

# THE ASSOCIATION OF KENYA INSURERS

AKI Centre, Mimosa Road, Muchai Drive, Off Ngong Road.

P.O. Box 45338 - 00100, Nairobi

Tel: 254 709640000

Mobile: 0722-204 149, 0733 610 325

Email: [info@akinsure.com](mailto:info@akinsure.com)

Website: [www.akinsure.com](http://www.akinsure.com)



24<sup>th</sup> July 2019

## AKI CIRCULAR NO.104/2019/TMG

**TO: ALL CHIEF EXECUTIVE OFFICERS  
MEMBER INSURANCE COMPANIES  
ASSOCIATION OF KENYA INSURERS**

Ladies & Gentlemen,

### **RE: INSURANCE (AMENDMENT) ACT NO.11 OF 2019,**

We refer to the above and wish to inform members that **The Insurance (Amendment) Act no.11 of 2019** was assented by the President on 5<sup>th</sup> July 2019 and commenced on 23<sup>rd</sup> July 2019. One of the highlights of this Act is the amendment of **Section 156 by providing the following;**

1. No insurer shall assume a risk in Kenya in respect of insurance business unless until the premium payable thereon is received by insurer;
2. An intermediary **shall not** receive any premiums on behalf of an insurer;
3. An intermediary who contravenes subsection (2) shall be liable to a penalty equivalent to twenty percent (20%) of the unremitted premium on each contravention payable to the Policyholders Compensation fund.

Please ensure that your policy documents and contracts with the intermediaries are reworded to be in line with the above amendments.

A Copy of The Insurance (amendment) Act no.11 of 2019 is attached for your reference.

Yours faithfully,

  
**T.M GICHUHI**  
**EXECUTIVE DIRECTOR**