

WHAT WE OFFER

FIRE INSURANCE

As brokers, it is our business to ensure that you obtain the maximum insurance cover for the premium which you pay. The fire policy in its basic form covers the risk of fire, lightning and explosion of domestic gas only. The following important perils may be added for a little or no additional charge.

Bush Fire
Explosion
Earthquake
Aircraft
Impact
Flood
Storm & Tempest
Burst Pipes
Riot & Strike
Malicious Damage
Bursting and Overflowing of Tanks and Apparatus

Also at no additional charge, we would arrange the inclusion of series of clauses which amplify the scope of the basic policy. To enable us obtain quotation on your behalf, we would be grateful if you would advise us of the values at risk as follows:-

BUILDING (replacement cost as when new)

PLANT & MACHINERY (replacement cost as when new)

OFFICE FURNITURE, FIXTURES & FITTINGS (replacement cost as when new)

Availability of fire prevention measure entitles you to Fire Extinguishers Discounts. The discount varies depending on the effectiveness of the broker. Please advise us of the appliances you hold or propose to deploy.

FIRE CONSEQUENTIAL LOSS OR LOSS OF PROFIT OR REVENUE

Whereas the fire policy covers you against material losses which you incur as a result of fire damage, the consequential loss insurance covers loss of profits or loss of revenue consequent upon such fire. Objectives such as making profit and declaring dividends to shareholders, the fire damage notwithstanding, can be met with the existence of this policy.

It is important to note that a small fire damage or explosion of vital equipment could result in business interruption thus resulting in substantial consequential loss claims, whilst a major fire may not necessarily impair productivity.

The policy covers three main items:-

Loss of GROSS PROFIT arising from:

- a. Reduction in TURNOVER/ REVENUE and
- b. Increase in cost of working Wages Audition's Fees.

Definition of gross profits for Insurance purpose is the amount by which the sum of:

- c. Turnover
- d. The Closing Stock and
- e. Work – In – Progress (if any)

Shall exceed the sum of:

The Opening Stock
Work – In – Progress and
Uninsured Working Expenses

Uninsured Working Expenses:

100% Purchase
100% Carriage packing & Freight (other than insured's own)
100% Wages

N.B All items are arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

The rate is dependent on the Indemnity period required, depending on the nature of business.

To enable us obtain quotations, we would be obliged if you would advise us of the following:-

The Annual Gross Profit as stated above
The indemnity period required

The amount to be insured as Auditor's fees we suggest N100, 000.00 (One hundred Thousand Naira Only)

HOUSEOWNERS/HOUSEHOLDERS POLICIES & 'ALL RISK' INSURANCE

House owners' policy is specifically designed to suit House owners to cover their buildings, flats and other types of residential accommodation which may be owned or rented out. Under the terms of the lease, the owner may be obliged to make good any damage rendering the place inhabitable. It covers a range of perils including your legal liability as house owner.

Whereas the Householders policy provides cover for the contents of residential buildings where the occupier is not the owner. The cover provided is comprehensive including Burglary, Fire & Legal Liabilities as occupiers.

ALL RISKS INSURANCE

Is an extension of both policies mentioned above to provide an 'all risks' cover to valuables or sophisticated equipment which requires protection beyond the normal scope of fire and burglary. Scope of cover is worldwide.

All risks' insurance policy is only recommended for personal effects or valuable company artifacts. Items to be insured should be specifically mentioned while the scope of cover is worldwide.

BURGLARY INSURANCE

The cover provided would reimburse an insured for losses and damages sustained through burglary or theft. In order to minimize commitments, burglary insurance should only be effected on property which can actually be stolen or which could be damaged by thieves in an attempt at theft.

Where the insurance is properly arranged we are sure of saving you at least 50% of your current premium on burglary premium. We will also ensure the addition of clauses which would make the protection granted as comprehensive as possible.

MONEY INSURANCE

It provides covers against loss of money through theft, fire and other causes whilst in transit or in locked safe. It can also be extended to include cheques and very limited fidelity cover provided the loss is discovered within three working days.

For effective quotation, please let us know the estimated annual carrying and the maximum of money you are likely to carry at any single time.

PUBLIC LIABILITY INSURANCE

Every individual is becoming aware of his or her right. For a very small amount, your legal liabilities to Third Parties for:-

Death
Injury
Property Damage

Arising out of your business or any employee of your company could be insured. The policy will be extended to cover lots of other contingencies. For this class of business, we would recommend cover up to N10, 000,000.00 any one accident.

GROUP PERSONAL ACCIDENT INSURANCE

This class of Insurance is designed to provide compensation to the insured dignitaries who will be attending the program following an accident resulting in Death Permanent Disability, Temporary Total Disability and Medical Expenses.

The policy could be extended to cover repatriation expenses where it is necessary for an injured insured person to be flown abroad for medical treatment.

The cover which is provided on 24 hours bases and operates any where in the world could be arranged either in Naira Denomination or Foreign Currency

The organizing Committee has the option to choose the level of benefits required for the various categories of the dignitaries intended to be covered.

1. Death Benefit:
2. Permanent Disability
3. Temporary Total Disability
4. Medical Expenses

WORKMEN'S COMPENSATION INSURANCE

We refer you to obligation under Workmen's Compensation Act. 'Every employer shall pay compensation to every workman (i.e. person who has entered into or is working under a contract of service or apprenticeship with an employer whether by way manual labour, clerical work or otherwise, and whether the contract is expressed or implied, in oral or in writing) employed by him against injury or death arising out of or in the course of his employment.

This class of Insurance is recommended for your employees / workers to cover your liability to them during the period of the meeting.

COMPENSATIONS ARE AS FOLLOWS:

A. COMPENSATION IN FATAL CASES:

Where death result from the injury and the workman leaves any dependant wholly depending on his earnings, the amount of compensation shall be a sum equal to forty-two months earnings.

B. Where permanent total incapacity results from the injury, the amount of compensation shall be a sum equal to fifty four months earnings.

C. TEMPORARY TOTAL DISABLEMENT:

The benefit payable is for 24 months and the payment is as follows:-

Full salary for the first 6 months: Half salary for the next 3 months, one quarter salary for the remaining 15 months period.

D. MEDICAL AND TRANSPORT EXPENSES:

The Decree gives no limit and allows for “any reasonable expenses within or (with approval) outside Nigeria”. ‘Employers’ liability under this item could be considerable if the Employee is seriously injured and where he has to be flown abroad for treatment.

However, the employers’ legal liability could be insured through us with reputable insurance companies and compensations will be guaranteed.

FIDELITY GUARANTEE INSURANCE

This policy is to indemnify you against losses caused by your employees' infidelity resulting in misappropriation of funds, embezzlement of cash, theft and fraudulent conversion of the committee's valuables.

This is because all other theft and burglary policies exclude theft by insured employees. There is need to cover your committee against the financial consequences of your employees' dishonest acts involving cash, accounting, stock control.

Experience has shown that people do suffer from these un-insured losses. We strongly recommend that you take out this insurance to cover the fidelity of your staff who are in key positions with valuable items and large sums of money entrusted in their care e.g. Accountant/Accounting Staff, Cashiers, Store Keepers

To effect this policy, the following information will be require:-

1. Name of Employee
2. Age
3. Number of years employee has spent in your employment
4. The amount of cash the staff is exposed to
5. Position / Responsibility

GOODS-IN-TRANSIT INSURANCE

The policy is designed to provide compensation for loss or damage to your goods in course of transit anywhere in the Federation. Where your business involves regularly movement of goods, please let us have the following details:

Estimated Annual Carrying

Maximum Limit Anyone Carrying

Means of conveyance – your own or/hired vehicle

Geographical coverage

SPECIAL MOTOR INSURANCE PACKAGE

There is a special Motor Insurance Package which protects you and your employees against losses suffered as a result of using the insured vehicles. Basically, this package can be arranged on:

COMPREHENSIVE

Extent of Cover

Comprehensive motor insurance provides an extensive cover. Apart from indemnifying against third party liabilities, it also protects against losses suffered as a result of accidental damage to the insured vehicles fire damage theft of the vehicle and also Passengers Liabilities.

Premium

Motor Vehicle Insurance is tariff rated, and as such we will need to know the values, make and capacity of the vehicles to be insured to ascertain the premium payable. However, as a Special Package for your establishment, we will negotiable fleet discount on the premium payable.

OTHER BENEFITS THAT COULD BE ENJOYED WITH THE PAYMENT OF MINIMUM ADDITIONAL PREMIUM INCLUDE

AUTOMATIC EXTENSION FOR:

(i) Medical Expenses:

The Standard Motor Policy pays only N20.00 in respect of medical expenses. However medical allowance of up to a maximum of N5, 000.00 will be paid in respect of any occupant (including the driver) who sustains bodily injury caused by violent accidental external and visible means as the direct and immediate result of an accident to the insured vehicle.

(ii) Legal fees and Expenses

Legal fees and expenses arising as a result of an accident involving any of the insured's vehicles shall also be paid for by the insurance company.

(iii) Indemnity to Other Persons

The policies will be extended to indemnify the insured against sums including claimant's costs and expenses in respect of death, bodily injury or damage to property for which

the insured is legally liable if there is an accident involving any person driving an insured vehicle with the insured's permission. Such persons must be licensed drivers.

OPTIONAL EXTENSIONS:

(i) Riot, Strike & Civil Commotion-

Damages to the insured vehicles arising from the above shall be covered on Payment of additional premium of 0.75% on the values of the vehicles.

(ii) Increase Third Party Property Damage:

This could be increased from N1, 000,000 prescribed by the new Insurance Act to any selected limit subject to the payment of some additional premium.

(iii) Automatic Increase in Value Clause:

In view of inflation and the attendant rising cost of vehicles and spare parts, the policy may incorporate this clause in which case an insured vehicle is automatically covered for 110% subject to the insured paying the desired additional premium.

(iv) Loss of Use:

The insurance company could also undertake to pay fixed amount per each day, any of the insured vehicles is being repaired to mitigate the hardship associated with unused vehicle. This is also subject to the payment of additional premium.

SPECIAL MARINE INSURANCE PACKAGE

This policy is designed to protect your organisation's funds against various maritime losses, which may make it possible for you to lose money unexpectedly.

The proposed cover will protect your goods in transit by sea or air (including inland which may involve rail or road) against the following:

- Unexplainable Disappearance
- Handling and Storage Hazard
- Water Damage
- General Average Declaration and other Risks

The policy could be arranged in three ways - Under Clauses A, B or C.

Clause A is the widest cover providing "All Risks" coverage, while clause B is restricted to the risks of fire, explosion, sunk or capsized vessel, overturning or derailment of medium of land conveyance. It also covers collision, contact with external objects other than water, discharge of cargo at port of distress, earthquake, volcanic eruption or lightning, general average sacrifice, jettisoning or washing overboard, entry of sea, lake, or river water into vessel, loss of any package overboard or dropped whilst loading or unloading from vessel or craft.

The minimum cover is provided under Clause C, which covers fire, explosion, stranded or sunk or capsized vessels, overturning or derailment in the case of land conveyance, collision or contact with external objects, general average sacrifice and jettisoning. This cover is free from any particular average and can become effective only when there is a total loss.

Clause A is the type of cover recommended for most organization since it provides the widest form of cover.

ARRANGEMENT OF COVER

The marine cargo insurance may be arranged for a particular consignment or on an open cover basis. In view of the frequency and volume of your imports, we recommend an open cover arrangement, which may be incorporated to provide for continuous cover for importation at random. At this instance, our Marine Certificate Booklet of a reputable underwriter will be made available to your staff to be issued for instant cover whilst such importation is declared periodically on the policy.

PREMIUM

The nature of consignment, packaging, duration of transit and value of consignment determine the rate of premium payable. This means a full detail of your risk exposure is necessary for adequate underwriting purposes.

However, the rates between 0.25% and 2.5%, depending on the type of cargo, and class of cover, while volume of business is also taken into consideration.

We would also be able to improve on the existing rates and terms if you already have a policy in place provided you make available to us the details of your marine risk exposure.

MACHINERY/PLANT ALL RISKS INSURANCE

This is to grant industries effective insurance cover for plant, machinery and mechanical equipment at work, at rest or during maintenance operations, and generally called Machinery Breakdown Insurance.

The Plant All Risks (PAR) cover is basically against fire and accidental external damage to the insured plants or machinery, excluding damage due to machinery breakdown. By its very nature, machinery breakdown insurance is an all risks accident insurance for machinery supplementing the coverage afforded by fire insurance.

Loss under machinery breakdown insurance is mainly due to one of the following causes:-

Faulty design, faults at workshop or in erection, defects in casting and material
Faulty operation, lack of skill, negligence, malicious acts
Physical explosion, fuel gas explosion in boilers.
Short-circuit and other electrical causes.
Shortage of Water in boilers.
Storm and frost.
Tearing apart on account of centrifugal causes.

The exclusions are:

Fire-lightning, chemical explosion, burglary and others
Flood, earthquake, landslide, impact or landborne, waterborne or airborne craft
Wear and Tear due to usage
War or Warlike operations
Willful acts or gross negligence on the part of the insured or his representatives
Faults or defects existing at the time of commencement or the insurance which ought to have been or were known to the insured
Faults or defects for which the supplier is responsible either by Law or under contract
Nuclear reaction, nuclear radiation or radio active contamination

SUM INSURED:

The sum insured should always be the replacement value of the insured machinery (value of the new items plus customs duties plus transportation and installation charges).

Electronic Equipment / Computer Insurance

In view of the upsurge in the use of computers and considering the fact that no organization can afford to toy with its computers and other electronic data processing facilities, computer insurance is highly recommended these days.

It is done on all risks basis and provides compensation for all sudden and unforeseen losses resulting in material damage to computers and other equipment insured.

This cover can be extended to include damage to peripheral components and cost of reproducing lost data. Losses incurred whilst computers are in transit as well as consequential loss can also be covered on the payment of additional premium.

Requirements - To enable us arrange cover appropriately, you need to provide the values of all your computers to be insured as well as extent of cover required.

PENSION SCHEMES

DEPOSIT ADMINISTRATION PLUS GROUP LIFE ASSURANCE SCHEME

The insured scheme is the most common in the private sector. If the scheme is contributory, both the employer's and employees' contributions are accumulated with interest up to the date of exit or retirement of an employee. The total accumulated amount will then be paid by the trustees to the leaving employee on the basis of the scheme rules.

From year to year, the insurance company guarantees a minimum rate of interest, which will be credited to the scheme. The scheme can be operated on an individual allocation or pool basis. When operated on individual basis, contributions on behalf of each employee will be distinctly accumulated over the service period of the employee. While if the scheme is operated on a pool basis, no distinction will be made as to amount of contribution.

The larger the size of the fund, the higher the interest credit. Being investment based schemes operated on this basis experience geometric growth.

GROUP LIFE ASSURANCE

Since the Deposit Administration Scheme is an investment-based product, the mortality risk inherent in a good retirement benefit package is catered for by having the employer paid for the cost of a group life (yearly renewable) term assurance. This life assurance caters for the death-in-service benefit and the premium (cost) on the assurance is usually very cheap.

The death-in service benefit can be defined by the employer as a fixed sum for all the employees or some multiple of the employees salary say 3, 4 or 5 times salary. As will be seen later, this group life assurance contract can be taken as additional or supplementary cover under other forms of retirement benefit scheme.

ENDOWMENT/DEPOSIT ADMINISTRATION WITH SUPPLEMENTARY GROUP LIFE ASSURANCE

The total contribution under a scheme can be split such that some portion is used in purchasing an endowment assurance cover while the balance is invested in a deposit administration scheme. It is not unusual to use the employee's contribution and part of the employer's contribution to purchase a deposit administration cover which is operated as stated in (1) above, while the balance of the employer's contribution is used in purchasing endowment assurance cover and the employer's pays for the cost of any Group Life Assurance cover under the scheme.

The endowment assurance part of the scheme guarantees payments of a specified sum (sum assured) corresponding to premium or contribution paid and such sum assured becomes payable on death or retirement (whichever comes earlier) of the employees. The Endowment assurance can be operated on with or without profits basis. Being part of a retirement package, the endowment assurance should be with participation in the profits of the insurance company. The profit element is usually declared as a reversionary bonus payable at the same time and under the same circumstance as the sum assured.

The endowment assurance is therefore a combination of savings/investment and life assurance. At each anniversary of the scheme, additional guarantee benefits (sum assured) are purchased due to increase in contribution from increases in salary.

If there is a withdrawal of service before retirement date, the contribution of the employee would be returned 100% plus interest at 4% per annum. Whilst a proportion of the employer's contribution is taken as the higher of either an actuarial surrender value with a lower guaranteed minimum surrender value equal to a given percentage of the premium paid. This ranges between 70% and 75%. The implication of this endowment assurance in the scheme is that while a large death-in-service benefit can be guaranteed at the inception of the scheme relative to contribution especially for younger employees, any early withdrawal from the scheme before retirement date can attract a surrender value far lower than the accumulated contributions from the employer's side. Inflation can also render the eventual maturity value of the sum assured payable at retirement grossly inadequate to meet the original intentions of the sponsors of the scheme. For these and other reasons the attractiveness of this endowment assurance cover is weakening.

ENDOWMENT ASSURANCE/PURE ENDOWMENT ASSURANCE

This product combination allows for the splitting of the contribution in such a way that the employer's share of the contribution would be used to purchase benefits under an endowment assurance cover (whose feature have been described as in 2 above) while the employee's contribution will be used to purchase pure endowment assurance cover.

The difference between endowment and pure endowment assurance is basically that there is no guaranteed death benefit. In addition, higher benefits are payable on retirement or withdrawal than under endowment assurance.

A supplementary or additional group life assurance cover may be incorporated into the scheme.

PURE/PURE ENDOWMENT ASSURANCE PLUS GROUP LIFE

This product combination guarantees payment capital sums in proportion to both the employer's and employee's contribution retirement.

The pure endowment contracts are however devoid of death cover. On death, the benefits payable will be 100% of return of premium plus interest.

On withdrawal, a proportion of employer's premium to the date of exit will be returned while the employee's contributions will be returned with interest.

The death aspect of the scheme not covered by the pure/pure endowment arrangement can be provided for under an additional Group Life (Term). Assurance. In view of the need to plan the investment of a retirement benefit scheme so as to ensure continuous and rapid build up of the fund, we recommend that your organization carefully study our proposal and choose the best combination you deem fit bearing the goals of the proposed scheme in mind.