

# An insurance against the crisis

Net Insurance, a solid company in the insurance world specialized in protecting income and payments

Net Insurance was established in 2000 by a group of private businessmen with a specific mission, as Giuseppe Caruso, managing director and general manager, states: "In a market where the offer was lacking, the principal goal was to satisfy demand arriving from the world of credit more than that of retail. This implied concentrating our efforts on gaining a leadership po-



Giuseppe Caruso

sition in the market, a goal that was achieved. The firm had already exceeded the psychological threshold of 5 million Euro collected in premiums by December 2001, after its first year in business. Net Insurance has closed 11 financial years with a profit since then and in 2010 started up a policy for distributing dividends to the shareholders”.

Net Insurance has also been active in



the life insurance branch since 2008, through its subsidiary Net Insurance Life. The company has developed over the years, extending its shareholding to various institutional investors: Swiss Re, Unicredit, Ubi Banca, Monte Paschi and more recently Banca Etruria and Veneto Banca. In its over ten years of being in the business, Net Insurance has become Italy's leading insurance company for loans combined with financing for persons, with an over 38% share of the market. “Unlike our competitors which are all more of a general nature, Net Insurance is a specialized company. We offer a very wide range of insurance coverage. I would recall one of the products on which we particularly focused our expertise, that is a loan on a fifth of wages and pension. The company works to a ‘business to business’ logic and has been developing a retail distribution network for some months now. We particularly work with banks who are beneficiaries of the services and who need to cover themselves from the risk of their debtor’s insolvency. Default can be incurred in various ways: death, serious accident, loss of work. Causes likely to impoverish the debtor’s income capacity”.

The sum of capitals at risk amounts to about 4 billion Euro. At least 40% of the risks are reinsured with principal players in the world’s reinsurance market: Swiss Re, Munich Re, Hannover Re and Gen-Re. Net Insurance has been rated by Moody since December 2006. Baa3 is the latest rating, classifying the firm in the so-called “investment grade”. In 2012 Net Insurance initiated a channel and product diversification policy. Experience gained in coverage combined with bank mortgages and loans will be useful for offering new types of products to be utilized in cases of decease or unemployment. Specific technical and statistical experience on unemployment is also comprised in the Net Insurance offer. A project was launched for the Sogliano al Rubicone (Forlì-Cesena) municipality two years ago in this sense, for cases whereby a municipality resident may

have lost their job; the Net Insurance policy has paid a monthly compensation of 400.00 Euro up to a maximum of 8 months to those having lost their jobs. The Net Insurance agency network has already been distributing a product line called Linea Anticrisi for two months now. Three innovative products comprised in range of said product are being offered by Net Insurance to retail customers, all working to the same mechanism: a person losing their job (subordinate workers) or suffering from a disability due to accident or illness (self-employed worker) will be entitled to compensation according to the options offered by the three products.

With “Premi no-stress”, there are two optional ceilings at 2,000 and 3,000 Euro for paying or reimbursing premiums related to damage and life policies due to expire, up to a ceiling of 12 months, according to need.

With “Linea continua”, the purpose of the policy is to guarantee families with the possibility of covering essential expenditure in the event of unemployment or disability for work. The policy pays or refunds all the domestic utilities due to expire, for up to 8 months with a ceiling of 2,000 Euro. This comprises expenditure for gas, electricity, water, telephone, children’s schooling, annual Rai Tv tax, condominium expenses, waste collection tax. It is a true and proper payment service whereby Net Insurance pays the customer’s bills.

“Reddito no-problem” guarantees a monthly financial compensation should the principal income cease due to disability or unemployment. With subordinate workers Net Insurance pays a monthly allowance should they lose their job which, in addition to the allowance provided by the national pension scheme, equals the last wages paid. This being valid for as long as the situation of unemployment persists for a ceiling of 6,000 or 12,000 Euro.

“With the anti-crisis line – Caruso concludes - we focus on developing direct service with the retail clientele, to be by their side and gain their loyalty, alongside the normal banking clientele”.