

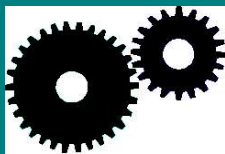
Ethiopian Business Development Services Network (EBDSN)

P.O. Box 11133, Addis Ababa, Tel. 00251-1-62.61.34, Fax 00251-1-62.01.25

www.bds-ethiopia.net

Services of Insurance Companies

Addis Ababa 2002



EBDSN

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German Technical Cooperation

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The following Brochures are also available:

- **Loan Conditions of Micro-Finance Institutions**
- **Loan Conditions of Commercial Banks**

1. Introduction

1.1 Background

This report is prepared by Ato Teklu Kidane, who was assigned by the GTZ-MSE Development Program, to collect and organize information concerning the services of the Micro Finance Institutions, Government and Private Banks and Insurance Companies operating in Ethiopia.

1.2 Methodology used in gathering the Information

Based on the pre-set TOR of the GTZ-MSE Development Program, the consultant had developed three different questionnaires that he considered essential in getting the necessary information from Financial Institutions (MFIs), Banks and Insurance Companies.

The questionnaires, along with the letter of cooperation written by the GTZ-MSE Development Program, were forwarded to the concerned offices e-mail, and hard copies. Repetitive physical visits to all banks and insurance companies as well to the majority of the MFIs was also made. The purpose of the visit was to clarify some of the points stated in the questionnaires and collect the completed ones. Intensive telephone calls were also made to make continuous follow-ups on the completion of the questionnaires.

The total number of MFIs, Banks and Insurance Companies contacted were 20, 8 and 9 respectively. All the contacted MFIs, except one, filled the questionnaire. The number of banks and insurance companies that responded to the questionnaire were 7 and 6 respectively.

1.3 Problems Encountered

- § Most of them were reluctant to disclose their prices;
- § They could not see the relevance of their services for people in the micro and small enterprise sector;
- § Extended time to respond to the questionnaire in time due to bureaucratic procedures.

2. Address list of Insurances

No	Name of Institution	Year of Estab.	Location (H.O)	Tel. / Fax	P.O.Box	e-mail
			Region / City			
1.	Ethiopian Insurance Co.	1976	Addis Ababa	+251-1-512400 +251-1-519077 Fax +251-1-517499	2545 Addis Ababa, Ethiopia	eic.md@telecom.net.et
2.	Nib Insurance Co.	2002	Addis Ababa	+251-1-535130 +251-1-528165 +251-1-535131 +251-1-528196 Fax +251-1-529193	285 Addis Ababa, Ethiopia	Nibinsgm@telecom.net.et
3.	Nyala Insurance Co.	1995	Addis Ababa	+251-1-626667 Fax +251-1-626706	12753 Addis Ababa, Ethiopia	nisco@telecom.net.et
4.	Global Insurance Co.	1997	Addis Ababa	+251-1-567400 Fax +251-1-566200	180112 Addis Ababa, Ethiopia	globalinsu@telecom.net.et
5.	Awash Insurance Co.	1995	Addis Ababa	+251-1-614420 +251-1-614470 Fax +251-1-614419	12637 Addis Ababa, Ethiopia	aic@telecom.net.et
6.	Africa Insurance Co.	1994	Addis Ababa	+251-1-624579	12941 Addis Ababa, Ethiopia	africainsmd@telecom.net.et
7.	Nile Insurance Co.		Addis Ababa	+251-1-514999 +251-1-514329 Fax +251-1-514592	12836 Addis Ababa, Ethiopia	nile@telecom.net.et

3. Services of Insurances

3.1 Ethiopian Insurance Corporation (EIC)

(a) General Information

Year of Establishment

1976

Current Operational Area (s)

EIC is currently operating in:

- § Tgray (Mekele)
- § Amhara (Bahir Dar, Gondar, Kombolcha)
- § Oromiyaa (Nazareth, Assela, Robe, Ziway, Nekemte, Ghimbi, Jimma, Asebe Teferi)
- § Southern Region (Awassa, Arba Minch)
- § Diredawa
- § Addis Ababa (in Central, Southern, Eastern, Western and North Western part of the City)
- § Foreign Branch (Djibouti).

Future Expansion Plan

EIC wants to expand its outreach to the following areas:

- § Tigray (Endasellasie, Humera)
- § Semera
- § Amhara (Woldia, Debretabor, Debremarkos)
- § Oromiyaa (Debrezeit, Dodolla, Assosa)
- § Southern Region (Wollaita, Jinka).

Total Number of Branches Opened so far

EIC has 24 branches operating allover Ethiopia.

Total Number of Clients Served So far/ Number of policies

52,855

table overview see next page

- Modified Large Group Term Life Assurance	-	1 year
- Mortgage Protection Assurance	1 month	35 years
§ Whole Life Assurance	Through out his/her life	
§ Others		1 year
- Iddir (Ethiopian Funeral Expenses Cover)	-	1 year
- Equip (Ethiopian Community Savings/Loans Protection)	-	1 year

Time needed to process and get services and amount of premium

No.	Type of Loan	Time needed to get service	Annual premium
1.	Motor	½ day	Not specified (Upon request)
2.	Fire	½ (1 – 2 days for over Birr 5 million)	“
3.	Marine	½ day	“
4.	Workers' Compensation	½ day	“
5.	Aviation	½ day	“
6.	Engineering	2 - 3 days	“
7.	Bond	2 - 3 days	“
8.	Life Insurance	30 min – 3 days	“
9.	Health Insurance	1 – 5 days	“

General Criteria for client (risk) eligibility of Insurance Coverage

- § It is not possible to insure against a risk which likely to occur, like depreciation;
- § The risk to be insured must be capable of being measured in financial terms;
- § There must be legal relationship between the insured and the subject matter of insurance;
- § The risk must be pure risk not speculative risk;
- § The risk must be homogeneous as much as possible with other risks insured by the insurer.

Additional Information and Documents Required from new clients

- § Evidence of Legal Ownership (Property);
- § Interest in the subject matter of insurance (life insurance);
- § The subject matter of insurance must be surveyed (Property);
- § Examined medically in the case of Life.

Type of clients addressed so far:

- § Public enterprises;
- § Private companies and individuals;
- § Government organizations;
- § NGOs.

Application/proposal form:

Each insurance coverage has its own application/proposal form. The following are just two of the specimens for Personal Accident and Workmen's Collective Insurances:

ETHIOPIAN INSURANCE CORPORATION
PERSONAL ACCIDENT PROPOSAL FORM

Name.....

Address.....Age.....

Profession or Occupation.....Height.....

(If more than one occupation state all)

.....Weight.....

State whether:

- (a) Employer or Employee
- (b) Superintending or working manually
- (c) Machinery is used

1. Have you ever been declined, postponed or accepted on special terms for Life, Accident, or has any Insurer canceled, declined to renew or varied the benefits of any conditions of any such Insurance? If so, give name of Insurers, their reasons for doing and when.
.....

2. State name of Insurers with whom you are at present or have been in the past insured against Accidents?.....
.....

If so, for what capital amounts and monthly benefits?
Does your average monthly income exceed the monthly indemnity under all policies carried by you, including that now applied for?.....
.....

3. Have you ever met with an accident or made a claim against any branch in respect of accident?.....

4. Is your sight or hearing defective?.....

5. Do you engage in big and/or small game: Hunting, Polo, Motor Cycling (As Driver and/or Passenger), Mountaineering, Winter Sports or Riding in any kind of Race?.....

If so, State whether cover is required?.....

6. Do you intend to Travel Abroad?.....

If so, where and number of journeys during the course of a year?.....

Do you anticipate traveling by air? If so, please indicate probable number of journeys during the course of a year by? (a) Regular Airlines (b) Multi-Engine Charter Aircraft (a).....

(b)

Do you intend to fly as Pilot, Co-pilot or crewmember? If so, give full details.....
.....

7. Do you to pursue any occupation or profession or any sport or pastime not mentioned above rendering you more that usually liable to accident?

Benefits Selected:	Amount Birr	Premium Birr
--------------------	-------------	--------------

Benefit	I. Death	
Benefit	II. Permanent Total Disablement	
Benefit	III. Temporary Total Disablement by accident per month	
Benefit	IV. Temporary Partial Disablement by accident per month	
Benefit	V. Medical Expenses	

Additional Benefits (World Wide Cover, Sport, etc.)

Total Birr

In respect of Temporary Total or Partial Disablement do you wish to execute the first one-month of such Disablement? I declare that the best of ma knowledge and belief all the foregoing statements and particulars are true, and I agree that this proposal shall be the basis of a contract of Insurance to be expressed in the usual terms of the Policy issued by the Ethiopian Insurance Corporation.

Date..... Signature of Proposer.....

Branch..... UNDERWRITER

ETHIOPIAN INSURANCE CORPORATION
PROPOSAL FOR WORKMEN'S COLLECTIVE INSURANCE

Employer's Name in Full.....
P.O.Box.....Tel. No.....
Address at which workers are to be working Woreda.....
Kebele & House No.
Nature and particulars of Work, /trade or Business to which this Insurance is to apply

SCHEDULE; all workers must be included

Description of Workers	Estimated No.	Estimated Ann. Earnings	(For Office Use Only)	
			Rate per cent	Premium
(a) Clerical Staff				
(b) Workers engaged with Woodworking Machinery and Machine Operators				
(c) Workers engaged with Machinery other than Woodworking Machinery (Machinists and Workers)				
(d) All other Workers				

1. Will your workers use any woodworking machinery or other machinery driven by mechanical power? If so, state full particulars	
2. Will the machinery, plant, works and ways be properly fenced and guarded and otherwise maintained in good order and condition?	
3. Will the: (a) boilers, steam containers and other pressure vessels, (b) lifts, hoists and crane be regularly inspected? If so, by whom?	
4. What acids, gasses, chemicals, explosives or dangerous substances will be used and to what extent?	
5. Will you handle or use radioisotopes, radioactive substances or other sources of ionizing radiations?	
6. (a) Will you manufacture, dress, handle or use asbestos or materials containing silica? (b) Have a foundry?	
7. Are your workmen transported in vehicles belonging to you or under your control or hired by you for such purpose? If the reply is "yes" please state (a) If seating accommodations are provided? and (b) the maximum number of seats in each vehicle?	
8. (a) Are you at present insured or have you ever proposed cover for your liability to your workers? If so, state name of insurers. (b) Has any insurer ever (i) Declined your proposal? (ii) Refused to renew your policy? (iii) Cancelled your policy? (iv) Required an increased premium or imposed special conditions	

9. State amount of wages paid and give particulars of accidents to your workers incidental to their occupation during the past three years.

Year	Wages	1. Fatal		2. Permanent		Temporary Disablement Only	
		No.	Details	No.	Details	No.	Details

10. State period of cover required and date of commencement.....

I/We the undersigned, thisday of.....desire to effect an insurance in the terms of the policy to be insured by the Corporation, as above mentioned. I/We agree to render, at the end of each period of insurance, a statement in the form required by the Corporation of all wages, salaries and other earnings actually paid and to pay premium on any amount in excess of the amount estimated above. I/We hereby declare that all the above statements and particulars, which I/We have fairly read over and checked are true, that I/We have not suppressed, misrepresented or misstated any material fact, that I/We have fairly estimated my/our total expenditure on wages, salaries and other earnings and I/We agree that this declaration shall be the basis of the contract between me/us and the Corporation.

Date..... Signature

Plan to avail Services to Micro and Small Entrepreneurs (MSEs)

The EIC has a plan to do.

Service Out-let

The services of the Company are accessible through its branch offices and sales agents.

Frequency of revising loan policies

It depends on the need and urgency of the matter, which needs revision.

Head Office

Telephone : +251-1-512400 or +251-1-519077
 Fax : +251-1-517499
 E-mail : eic.md@telecom.net.et
 P.O.Box : 2545, Addis Ababa, Ethiopia
 Web site Address : <http://www.telecom.net/~eic>

Contact Person : Mr. Yishak Mengistu, Chief Economist

3.2 Nib Insurance Company (S.C.)

(a) General Information

Year of Establishment

May 2002

Current Operational Area (s)

Nib Insurance Company is currently operating in Addis Ababa City Administration

Future Expansion Plan

Nib Insurance Company has a plan to expand to:

§ Diredawa and

§ Southern part of the country.

Total Number of Branches Opened so far

5 branches operating in Addis Ababa.

Total Number of Clients Served So far/ Number of policies

~ 1,000

(b) Terms and Types of Insurance Services/Policies

Type of Cover	Minimum Term/ Duration of Coverage	Maximum Term/ Duration of Coverage
§ Motor	Not provided	12 months
§ Marine		-
§ Engineering		-
§ Fire		12 months
§ General Accident		12 months
§ Pecuniary		-

Time needed to process and get services and amount of premium

Type of Loan	Time needed to get service	Annual Premium
§ Motor	Within an hour	Not specified (Upon request)
§ Marine	"	
§ Engineering	"	
§ Fire	"	
§ General Accident	"	
§ Pecuniary	"	

General Criteria for client (risk) eligibility of Insurance Coverage

Clients should have good claim experience.

Type of clients addressed so far:

§ Privately owned entities;

§ Individuals

§ NGOs

Application/proposal form:

Each insurance coverage has its own application/proposal form.

Plan to avail Services to Micro and Small Entrepreneurs (MSEs)

Nib Insurance has a plan to avail its services to the MSEs.

Service Out-let

The services of the Company are accessible through its branch offices. Other channels such as cooperatives, farmers association and community-based organizations are also envisaged to be used.

Head Office

Telephone	:	+251-1-535130 or +251-1-528165
Fax	:	+251-1-528193
E-mail	:	nibinsgm@telecom.net.et
P.O.Box	:	285, Addis Ababa, Ethiopia

3.3 Global Insurance Company (S.C.)

(a) General Information

Year of Establishment

1997

Current Operational Area (s)

Global Insurance Company is currently operating in:

§ Addis Ababa

§ Harrar

§ Diredawa

Future Expansion Plan

Global wants to expand its outreach to the following areas within a period of 3 to 5 years:

§ Oromiyaa;

§ Southern region

Total Number of Branches Opened so far

Global has 6 branches, including the Head Office.

Total Number of Clients Served So far/ Number of policies

~ 5000

(b) Terms and Types of Insurance Services/Policies

Type of Cover	Minimum Term/ Duration of Coverage	Maximum Term/ Duration of Coverage
§ Marine	Varies	Varies
§ Motor	3 days	1 year
§ Fire and Lightening	1 year	1 year
§ Various types of bonds	Varies	Varies
§ General Accident including workmen, money, burglary, etc	1 year	1 year
§ Engineering	Varies	Varies

Time needed to process and get services and amount of premium

No.	Type of Loan	Time needed to get service	Annual premium
1.	§ Marine	30 minutes	Not specified (Upon request)
2.	§ Motor	1 hour	"
3.	§ Fire and Lightening	Half a day	"
4.	§ Various types of bonds	From 30 minutes to 2 days	"
5.	§ General Accident including workmen, money, burglary, etc	From 1 hour to 5 days	"
6.	§ Engineering	1 day	"

General Criteria for client (risk) eligibility of Insurance Coverage

- § Insured’s previous records in terms of claims experience, if available;
- § Insured’s statement of premium;
- § Types of vehicles and goods to be insured (for property insurance);
- § Client’s financial capacity for pecuniary insurance;
- § Construction and location of the building (for engineering insurance);
- § The necessary risk minimizing equipment should be installed (such as fire extinguisher);
- § Present collateral incase of pecuniary insurance;
- § Interest in the subject matter of insurance (life insurance);

Additional Information and Documents Required from new clients

- § A new client should fill proposal form for the type of insurance coverage he/she needs to get;
- § Honestly disclose the situation of the subject to be insured and cooperate while the Company is making survey of the situation;
- § Present audited financial statement whenever required;

Type of clients addressed so far:

- § Private companies such as Garad PLC, Petram PLC, Glorious PLC, M.A. Sheriff, Electronic World, Yamato Ethiopia, ED Zublin AG, East African Bottling.

Application/proposal form:

Each insurance coverage has its own application/proposal form. One of the proposal forms, is presented below as a sample: (Next Page)

Global Insurance Co. S.C. <u>Fire Proposal Form</u>	
Proposer’s Name in full.....	Tel.No.....
Postal Address.....	
Address to which proposal relates.....	
Trade, Business or Occupation.....	
DESCRIPTION OF THE BUILDING (IF MORE THAN ONE, GIVE PARTICULAR DETAILS FOR EACH)	
1. Are the buildings in your sole Occupation? If “No” give details	1.
2. Of what materials are the external walls composed?	2.
3. How is it roofed?	3.
4. Of what materials are the floors composed?	4.
5. How many storeys has the premise including the basement and attic or loft in the floor?	5.
6. Is there any gallery, verandah, or balcony? If so, of what material is it constructed from?	6.
7. (a) Are there any basements at the premises? (b) If so, are they normally used for storage or stock?	7 (a)..... (b).....
8. What power is used?	8.....
9. How are the buildings artificially lighted and heated?	9.
10. What is approximate age and is it in a good state good repair?	10.

OCCUPATION AND USAGE OF THE BUILDING

- 11. What trade or manufacture is carried on and by whom? 11.....
- 12. What is the nature of the process (es)? 12.....
- 13. Is the trade: 13.
- (a) Entirely wholesale? (a).....
- (b) Partly repair? (b).....
- (c) Wholly retail? (c).....
- 14. State the number of workers 14.
- 15. Are there any trade processes involving the use of Power-driven machines? If "yes" give details 15.
- 16. Are any particularly inflammable goods kept? If so, please give full particulars 16.
- 17. Is merchandize of a hazardous description stored in the premises? If so, please give full particulars 17.

DETAILS OF INSURANCE COVER REQUIRED

- 18. Standard Fire Insurance Cover 18.
- 19. Natural perils: Earthquake and storm tempest and flood 19.....
- 20. Other perils: Air craft, impact, explosion, riot, strike and civil commotion, malicious damage, bush fire, subsidence and/or collapse, spontaneous combustion, bursting of pipe and Impacts? 20.....

ADJACENT BUILDING

- 21. If the building is isolated, what is the distance between it and the nearest building 21.
- 22. If other buildings adjoin it or are within a distance of 15 meters, describe the external and roofing of:
 - a) the building to the right 22.(a).....
 - b) the building on the left (b).....
 - c) the building in front at the rear (c).....
- 23. By whom and for what purpose are these adjacent buildings occupied? 23.
- 24. What is the distance between them and any buildings constructed partially or entirely of timber or roofed with leaves or thatch? 24.

FIRE EXTINGUISHING SERVICES

- 25. What assistance can be relied upon incase fire or explosion and specify any sprinklers, hydrants (internal & external) and any fire extinguishers? 25.
- 26. What is the distance from the nearest fire Brigade? 26.

27. What water supplies are available at all times? 27.

GENERAL INFORMATION

28. Do you take stock at least once a year? 28.

29. Do you keep a proper set of Account Books? 29.

30. Have you whilst trading in the above or any other name ever had a fire or suffered damage by any of the additional perils to be insured? 30.
If "yes" give details

31. Have you now or previously been insured against Fire or any of the additional perils? 31.

32. Has any insurer has ever refused, canceled, declined to renew or imposed special terms on any insurance of this or any other class proposed or effected by you, whilst trading in the above or any other name? 32.

Plan to avail Services to Micro and Small Entrepreneurs (MSEs)

The Company has willingness to do so.

Service Out-let

The services of the Company are accessible through its branch offices, sales agents and brokers.

Frequency of revising loan policies

It depends on the need and urgency of the matter.

Head Office

Telephone : +251-1-567400
Fax : +251-1-566200
E-mail : globalinsu@telecom.net.et
P.O.Box : 180112, Addis Ababa, Ethiopia

Contact Person : Mr. Masresha Gebre Meskel

3.4 Nyala Insurance S.C.

(a) General Information

Year of Establishment

1995

Current Operational Area (s)

Nyala Insurance Company is currently operating in:

- § Mekele
- § Dessie
- § Awassa
- § Jimma
- § Bahir Dar
- § Nazareth
- § Dire Dawa
- § Gonder (Contact office)
- § Jijiga (Contact office)

Future Expansion Plan

Nyala Insurance Company wants to expand its outreach to the following areas within a period of 3 to 5 years:

- § Addis Ababa
- § Kombolcha
- § Arba Minch
- § Ziway

Total Number of Branches Opened so far

Nyala Insurance Company has 14 branches operating in Ethiopia.

Total Number of Clients Served So far/ Number of policies

Not specified

(b) Terms and Types of Insurance Services/Policies

Type of Cover	Minimum Term/ Duration of Coverage	Maximum Term/ Duration of Coverage
§ Motor insurance	1 day	1 year
§ Marine Insurance	"	Varies
§ Fire and Lightening	"	1 year
§ Workmen's compensation	"	"
§ Personal and group accident	"	"
§ Different types of bonds	As per the agreement (Except Bid Bond)	
§ Engineering	1 year	As per the agreement
§ Building and House Breaking	1 day	1 year
§ Money Insurance	1 time transit	"
§ Any other tailor-made covers		

Time needed to process and get services and amount of premium

No.	Type of Loan	Time needed to get Service	Annual premium
1.	§ Motor insurance	1 day	Not specified (upon request)
2.	§ Marine Insurance	“	“
3.	§ Fire and Lightening	“	“
4.	§ Workmen’s compensation	“	“
5.	§ Personal and group accident	“	“

General Criteria for client (risk) eligibility of Insurance Coverage

- § The client should have insurable interest on the item to be insured;
- § Past claim Experience should be disclosed;
- § Condition of the property to be insured should be disclosed properly.

Type of clients addressed so far:

- § Construction companies
- § Trading Enterprises;
- § Banking Institutions;
- § Hotels and Restaurants;
- § Travel Agencies;
- § Factories (Manufacturing Enterprises);
- § Aviation Company;
- § Car Dealers.

Application/proposal form:

Each insurance coverage has its own application/proposal form. Two of the proposal forms are presented below:

§ Nyala Insurance Company

Motor Insurance Proposal Form

Name of the Proposer (in full) _____
 Address _____
 Trade or Profession _____
 Period of Insurance _____ From _____ To _____

1. Particulars of Motor Vehicle to be Insured

Make and Type of Body	C.C	Year of Make	Price Paid	Date of Purchase	Proposer’s estimate of value including accessories and spare parts	Registered letters and No.	Carrying Capacity	Purpose for which the vehicle will be used

2. Please State Cover required by deleting the two types not required

- a) Comprehensive;
 b) Third party only;
 c) Third party, Fire and Theft;
3. Are the Vehicle (s) your sole and absolute property? If not, state name and address of owner? _____
4. Are the vehicle (s) in good state of repair? _____
5. How many years have you, or the person who will usually drive, been driving? _____
7. Will any other person, who to your knowledge will drive (a) suffer from any physical infirmity or from defective vision or hearing? _____
8. Are you now or have been insured in respect of any motor vehicle? If so, state name of Company or underwriter _____
9. Has any company or under writer ever:
- (a) declined _____ your proposal? _____
- (b) refused _____ to _____ renew _____ your policy? _____
- (c) canceled _____ your policy? _____
- (d) required _____ an _____ increased premium? _____
- (e) required you to carry the first portion of any loss? _____
- (f) imposed _____ special _____ condition? _____
10. State what accidents have occurred during the past five years in connection with motor vehicles owned or driven by you? _____

If the vehicles to be insured are used for commercial purposes, the following questions must be answered.

11. Is used for carriage of Goods;

- (a) what _____ is _____ their _____ general nature? _____
- (b) Do you undertake carriage for other person? _____
- (c) In respect of each vehicle, state the type of license which you or your driver hold? _____
- (d) State _____ maximum _____ carrying capacity _____
- (e) Has the vehicle been altered or adopted to carry a load heavier than stated in the maker's published specification? _____

12. If used for carrying passengers:

- (a) Are the passengers carried for hire or reward? _____
- (b) Are the vehicles used for public services? _____
- (c) State _____ class _____ of license _____

- (d) State total seating capacity including driver's seat _____
- (e) Do you wish to insure your liability for carrying of non-fare paying passengers? _____
13. Will the vehicle (s) be driven solely by you? _____
14. Total number of motor vehicles owned by you _____
15. Will a trailer or trailers be used? If so, give details? _____

DECLARATION

I hereby warrant the truth of my answers to the above questions, and I declare that I have not withheld any information, which might tend in any way to increase the risk of the Company or influence the acceptance of this proposal. I HEREBY AGREE that this declaration shall be promissory and shall be the basis of the contract between me and the NYALA INSURANCE S.Co. and I further Agree to accept their policy of Insurance, the conditions and the endorsements therein.

Date _____ Proposer's Signature _____

Plan to avail Services to Micro and Small Entrepreneurs (MSEs)

The Company has willingness to do so.

Service Out-let

The services of the Company are accessible through its branch offices, sales agents and brokers.

Frequency of revising loan policies

Not specified.

Head Office

Telephone	:	+251-1-626667
Fax	:	+251-1-626706
E-mail	:	nisco@telecom.net.et
P.O.Box	:	12753, Addis Ababa, Ethiopia
Web Site	:	www.nyalainsurance.com
Contact Person	:	Mr. Joseph Borka or Mr. Abdulhakim Abubeker

3.5 Africa Insurance Company (S.C.)

(a) General Information

Year of Establishment 1994

Africa Insurance Company is currently operating in:

- § Tigray;
- § Amhara and
- § Oromiyaa.

Future Expansion Plan

Africa Insurance Company wants to expand its outreach in the Oromiyaa Regional state and open two additional branches within the coming three to five years.

Total Number of Branches Opened so far

Africa Insurance Company has 9 branches operating in Ethiopia.

Total Number of Clients Served So far/ Number of policies

8068, out of which 13 are rural clients.

(b) Terms and Types of Insurance Services/Policies

Type of Cover	Minimum Term/ Duration of Coverage	Maximum Term/ Duration of Coverage
§ Fire insurance	1 to 12 months	1 year only
§ Motor Insurance	“	“
§ Marine	“	“
§ Workmen’s compensation	“	“
§ Personal and group accident	“	“
§ Fidelity Guarantee	Not indicated	
§ Fire and allied perils	“	
§ Burglary and house breaking	“	
§ Engineering (contractor’s all risk, machinery breakdown, erection all risks, etc.)	“	
§ Bond insurance	“	
§ Money insurance (money in transit and in safe)	“	
§ Householders comprehensive (domestic package)	“	
§ Computer all risks	“	
§ Plate glass	“	
§ Life insurance	“	
§ Professional Indemnity (Liability) Insurance	“	

Time needed to process and get services and amount of premium

No.	Type of Loan	Time needed to get Service	Annual premium
1.	§ Fire insurance	1 day	Not specified
2.	§ Motor Insurance	“	“
3.	§ Marine	“	“
4.	§ Workmen’s compensation	“	“
5.	§ Fidelity Guarantee	“	“

General Criteria for client (risk) eligibility of Insurance Coverage

- § The client should clearly specify the type of coverage required and the insurer makes analysis of the requested coverage. The required coverage should be presented to the Company in writing.
- § Proper safety measures should be taken by the insured;
- § Financial position of the insured should be ascertained;
- § Management experience of the insured is examined;
- § The client should have insurable interest on the item to be insured;
- § Past claim Experience should be disclosed;
- § Condition of the property to be insured should be disclosed properly.

Type of clients addressed so far:

- § Addis Tyre Factory (4 years);
- § Akaki Spare parts Factory (3 years);
- § Almeda Factory (6 years);
- § Mestlo Cement Factory (5 years);
- § Tekeze Hydro Power Plant (New);
- § Shipping Lines (4 years);
- § Sur Construction (5 years);
- § Trans Ethiopia (5 years);
- § Moenco

Application/proposal form:

Each insurance coverage has its own application/proposal form.

Plan to avail Services to Micro and Small Entrepreneurs (MSEs)

The Company has recently provided quotations to some MSEs.

Service Out-let

The services of the Company are accessible through its branch offices.

Frequency of revising loan policies

As it deems necessary.

Head Office

Telephone	:	+251-1-624579
E-mail	:	africainsmd@telecom.net.et
P.O.Box	:	12941, Addis Ababa, Ethiopia
Contact Person	:	Mr. Eyobed Tibebu

3.6 Awash Insurance Company (S.C.)

(a) General Information

Year of Establishment
1995

Current Operational Area (s)

Awash Insurance Company is currently operating in:

- § Addis Ababa
- § Oromiyaa
- § Diredawa
- § Southern Region.

Future Expansion Plan Not specified

Total Number of Branches Opened so far 13

Total Number of Clients Served So far/ Number of policies 2,500

(b) Terms and Types of Insurance Services/Policies

Type of Cover	Minimum Term/ Duration of Coverage	Annual premium rate
§ Motor Insurance	Not specified	Not specified
§ Fire and Lightning insurance		
§ Consequential Loss		
§ Burglary and house breaking		
§ Marine Cargo		
§ Workmen's compensation		
§ Personal and group accident		
§ Engineering (boilers, contractor's all risk, machinery breakdown, erection all risks, etc.)		
§ Public Liability		
§ Money insurance (money in transit and in safe)		
§ Plate Glass		
§ Bond insurance		
§ Fidelity Guarantee	Not indicated	
§ Life insurance (Term Assurance, Whole life, Endowment annuity and education policy, Riders)	"	

Time needed to process and get services and amount of premium

No.	Type of Loan	Time needed to get Service	Annual premium
1.	§ Fire and lightning insurance	1 day	Not specified
2.	§ Motor Insurance	1 day	"
3.	§ Marine	½ an hour	"

General Criteria for client (risk) eligibility of Insurance Coverage

Not specified

Type of clients addressed so far:

Not specified

Application/proposal form:

Each insurance coverage has its own application/proposal form. Money proposal form is indicated below:

AWASH INSURANCE COMPANY S.C. (AIC)

a. HEAD OFFICE- ADDIS ABABA

Tel _____
Fax _____

P.O.Box _____

MONEY PROPOSAL FORM

For the purposes of the insurance the term "Money" means Cash and Bank Notes, Cheques (except crossed Cheques), Postage and Revenue Stamps.

N.B. If there are any items specified above which the proposer does not wish to include under the policy he may delete them. It is emphasized that there will be NO COVER under the policy in respect of the items that are deleted.

Name of Proposer in full
Business Address
Trade or Business

COVER REQUIRED

If no cover is required for any particular item (s) insert NIL

SECTION I - TRANSIT RISKS

(a) Transits to the premises

On money as specified above DRAWN FROM THE BANK OR POST OFFICE for wages, salaries, petty cash or sundry payments from the items of handling over at the Bank or Post Office Counter whilst in transit until arrival at the Proposer's premises or other places of disbursement.

Estimated aggregate amount in the year	Liability any one loss

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(b) Transits from Premises

On Money as specified above IN TRANSIT TO THE BANK OR POST OFFICE from the time of leaving the Proposer's premises until received by the Bank or Post Office.

Estimated aggregate amount in the year	Liability any one loss

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(c) Other Transits

Note: The premium under this Section is PROVISIONAL and is subject to adjustment on the actual amount in transit during the period of insurance. (Crossed cheques need not be declared).

Estimated aggregate amount in the year	Liability any one loss

SECTION II - PREMISES RISKS

On Money whilst in locked safe (s) or strong room (s) (Please state maximum amount in any one safe or if more than one, state separate amount for each) Birr.....

Total liability during one period of insurance Birr.....

NOTE: SECTION II also covers loss and/or damage to safe or strong room within the Proposer's Premises caused by Burglars, Housebreakers or thieves.

The Premium under this section is NOT subject to adjustment. There shall be no cover hereunder in respect of any of the above Sections for which there is no figure set forth in the column headed "Liability any one loss" or "Total liability during any one period of insurance".

Give details of safe (s)

- (a) Maker's name and number..... (a) _____
- (b) Maker's description, i.e. Fire or Thief resisting, etc (b) _____
- (c) Age..... (c) _____
- (d) Weight and dimensions..... (d) _____

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- (e) Whether it is securely fixed to the structure of the the building? If so, how? (e) _____
- (f) Where are the keys kept when the premises containing the safe are not occupied? (f) _____

Has proposer been previously insured in respect of Money in transit or in safe, If so, with whom and give details?

.....

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Has any Proposal for insurance of Money or Fidelity risks been made? If so, to whom and with what result?

.....
Has Proposer's insurance of this nature ever been canceled or have special conditions been imposed? If so, give full particulars.

Period of Insurance From: To:

I/We desire to insure with the Company, as set forth above, and I/We warrant that the above statements are true and complete and that nothing materially affecting the risk has been concealed by me/us. I/We agree that this proposal shall be incorporated in and taken as the basis of the proposed contract between me/us and the Company and I/we agree to accept a policy in the Company's usual form for this class on insurance. I/We agree to render at the end of each period of insurance statement in the form required by the Company of the amounts in transit and to pay premium on the excess (if any) of the estimated figure.

Date.....Signature of Proposer-----

UNDERWRITER.....

Head Office

Telephone : +251-1-614420/70
Fax : +251-1-614419
E-mail : aic@telecom.net.et
P.O.Box : 12637, Addis Ababa, Ethiopia