



**REPUBLIC OF KENYA  
IN THE HIGH COURT OF KENYA  
AT NAIROBI (MILIMANI COMMERCIAL COURTS)**

**Winding Up Cause 19 of 2007**

**IN THE MATTER OF INVESCO ASSURANCE COMPANY LTD  
AND  
IN THE MATTER OF THE COMPANIES ACT  
CHAPTER 486 LAWS OF KENYA**

**LEGAL PROPORTEIS HOLDINGS KENYA LTD.....APPLICANT  
VERSUS  
INVESCO ASSURANCE COMPANY LTD  
(UNDER STATUTORY MANAGEMENT) .....RESPONDENT**

**RULING**

The respondent was placed under statutory management by the Insurance Regulatory Authority. Prior to the respondent being placed under statutory management, it had leased 2,587 square feet in the 3<sup>rd</sup> floor and 3,820 square feet on the 5<sup>th</sup> floor of the applicant's premises known as St. Ellis House Nairobi. According to the applicant, since 1<sup>st</sup> January 2008, the respondent has failed to pay rent in respect of the said leased premises. As at 1<sup>st</sup> April 2009, the respondent owed to the applicant the sum of Ksh.9,697,767.80. The rent arrears have continued to accrue on the account of the fact that todate, the respondent has not paid any rent to the applicant. The applicant therefore seeks the leave of this court to levy distress for the said outstanding rent. The applicant further prays that the court orders the respondent to vacate the suit premises or in default thereof the applicant be at liberty to evict them.

The respondent did not file any papers in opposition to the application. The court however allowed Mr. Orowe for the statutory manager and Mr. King'ara for the contributories to make oral presentation to the court. Mr. Orowe told the court that the statutory manager was in the process of reviving the respondent insurance company. He pleaded with the court to give the statutory manager up to 1<sup>st</sup> December 2009 to enable him conclude the negotiations that will lead to the revival of the respondent company. On his part, Mr. King'ara told the court that the respondent pleads for time up to 21<sup>st</sup> December 2009 to either pay the outstanding arrears or vacate the premises. Mr. Sigei for the applicant urged the court to allow the application in light of the prejudice that the applicant has suffered and is continuing to suffer.

I have carefully considered the issue in dispute in this application. It is conceded by the respondent that it has not paid rent from 1<sup>st</sup> January 2008. The applicant is entitled to be paid the outstanding rent. According to the applicant, the suit premises have been locked up since the respondent was placed under statutory management. I think the applicant has established a case for this court to grant the orders sought in the application. I direct the respondent to pay the outstanding rent arrears up to and including 30<sup>th</sup> November 2009 by the 15<sup>th</sup> December 2009 or in default thereof the applicant shall be at liberty to levy distress on the respondent's property in the said premises. I further direct that the respondent's lease in respect of the said premises shall be considered as terminated by 15<sup>th</sup> December 2009 if the respondent does not pay the outstanding rent arrears. The applicant shall be at liberty to evict the respondent seven (7) days after the said date of 15<sup>th</sup> December 2009 if the respondent does not vacate the premises. For the avoidance of doubt, the respondent shall be allowed to remove its files from the said offices. However, other items such as computers, office desks, shelves, office chairs shall not be removed if the outstanding rent arrears are not paid. These are some of the items that the applicant will distrain for rent in the event that the said rent arrears are not paid.

The applicant shall have the costs of this application. It is so ordered.

**DATED AT NAIROBI THIS 27<sup>TH</sup> DAY OF NOVEMBER 2009**

**L. KIMARU**  
**JUDGE**