

PRESS RELEASE



30TH MARCH 2009

MICROCARE INSURANCE LTD LEGALLY OPERATIONAL IN UGANDA

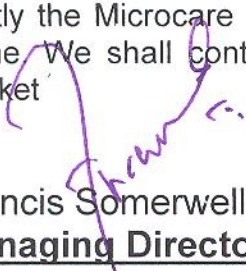
Microcare Insurance Limited (Microcare), Uganda's biggest health insurance company wishes to refute the false allegations that appeared in sections of the media over the weekend that which insinuated that Microcare is not allowed to transact insurance business in Uganda

Microcare has complied with all the requirements of the Uganda Insurance Commission for the license of 2009. The Uganda Insurance Commission has not revoked or stopped Microcare from transacting insurance business, if this was to happen the Uganda Insurance commission would as is required by section 78 (3) of the insurance Act cap 213 publish a notice of suspension or revocation, which has not been done. In addition the high court On Wednesday 25th March, 2009, ordered the Uganda Insurance Commission NOT to stop Microcare from transacting insurance business until the matter in court is resolved.

Microcare does not owe the companies that have filed the winding up petition in the Highcourt. The facts are that Microcare wrote to the said Companies stating that they have been charging Microcare prices that are above what was agreed in the service provider contracts , it also went ahead to demand a refund the credit that they are holding on its account with then since they had terminated services. Some of the said companies wrote a joint statement accepting the overcharges.

Microcare has not been served with the winding petition. The winding up petition is premature and done in bad faith since it also purports to sue companies that do not have a contractual obligation with the said companies, the intention of the petition is meant to cause panic in the market and precipitate a collapse of Microcare because individually they can succeed if an individual suit for demanded amount are filed in Highcourt. Microcare shall successfully defend the petition.

Lastly the Microcare has over 158 service providers countrywide, with 17 in Kampala alone. We shall continue to serve our clients with the best assured services in the market.


Francis Somerwell
Managing Director