12th July 2021.

Dear Investor,

RE: KMA Sacco Savings & Loan Insurance Cover

The KMA Sacco Board is continuously looking to improve the welfare of the members and their dependants. In line with this, the Sacco has now insured members’ deposits in addition to the existing loan insurance benefit. Savings and loan insurance policies will be paid yearly by the Sacco to the chosen insurer at no additional cost to the member.

The benefits of these two insurance policies to the members are:

Insurance for deposits

1. In the event of a member’s death, the nominated beneficiaries will be paid twice (x2) the deceased member’s Sacco deposit savings as at the time of death.

   NB: This excludes the share capital.

2. A last expense settlement of Kes 80,000 will be paid to a member’s nominated beneficiary.

3. A sum equivalent to 30% of the savings (to a maximum of Kes 5 million) will be paid by the insurer to a member upon being diagnosed with critical illnesses. - (Heart attack, stroke, coronary artery surgery, cancer, renal failure, aorta surgery, replacement of heart valve, paraplegia, blindness, major organ transplant, multiple sclerosis, Parkinson’s and Alzheimer’s disease).

4. A sum equivalent to 100% of a member’s Sacco deposit savings will be paid by the insurer to a member in case of total permanent disability due to accident or illness.

Insurance for loans:

1. In the event of a member’s death or total permanent disability, 100% of the outstanding loan balance will be paid by the insurer.

2. In the event of a member’s death, the nominated beneficiary will be paid a last expense settlement of Kes 120,000.
3. In case of death of spouse, a member will be paid last expense settlement of Kes 50,000.

4. 30% of a member’s outstanding loan balance (up to a maximum of Kes 5 million) will be cleared by the insurer upon a member being diagnosed with critical illnesses- (Heart attack, stroke, coronary artery surgery, cancer, renal failure, aorta surgery, replacement of heart valve, paraplegia, blindness, major organ transplant, multiple sclerosis, Parkinson’s and Alzheimer’s disease).

These benefits take effect from 1st July 2021.

Investors are therefore encouraged to keep their beneficiaries’ details up to date at all times and to increase their savings in the Sacco as a long term benefit to both the member and their dependants.

Thank you for your continued support.

For and on behalf of:

KMA SACCO LTD

[Signature]

DR. JACK KILEBA,

BOARD SECRETARY