of protecting individual savings.

Continuation of policy ☐

Cash Compensation ☐

Other (please specify) ☒ [Payment of claims]

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Accumulation Annuity	\$1,925				
Term Deposit	\$1,925				
Short Term Savings	\$1,925				
Tax Sheltered Savings	\$1,925				
RRSP/401k/ISA					
Other (please specify)					

Notes:

Kenya has two state corporations providing mandatory retirement services to citizens and persons employed by Kenyan entities. All employees and their employers make a mandatory contribution to the National Social Security Fund (NSSF) whose unpaid benefits are not covered by PCF.

All employees of the National Government also make mandatory contributions to the Public Service Superannuation Scheme (PSSF) whose unpaid benefits are not covered by PCF.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

PCF is mandated to provide compensation to claimants of insurers placed under statutory management or whose license has been cancelled. The compensation limit is KES. 250,000 (~\$1,925) per claim against claims of all classes of insurance business licensed by the regulator.

PCF is a paybox plus, providing cash compensation to claimants as well as with limited resolution powers

(iv) Individual Investment Accounts

Definition: Investment accounts are those whose value varies with the value of a portfolio of assets or a market index.

PROTECTION METHOD

Please indicate the method or methods of protecting individual investment accounts.

Continuation of policy ☐

Cash Compensation ☐

Other (please specify) ☒ [Payment of claims]

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Segregated Funds	\$1,925				
Variable Annuities	0				
Mutual Funds	\$1,925				
Other (please specify)					

Notes:

PCF is mandated to provide compensation to claimants of insurers placed under statutory management or whose license has been cancelled. The compensation limit is KES. 250,000 (~\$1,925) per claim against claims of all classes of insurance business licensed by the regulator.

Annuities are excluded from protected benefits.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(v) Individual Health, Medical, Long Term Care Expenses

Definition: Health Insurance pays benefits when the insured life suffers illness or personal accident.

PROTECTION METHOD

Please indicate the method or methods of protecting individual health.

- Continuation of policy ☐
- Cash Compensation ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF BENEFIT OR CLAIMS

How do you protect individual health?

- Protection of benefit ☐
- Protection of claims ☒

PROTECTION BY BENEFIT OR CLAIM

How much protection do you provide?

BENEFIT/CLAIM	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Hospital	\$1,925				
Prescription Drugs	\$1,925				
Operation	\$1,925				
Doctors' Fees	\$1,925				
Vision	\$1,925				
Dental	\$1,925				
Travel	\$1,925				
Long Term Care	\$1,925				
Critical Illness	\$1,925				
Other (please specify)					

Notes:

(vi) Group Life Insurance

Definition: Life insurance pays a benefit on the death of the insured life.

PROTECTION METHOD

Please indicate the method or methods of protecting group life insurance.

- Continuation of policy ☐
- Cash Compensation ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT, BENEFIT OR CLAIMS

How do you protect group life insurance?

- Protection of product ☐ If selected, please fill in the **Product** Table
- Protection of benefit ☐ If selected, please fill in the **Benefit** Table
- Protection of claims ☒

Do you provide protection of policy riders and/or associated accounts?

- Protection of policy riders ☐
- Protection of associated accounts ☐

PROTECTION BY PRODUCT

How much protection do you provide?

PRODUCT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Term	\$1,925				
Whole Life	\$1,925				
Universal Life	\$1,925				
Investment Linked	\$1,925				
Disability	\$1,925				
Other (please specify)					

Notes:

PROTECTION BY BENEFIT

How much protection do you provide?

BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Death Benefit	\$1,925				
Cash Surrender Value	\$1,925				
Investment Linked Value	\$1,925				
Endowment: Death or Maturity Value	\$1,925				
Value of investment in a life insurance wrapper	\$1,925				
Disability	\$1,925				
Other (please specify)					

Notes:

PROTECTION OF RIDERS AND ASSOCIATED ACCOUNTS

If you protect riders and associated accounts:

RIDERS & ACCOUNTS	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Accidental Death Rider	Riders are consolidated with principal benefits				
Other Riders (please specify)	Riders are consolidated with principal benefits				
Dividend Deposit Accounts	Riders are consolidated with principal benefits				
Premium Deposit Accounts	Riders are consolidated with principal benefits				
Other (please specify)					

Notes:

Riders are consolidated with principal benefits and subjected to the compensation limit

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

Riders are consolidated with principal benefits and subjected to the compensation limit

(vii) Group Annuity

Definition: Annuities pay a series of payments over a fixed period or until the death of the annuitant (the insured life).

PROTECTION METHOD

Please indicate the method or methods of protecting group annuities.

Continuation of policy ☐

Cash Compensation ☐

Payment of claims ☐

Other (please specify) ☐ []

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Retirement Annuity/Income	0				
Disability Annuity/Income	0				
Term Certain Annuity	0				
Indexed Annuities	0				
Structured Settlement Annuity	0				
Other (please specify)					

Notes:

The Annuity class of business is excluded from making contributions and excluded from protected benefits

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(viii) Group Savings

Definition: Savings accounts are those whose value is the amount deposited plus interest less withdrawals.

PROTECTION METHOD

Please indicate the method or methods of protecting group savings.

Continuation of policy ☐

Cash Compensation ☒

Other (please specify) ☐ []

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Accumulation Annuity	0				
Term Deposit	\$1,925				
Short Term Savings	\$1,925				
Tax Sheltered Savings	\$1,925				
RRSP/401k/ISA	0				
Other (please specify)					

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(ix) Group Investment Accounts

Definition: Investment accounts are those whose value varies with the value of a portfolio of assets or a market index.

PROTECTION METHOD

Please indicate the method or methods of protecting group investment accounts.

Continuation of policy ☐

Cash Compensation ☐

Other (please specify) ☒ [Payment of claims]

☐ []

PROTECTION BY PRODUCT OR BENEFIT

How much protection do you provide?

PRODUCT/BENEFIT	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Segregated Funds	\$1,925				
Variable Annuities	0				
Mutual Funds	\$1,925				
Other (please specify)					

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(x) Group Health, Medical, Long Term Care Expenses

Definition: Health Insurance pays benefits when the insured life suffers illness or personal accident.

PROTECTION METHOD

Please indicate the method or methods of protecting group health.

Continuation of policy ☐

Cash Compensation ☐

Payment of claims ☒

Other (please specify) ☐ []

PROTECTION OF BENEFIT OR CLAIMS

How do you protect group health?

Protection of benefit ☐

Protection of claims ☒

PROTECTION BY BENEFIT OR CLAIM

How much protection do you provide?

BENEFIT/CLAIM	AMOUNT	%	UNLIMITED	OTHER	CATEGORY
Hospital	\$1,925				
Prescription Drugs	\$1,925				
Operations	\$1,925				
Doctors' Fees	\$1,925				
Vision	\$1,925				
Dental	\$1,925				
Travel	\$1,925				
Long Term Care	\$1,925				
Critical Illness	\$1,925				
Accident	\$1,925				
Other (please specify)					

Notes:

WHERE PROTECTION IS APPLIED BY PERSON – GROUPING & CATEGORIZING BENEFITS, PRODUCTS, OR CLAIMS

If coverage is grouped and applied by person, please indicate in the table below the type(s) of benefits, policies or claims that are added together (categories). Categorize these groups by name/type, and then create a notation for these categories.

Please use your own terminology and categorizing pattern.

Name of Category	Benefit/Product/Claim Category Reference	Limit/Maximum Protection

III. PROTECTION (NON-LIFE INSURANCE)

(i) Property Damage

Definition: Property damage insurance is the payment of a benefit in compensation for the damage to property.

[a] Motor Vehicle Collision

PROTECTION METHOD

Please indicate the method or methods of protecting motor vehicle collisions.

- | | | |
|----------------------------|-------------------------------------|-----|
| Continuation of policy | ☐ | |
| Return of Unearned Premium | ☐ | |
| Payment of claims | ☒ | |
| Other (please specify) | ☐ | [] |
| | ☐ | [] |

PROTECTION BY PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Land Vehicles	\$1,925			
Cars and motorbikes	\$1,925			
Commercial Vehicles	\$1,925			
Unearned Premium	0			
Other (please specify)				

Notes:

Unearned Premiums are paid after the insurer is liquidated when proceeds are being distributed after winding up. Unearned premiums are ranked pari passu with other unsecured creditors under the principal Insolvency legislation.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[b] House

PROTECTION METHOD

Please indicate the method or methods of protecting houses.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION BY PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Fire	\$1,925			
Flood/Water Damage	\$1,925			
Natural Disaster	\$1,925			
Burglary	\$1,925			
Theft	\$1,925			
Glass	\$1,925			
Earthquake	\$1,925			
Other (please specify)				

Notes:

While most insurers do not cover claims arising from natural disasters, or rather “Acts of God”, natural disaster risks that were covered in the policy and admitted by the Insurer are eligible for compensation by the Fund.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[c] Commercial Property

PROTECTION METHOD

Please indicate the method or methods of protecting commercial property.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION BY PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Fire	\$ 1,950			
Flood/Water Damage	\$ 1,950			
Natural Disaster	\$ 1,950			
Burglary	\$ 1,950			
Theft	\$ 1,950			
Glass	\$ 1,950			
Boiler and machinery	\$ 1,950			
Earthquake	\$ 1,950			
Other (please specify)				

Notes:

While most insurers do not cover claims arising from natural disasters, or rather “Acts of God”, natural disaster risks that were covered in the policy and admitted by the Insurer are eligible for compensation by the Fund.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[d] Commercial Transportation

PROTECTION METHOD

Please indicate the method or methods of protecting commercial transportation.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Railway Rolling Stock	\$1,925			
Aircraft	\$1,925			
Ships/Marine	\$1,925			
Goods in transit	\$1,925			
Cargo	\$1,925			
Inland Marine	\$1,925			
Other (please specify)				

Notes:

Unearned Premiums are paid after the insurer is liquidated when proceeds are being distributed after winding up. Unearned premiums are ranked pari pasu with other unsecured creditors under the principal Insolvency legislation.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(ii) Liability

Definition: Liability insurance pays a benefit if the insured incurs a liability to another person by action or inaction.

[a] General Liability

PROTECTION METHOD

Please indicate the method or methods of protecting general liability.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Motor Vehicle Liability	\$1,925			
Aircraft Liability	\$1,925			
Ship Liability	\$1,925			
Product	\$1,925			
Public	\$1,925			
Other (please specify)				

Notes:

Unearned Premiums are paid after the insurer is liquidated when proceeds are being distributed after winding up. Unearned premiums are ranked pari passu with other unsecured creditors under the principal Insolvency legislation.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[b] Professional Liability

PROTECTION METHOD

Please indicate the method or methods of protecting professional liability.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Medical Malpractice	\$1,925			
Legal Malpractice	\$1,925			
Errors & Omissions	\$1,925			
Director & Officer	\$1,925			
Professional Indemnity	\$1,925			
Other (please specify)				

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[c] Accident Commercial

PROTECTION METHOD

Please indicate the method or methods of protecting commercial accidents.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Workers Compensation	\$1,925			
Employers Liability	\$1,925			
Other (please specify)	\$1,925			

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

(iii) Miscellaneous

Definition: Miscellaneous non-life insurance is the payment of a benefit by a non-life insurer for an event other than property damage or incurring liability.

[a] Financial Loss

PROTECTION METHOD

Please indicate the method or methods of protecting financial loss.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Credit	\$1,925			
Surety (bond insurance)	\$1,925			
Business Interruption	\$1,925			
Mortgage Insurance	\$1,925			
Mortgage Guarantee	\$1,925			
Other (please specify)				

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[b] Personal Accident

Definition: Personal Accident insurance is a policy which provides compensation in the event of injuries, disability or death caused solely by accidental, external and visible events.

PROTECTION METHOD

Please indicate the method or methods of protecting personal accident.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Accidental Death	\$1,925			
Accidental Disability	\$1,925			
Other (please specify)				

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[c] Other

PROTECTION METHOD

Please indicate the method or methods of protecting any other miscellaneous non-life insurance.

- Continuation of policy ☐
- Return of Unearned Premium ☐
- Payment of claims ☒
- Other (please specify) ☐ []
- ☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Legal Expenses	0			
Prepaid Legal	0			
Health & Sickness	\$1,925			
Title Insurance	\$1,925			
Other (please specify)				

Notes:

**Title Insurance – Were legal expenses been insured and clearly indicated in the policy document, the financial losses as well as legal expenses incurred would be eligible for compensation.*

However, legal expenses do not generally form part of the protected benefits prescribed by the Fund.

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

[d] Compulsory Insurance

Definition: Some IGSs provide different protection for insurance which they must have by law.

Please indicate in this table any different protection you provide for compulsory insurance.

PROTECTION METHOD

Please indicate the method or methods of protecting compulsory insurance.

Continuation of policy ☐

Return of Unearned Premium ☐

Payment of claims ☒

Other (please specify) ☐ []

☐ []

PROTECTION OF PRODUCT OR CLAIM

How much protection do you provide?

PRODUCT	AMOUNT	PERCENTAGE	UNLIMITED	OTHER
Employers' Liability	\$1,925			
Third Party Motor	\$1,925			
Other (please specify)				

Notes:

Note: Please add any additional information that will assist in understanding the protection provided by your IGS.

IV. RESOLUTION

(i) Pre-insolvency Cooperation/Coordination with Insurance Supervisor

1. Do you monitor the solvency of the companies independently of the work done by the solvency supervisor?

Yes ☒

No ☐

Notes: *If yes, please describe the type of monitoring that you perform*

The Fund is mandated to undertake the risk profile of all insurers and consult with the regulator where necessary. The Fund uses Capital Adequacy Guidelines provided by the Regulator that follows risk-based methodologies in Solvency II. The Fund estimates the Capital Adequacy Ratio of all licensed insurers and notes insurers that are below the legislated Minimum Capital Requirements. Risk profiles also help the Fund identify the likelihood and impact of failure to compensation preparedness, identify systemically important insurers, and to consult the Regulator where necessary.

2. Do you have a cooperation agreement with the solvency supervisor so that you are informed of solvency concerns?

Yes ☒

No ☐

Notes:

The Regulator sits on our Board and both parties are at liberty to disclose solvency concerns if any.

The Fund and the Regulator have an MoU in place to facilitate information sharing. However, the effectiveness of this arrangement is yet to be evaluated.

3. If you have this cooperation agreement is it:

- An informal understanding ☒
- A formal agreement ☐
- A statutory obligation ☐
- Not applicable ☐
- Other (please specify) ☐ []

Notes:

4. Are the IGS and the solvency supervisor in the same organization?

Yes ☐

No ☒

Notes:

The Fund and the Regulator are two independent state corporations established under the same legislation. However, the Regulator sits on the IGS's Board.

5. If the IGS and the solvency supervisor are in the same organisation is there a cooperation agreement between the departments and is it:

- An informal understanding ☐
- A formal agreement ☐
- A statutory obligation ☐
- Other (please specify) ☐ []

Notes:

6. Is the information shared (only applicable for those whose IGS and supervisor are part of the same organization):

- In writing ☐
- In formal meetings ☐
- In informal meetings ☐
- Other (please specify) ☐ []

Notes:

7. Please indicate the type of information shared:

Relating to risk assessment(s) ☐

Solvency concerns ☒

Other (please specify) ☒ [Raw data]
☐ []

Notes:

The MoU is on information sharing, which is mainly regulatory data maintained by the Regulator.

The Fund may share its solvency concerns with the Regulator at any time and provide any consults where necessary.

8. Are you informed:

Immediately before the supervisor takes steps to close the company ☒

As soon as the supervisor has solvency concerns ☐

About the financial condition and solvency status of all companies ☐

Notes:

The Fund is made aware of the closure of an insurer only a few hours before a notice of cancellation of license is issued by the Regulator.

Please describe the type of information that is shared:

The name and address of the Insurer and the phone number of the Principal Officer.

(ii) Participation in the Supervision of the Distressed Insurer

9. Do you participate with the solvency supervisor in the supervision of a distressed insurer?

Yes ☐

No ☒

Notes:

10. Is this participation:

An informal understanding ☐

A formal agreement ☐

A statutory obligation ☐

Other (please specify) ☐ []

Notes:

Please describe the nature and form of the participation.

(iii) Participation in the Development or Assessment of Resolution Strategies or Plans

11. Are resolution strategies or plans prepared in your jurisdiction?

Yes ☐

No ☒

Notes:

12. Are the resolution strategies or plans done for:

Systemically important companies ☐

All companies ☐

Companies with solvency concerns ☒

Other (please specify) ☐ []

☐ []

Notes:

13. Are resolution strategies or plans prepared by:

- | | | |
|-------------------------|-------------------------------------|-----|
| The solvency supervisor | ☐ | |
| You as the IGS | ☐ | |
| The company | ☒ | |
| Other (please specify) | ☐ | [] |
| | ☐ | [] |

Notes:

The Regulator request the company to prepare its resolution strategy that is assessed and approved by the Regulator. The Regulator follows up or oversights implementation of the strategy

14. Are resolution strategies or plans assessed by:

- | | | |
|-------------------------|-------------------------------------|-----|
| The solvency supervisor | ☒ | |
| You as the IGS | ☐ | |
| Other (please specify) | ☐ | [] |
| | ☐ | [] |

Notes:

15. Is there a designated resolution authority in your jurisdiction?

- Yes ☐
- No ☒

Notes:

16. Are you as the IGS the resolution authority?

- Yes ☐
- No ☒

Notes: *If you are not the resolution authority, please describe the authority/organization*

(iv) Preparation for Transition of Claims Handling to IGS

17. Is there a process for ensuring that the IGS policyholder protection is applied immediately upon the solvency supervisor closing the company?

Yes ☒

No ☐

Note: If yes, please describe this process

The IGS (the Fund) immediately issues a public notice informing the public that the insurer's license has been cancelled and to further await instructions about the commencement of compensation.

The Fund acquires and takes custody of the claims database of the insurer and determines and prepares the compensation strategy that is then approved by Management and the Board.

***Depending on the availability and organization of the data, this can be as soon as two weeks to as late as 6 months.**

A public notice of commencement of compensation is issued.

(v) Pre-insolvency Resolution Powers

18. Do you have the power to participate in a resolution **without** formal declaration of insolvency or legal insolvency proceedings being commenced (i.e. liquidation, winding-up, or bankruptcy)?

Yes ☐

No ☒

Notes:

19. If so, can you provide financial support to a distressed insurer (before insolvency)?

Yes ☐

No ☒

Notes:

19-1. What form could this take (before insolvency)?

Cash injections ☐

Loans ☐

Guarantees ☐

Collateral ☐

Asset or share purchases ☐

Assumption of liabilities ☐

All of the above ☐

Other (please specify) ☐ []

☐ []

20. Can you provide financial support to another entity that intends to purchase the insurer or its insurance business prior to formal insolvency proceedings (before insolvency)?

Yes ☐

No ☒

Notes:

20-1. If yes, what form could this take?

Cash injections ☐

Loans ☐

Guarantees ☐

Collateral ☐

Asset or share purchases ☐

Assumption of liabilities ☐

All of the above ☐

Other (please specify) ☐ []

☐ []

Notes:

21. Can you continue coverage (before insolvency)?

Yes ☐

No ☒

Notes:

21-1. If yes, what form could this take?

Retention/runoff of covered policy obligations ☐

Issuance of alternative coverage ☐

Participation in portfolio transfers ☐

Other (please specify) ☐ []

☐ []

Notes:

22. Can you restructure policies by changing the terms of policies (before insolvency)?

Yes ☐

No ☒

Notes:

22-1. If yes, please describe the manner:

Impose limits on benefits up to your protection amounts ☐

Change other non-substantive terms ☐

Change other substantive terms ☐

Delay payment of policy benefits and claims ☐

Other (please specify) ☐ []

☐ []

Notes:

23. Can you establish or act as a bridge institution when no immediate purchaser of an insolvent insurer (or its business) can be found (before insolvency)?

Yes ☐

No ☒

Notes: *If yes, please describe*

24. Can you restructure the business or take other measures on the distressed insurer before formal insolvency proceedings?

Yes ☒

No ☐

Notes:

Before declaration of statutory management by the Regulator, the Fund is not involved in the discussions. Should the Regulator appoint the Fund as the Statutory Manager, the Fund can review various revival strategies including business restructuring, bail ins, capital injections etc. Should our recommended course of action be shutting down the business altogether, the Fund recommends liquidation to the Regulator. The Regulator, upon recommendation, initiates formal insolvency proceedings at the Courts under the Insolvency legislation.

However, should the Regulator appoint any other entity as the Statutory Manager, the Fund's only role would be to provide compensation. Before

24-1. If yes, what form could this take?

- | | |
|--|---|
| Restrict or require performance of an action | ☒ |
| Cease issuing/renewing policies or making payments | ☒ |
| Restructure whole or part of the business | ☒ |
| Acquire shares from the existing shareholders | ☐ |
| Assume control of assets, liabilities, business or affairs | ☒ |
| Appoint receiver and/or manager to manage assets, liabilities, business or affairs of the distressed insurer | ☐ |
| Transfer shares or capital instruments issued by the distressed insurer to any person | ☐ |
| Reduce/cancel share capital | ☐ |
| Transfer the assets to asset management company | ☐ |
| Other (please specify) | ☐ [] |
| | ☐ [] |

(vi) Insolvency Resolution Powers

POST FORMAL INSOLVENCY PROCEEDINGS

25. If formal insolvency proceedings are commenced (i.e. liquidation, winding-up, issuance of non-viability notice by the supervisor, etc.) what powers do you have to protect policyholders - can you pay claims?

Yes ☒

No ☐

Notes:

Claims are compensated up to the limit of \$ 1,925

26. If formal insolvency proceedings are commenced, can you continue coverage?

Yes ☒

No ☐

26-1. If yes, what form could this take?

Retention/runoff of covered policy obligations ☐

Issuance of alternative coverage ☐

Participation in portfolio transfers ☐

Other (please specify) ☒ [Payment of
claims]
☐ []

Notes:

Claims are compensated up to the limit of \$ 1,925

27. Can you restructure policies by changing the terms of the policies?

Yes ☐

No ☒

27-1. If yes, please describe the manner:

Impose limits on benefits up to your protection amounts ☐

Change other non-substantive terms ☐

Change other substantive terms ☐

Delay payment of policy benefits and claims ☐

Other (please specify) ☐ []

☐ []

Notes:

28. Can you provide financial support to another entity that intends to purchase the insurer or its insurance business during formal insolvency proceedings?

Yes ☐

No ☒

Notes:

If yes, what form could this take:

Cash injections ☐

Loans ☐

Guarantees ☐

Collateral ☐

Asset or share purchases ☐

Assumption of liabilities ☐

All of the above ☐
Other (please specify) ☐ [☐]
☐ [☐]

Notes:

29. Can you establish or act as a bridge institution when no immediate purchaser of an insolvent insurer (or its business) can be found?

Yes ☐
No ☐

Notes:

If yes please describe:

30. Do you have early access to the assets of the insolvent insurer to assist with the payment of policyholder claims?

Yes ☒
No ☐

Notes:

If yes please describe:

The Fund may commence compensation using its own funds as soon as readiness is determined.

While the Insurance legislation indicates that 5% of the assets of the insurer are to be held in lien by the Regulator for purposes of meeting insurance liabilities, the Fund, as a Statutory Manager is provided with Terms of Reference. The Terms of Reference may or may not require the Statutory Manager use the Insurer's fund to settle claims. In the absence of that requirement, the Fund cannot use the insurer's assets to pay the claims.

31. If you advance funds to protect policyholders, do you receive priority of payment ahead of other non-policyholder creditors?

Yes ☐

No ☒

Notes:

32. If you pay a claim, do you have Subrogation Rights? (that is do you inherit the rights that the policyholder had claim on the assets of the insolvent insurer.)

Yes ☐

No ☒

Notes:

If yes please describe the method of subrogation

(vii) Cross-border Coverage and Cooperation

33. Do you have formal or informal cooperation agreements with IGSs in other jurisdictions?

Yes ☐

No ☒

Notes:

If yes please list the jurisdictions and the nature of the cooperation agreement.

34. Do these agreements include:

Information sharing pre-insolvency ☐

Information sharing post-insolvency ☐

Mediation or arbitration of disputes ☐

Asset sharing or pooling ☐

Notes:

35. Do you provide coverage for policyholders resident in your jurisdiction who have purchased insurance from companies supervised in your jurisdiction?

Yes ☒

No ☐

Notes:

Policies issued by an Insurer licensed in the country (Kenya) are covered, regardless of the policyholder's origins.

36. Do you provide protection for policyholders who are citizens/resident in another jurisdiction who have purchased from insurance companies supervised in your jurisdiction?

Yes ☒

No ☐

Notes:

37. Do you provide protection for policyholders resident in your jurisdiction that have purchased insurance from a company not supervised in your jurisdiction?

Yes ☐

No ☒

Notes:

V. FUND MANAGEMENT

1. Please indicate your insurance premium system and the rate.

- Flat ☒ 5% (0.25% from policyholder, 0.25% from insurer)
Risk-based ☐
Combination ☐
Other ☐ [*please provide additional information*]

Is it stated by law? Yes ☒ No ☐

Notes: *Please provide the rate and calculation method used*

Total of 0.5% of the Gross Direct Premium (0.25% from policyholder, 0.25% from insurer)

2. How often is the premium collected?

- Monthly ☒
Quarterly ☐
Semi-annually ☐
Annually ☐
Other ☐ [*please provide additional information*]

Notes:

3. Please indicate the type of funding used by your IGS

- Ex-ante ☒
Ex-post ☐
Other ☐ [*please provide additional information*]

Is it stated by law? Yes ☒ No ☐

Notes:

4. Do you have a target fund size?

Yes ☐ [*please provide the target fund size in the notes below*]

No ☒

Other ☐ [*please provide additional information*]

Is it stated by law? Yes ☐ No ☒

Notes: *For target fund size, please provide in local currency, USD and exchange rate used*

5. In the event of a failure, do you have any arrangements to finance for the additional needs?

Yes ☐ [*please provide the details in the notes below*]

No ☒

Other ☐ [*please provide additional information*]

Is it a formal arrangement? Yes ☐ No ☐

Notes:

6. What is the size of your accumulated fund? (As of end 2024)

Local currency (KES) 24,545,126,193

In USD (USD) 188,808,663

Exchange rate used 130

Notes:

7. How much is collected as insurance premium in FY 2024?

Local currency (KES) 282,381,307,137

In USD (USD) 2,172,163,901

Exchange rate used 130

Notes:

This includes insurance classes that attract contributions. (Excludes superannuation classes)

8. How much is your total operating expense in FY 2024?

Local currency	(KES)	510,718,340
In USD	(USD)	3,928,602
Exchange rate used	130	

Notes:

Expenses include compensation costs