



MANAGING DIRECTOR'S COMMENTS



I am delighted to present to you our second issue of the PACIS Times, our new communication initiative aimed at ensuring you are kept abreast with what is happening at PACIS. It is intended that PACIS times will be published once every quarter of the year.

Board Changes *NEW*

His Eminence John Cardinal Njue Appointed on 29th June 2009
 Right Rev. Anthony Muheria Appointed on 29th June 2009
 Right Rev. Philip Sulumeti Appointed on 29th June 2009 as alternate to H.E. John Cardinal Njue

RETIRED

Right Rev. Cornelius Arap Korir Resigned on 29th June 2009
 Right Rev. David Kamau Resigned on 29th June 2009

Transition

In the second quarter of the year 2010, the board also lost a founding Director, Sr. Mary Waceke. May her soul rest in eternal peace.

Company Performance

2009 saw a major strengthening of the Company balance sheet. The profitability also improved significantly as shown below.

	Kshs. Millions		
	2007	2008	2009
Premium Income	163	252	314
Assets	220	342	429
Liabilities	85	201	255
Profit before Tax	27	4	27
Retained Profit	13	17	36
Share Capital	123	123	133

Share Capital

We still have up to 14th June 2010 to comply with the new capitalization requirement of Shs. 300 million. Arrangements have been put in place to meet the shortfall of Shs. 173 million.

Dividends

In view of the new capitalization requirements, the shareholders during the 5th Annual General Meeting of 21st May 2010, resolved that amounts standing in our revenue reserves be capitalized through bonus issue to the existing shareholders. This worked out to one (1) bonus share for every four (4) shares held as at 26th April 2010.

Company Initiatives

Electronic Document Management System – EDMS: The whole Company is going paperless with the installation of the Electronic Document Management System – EDMS. This exercise is to be finalised by July 2010.

Staff Training: Staff continue to undergo both in house and outside trainings. The in house trainings are compulsory to all staff.

Association of Insurance Brokers: – AIBK: At the Association of Insurance Brokers annual gala night of 19th March 2010, PACIS Insurance Company was among the 13 insurance Companies nominated in the category of having best record in paying claims among the 43 Companies in the Country.

Legislative Matters

Insurance Company Ownership

Effective 1st January 2010, no one shareholder will have more than 25% in an Insurance Company. Anyone who holds more 20% will not be involved in the management of an insurance company

Motor Rating

Motor rating change from flat rating to No Claim Discount – NCD – based with effect from 1st March 2010. This means those with high claims incidences will pay premiums at higher rates

Distribution Channels

The Company plans to expand operations to reach stakeholders across the country by opening another branch in the 3rd quarter of this year of 2010 in Mt. Kenya region.. The exercise began in 2008 with the opening of the City Centre Branch and the Nakuru office.

Dates to Keep in 2010

9th – 11 June 2010 – Vicars & Finance Administrators Seminar at Resurrections Garden

14th June 2010 – Date when we should have raised our share capital to Shs.300 million.

25th June 2010 – Nakuru Business Men and Brokers Cocktail

4th Quarter 2010 – New branch in Mt. Kenya region

Peter Chakah Makhanu, Managing Director.

PACIS GOES DIGITAL: EDMS (Electronic Document Management System)

“Paperless Office”

Pacis insurance company is in the process of implementing an electronic document management and work flow system to eliminate physical movement of paper/documents and to create operational and procedural efficiencies. The system is to support scanning, storage and indexing, searching, viewing and distribution of images and electronic documents in a secure environment; it will also provide a great deal of flexibility in terms of space scalability, speed in accessing documents and use of advanced archiving databases.



Underwriting Department has gone live. This means that the department will not be interacting with any physical documents. They will not have any paper or files on their desk, and all mail to underwriting will be received and scanned before they can work on them. This has been an exciting but trying time for them, and all who rely on their documentation and feedback, however, the department has pulled through and is now working comfortably with the system apart from a few hitches here and there which the Consultant Vendor and ICT Teams are ironing out.

Underwriting Department has had the privilege of being the flagship for the project. They have set the pace for the rest of the PACIS Team. During the next phase of the project, we will see them teach us all the tricks they will have learnt as old hands before we join in the paperless age!

Claims, Finance, Marketing, Medical and our Branch Network are picking up the pace. Very soon we will all be cruising in the paperless super highway.

Patrick Omoding, ICT.

Effect of legislation on an organization

Any organization, whether for profit or charity has its operations affected by a number of factors, but none so far reaching like the actions of the legislature, and by extension, the government which has the role of implementing legislation directly or through subsidiary rules and guidelines.

Legislation affects an organization in regard to how it handles funds, accounts for it, how it manages employees, how it relates with other organizations and in most recent cases what kind of insurance covers it has to take.

By far the most common form of legislation mandated cover is the motor insurance third party cover, but it is not the only one. Most industrial enterprises like factories have long been required to have insurance cover as a prerequisite to being granted a green light to trade or operate.

The requirement to have insurance cover has now only come to the fore because of two main reasons. One is that new legislation that requires most if not all organizations to have insurance to cover their workers or any liability from their operations has just been passed, and this has meant much more publicity.

Two has been the move by most professional associations to incorporate professional negligence insurance cover as part of their industries' self regulation. This has affected professions like legal, health, insurance, engineering and consultancy professions.

In the coming issues we will be touching on the specific legislations and the duty they place on the various types of organizations in the different areas of operations.

Christian Ogolla, Underwriting.



PACIS PICTORIAL



Pacis Board members during the company AGM meeting held on the 21st May 2010 at the JJ Mc Carthy Center.



Members of Pacis Company Ltd attended the funeral service of a colleague's Father, Slyvano Kiptoo.



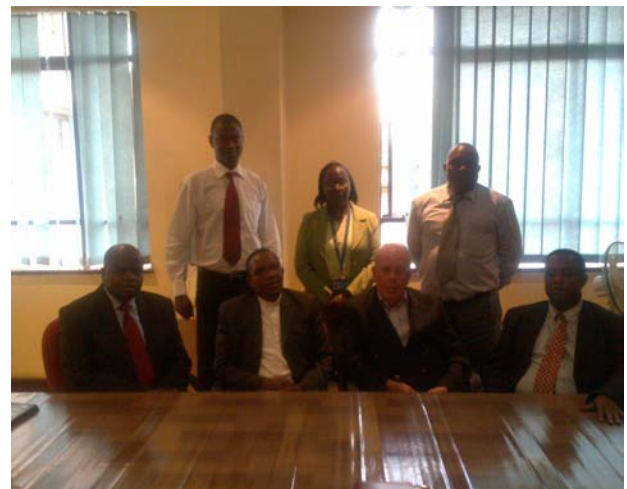
Pacis staff members during the Company's CSR at the Nyumbani Children's Home. Catherine Waiyaki and Margaret Iraki cut cake with the children.



Pacis Insurance Intermediaries during the Annual Pacis Intermediaries Cocktail held in March 2010.



Josephat Muindi and Jack Kathurima of Pacis Insurance present a sponsorship cheque to Sr. M. Dolan, James Kaloki and Lawrence Mugi of Mater Hospital for the 2010 Mater Heart Run.



Pacis staff and Board Member together with visitors from PAX Insurance, Uganda during their courtesy visit to Pacis Insurance.

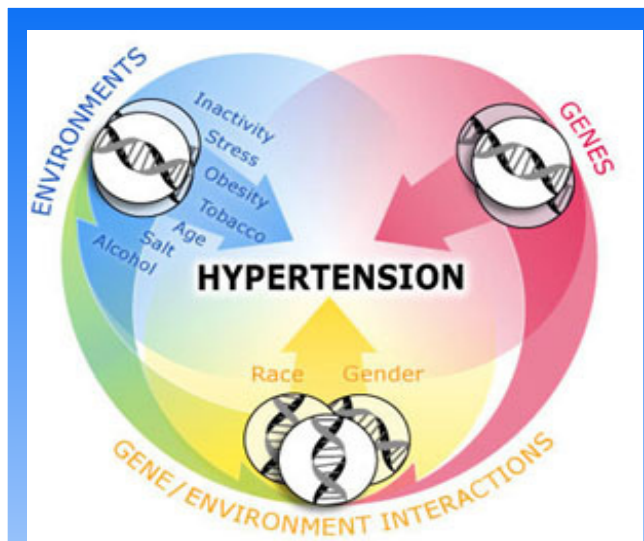
High Blood Pressure (Hypertension) At A Glance

High blood pressure (hypertension) is designated as either essential (primary) hypertension or secondary hypertension and is defined as a consistently elevated blood pressure exceeding 140/90 mm Hg. In essential hypertension (95% of people with hypertension), no specific cause is found, while secondary hypertension (5% of people with hypertension) is caused by an abnormality somewhere in the body, such as in the kidney, adrenal gland, or aortic artery. Essential hypertension may run in some families and occurs more often in the African American population, although the genes for essential hypertension have not yet been identified.

High salt intake, obesity, lack of regular exercise, excessive alcohol or coffee intake, and smoking may all adversely affect the outlook for the health of an individual with hypertension.

High blood pressure is called “the silent killer” because it often causes no symptoms for many years, even decades, until it finally damages certain critical organs. Poorly controlled hypertension ultimately can cause damage to blood vessels in the eye, thickening of the heart muscle and heart attacks, hardening of the arteries (arteriosclerosis), kidney failure, and strokes.

Heightened public awareness and screening of the population are necessary to detect hypertension early enough so it can be treated before critical organs are damaged. Lifestyle adjustments in diet and exercise and compliance with medication regimes are important factors in determining the outcome for people with hypertension.



The goal of therapy for hypertension is to bring the blood pressure down to 140/85 in the general population and to even lower levels in diabetics, African Americans, and people with certain chronic kidney diseases. Screening, diagnosing, treating, and controlling hypertension early in its course can significantly reduce the risk of developing strokes, heart attacks, or kidney failure.

How to Control Hypertension

- Eat the correct food low in cholesterol and low salt intake
- Exercise regularly
- Avoid excessive alcohol and smoking
- Avoid stressful situations and learn how to cope with stress

To remain health enjoy life , be happy pray God always and remember life is a mystery to be lived not a problem to be solved.

Margaret Iraki, Medical.



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