

THE CONSORTIUM CAES AND ITS MISSION

On December 17th, 2001 in Varese, Cooperativa C.a.e.s., Banca popolare Etica, Consorzio Sociale ICS, Consorzio Sociale SOL.CO. Varese, Cooperativa Sociale Urbana, Cooperativa Sociale Valmon, Cooperativa Sociale Naturcoop signed the constituent social act of the social Consortium CAES , Insurance Consortium social-ethical, which continues the activities started by Co-operative CAES started in 1955 at local level and from 1995 all over the national territory. The Consortium proposes itself to put into action a process of an ethical insurance being the basic target the objective to promote and consolidate, through the creation of a movement of aware customers, an insurance ethically oriented to bring back the institute of insurance into the river-bed which is proper to guarantee against risks, depurifying it from the defects of a system exclusively marked by the interest of profit of the insurance companies.

We address ourself to the third sector

Consortium CAES proposes itself on the territory as a tool for services in the insurance field favouring the Italian Third Sector.

The experience grown-up during these years by the Consortium founder members have brought to the light as the stand of the no-profit which is still in a difficult position in respect of the topic of the insurance coverage due to their proper activities and due to the persons, at different titles, who work or benefit of the service from a social co-operation.

Still too often, the main subject of the Italian social economy do not find proper answers to their insurance needs, see for lack of products properly structured, see for difficulties in interaction with territory insurance companies: the above often creates a diseconomy between the insurance product acquired and the real coverage guaranteed. The difficulties more often are:

- 1) to recognise the subject of trust, well known in the field of ethic finance who intend to propose itself as a service for the insurance problems: often who manages a social firm does not have enough knowlegement to be able to clear-up himself into the variegate scene of insurance proposals and moreover hasn't get the technical capability to propose, evaluate the problem among different proposals, which is over the simple analysis of the premium to be paid but it should take especially into proper consideration the principle of the maximal and the standard of the product. There is a need of an insurance interlocutor who can offer a complete service (sale, post-sale, new evaluation, adjustments, simplified management and more over) who well knows the field of the social co-operation its rules and its characteristics.
- 2) The fair balance among guarantees included into the insurance policy agreed and its cost: the subject of the social-co-operation very often point out that the cost of the insurance coverage makes heavy burden for the insurance policy without giving full certainty over the coverage in case of eventual damage to persons and/or properties. Sometimes the heavy financial burden insurance products reduce other investments in order to develop activities, ensure best services for users, produce work investments in favour of persons handicap.
- 3) A single insurance coverage which guarantees all activities carried-on by the co-operative. It is difficult to overcome the problem of an analitic description of the risk avoiding to touch the problem of the "left room" used by the traditional Companies in order to deny the payment "in toto" against a damage. The insurance coverage time to time foots the bill to be paid to the Society instead of being substained to recognise the positive impact of an action from the Social Co-operative: the original ideas of insurances, the mutual help, seems to be weak especially in the field engaged the third sector.
- 4) The need/wish to be in a position to choose for a critical and aware utilisation also in the field of insurances. Stronger and stronger are the requirements from whom, sensible to the themes for a social economy, looks forwards for a different way to utilize money, both as consumption or as investment or in saving, more corresponds to a wish of ethnicity in financial field .
In poor terms the search of a mood so that also the into an insurance product could guarantee a social reward for the territory wherever this happens.
- 5) The impossibility to cover certain activities or categories subject to disadvantages. For examples disables or
With mental problems or guest of communities for which traditional Companies do not foresees any coverage for risks, example accident or sickness.

LEVEL OF INNOVATION

Into the frame of the Social market are already present insurance Companies which offer policies oriented to

Satisfy the exigencies of the third sector; often this involves policies which differ from others due to the object of the Contract and the final addresses but are defined and created through a traditional logic. The level of innovation brought by Consortium CAES into the insurance market is represented by the different logic who move economical and human resources towards ethical values proper to the Italian Ethic Finance.

Principal features

The insurance products offered by the Consortium are distinguished by a high level of elasticity as below

- *Elasticity of products*
 - 1) Large scale of insurance coverage.
 - 2) Request of informations.
 - 3) Specialized consultancy.
 - 4) Logical calculation of premiums.
 - 5) Transparency of contractual clauses.
 - 6) Assistance pre and post sale.

- *Widht of insurance coverage*

All activities required by the customers are included into the coverage (as per statute of the co-operative/association) excluding those not in posses with elements to be subject of insurance.

Vice versa traditional policies:

1. each damage is an occasion to propose to the insured party new extensions (well known as open policies) inserting new clauses not forsen in the original policy; this involves a deeper dependance by the client toward the insurer and an increase of an unforeseen cost of the premium.
2. The risks insured require a widh definition, in other cases the company could find the way to totally refuse to indemnify the damage.

Reading the insurance coverages of the activities as per statute, CAES Consortium guarantees their clients avoiding such situations.

- *Request of informations*

Having reference to the activities linked to the statute there is no need to anticipate to the Consortium any information relevant to the activities (i.e. the daily list with names of the volunteers). As previously indicated the traditional companies require the insured to inform in advance any change in activities being aware that this clause (difficult to be respected in full) will create difficulties to the insured in case of request of indemnity.

- *Logic of premium calculation*

For insured products bound to the third sector the evaluation of the risk is to be determined by actual criteria with no discrimination between the larger and the smaller, with no destination about geographical areas and scheme of evaluation of the premium indicated into the policy. In this prospect CAES guarantees the social co-operation as a normal group who acquire and represents a valuable and concrete referent point into the territorial contest in which it operate.

Transparency of contractual clauses.

Very often the insured finds difficulties to properly understand all clauses included into the policy; this is an other element who links the client to the insurer in a relationship based on a mutual trust, but in the reality, without a joint relationship the Consortium deem to simplify the insurance management both for the agency and the insured client.

- *Assistance pre and post sale*

CAES represents their clients giving assistance in both fases pre and after the contractual drawing-up with no extra costs to the pemium having in view:

1. an internal legal evaluation
2. the management of paper works in order to settle the eventual damage
3. the bringing up to date about the development of the file.

THE THREE INSURANCE LINES

The policies defined by the consortium reflect the fact that the insurance policies required by main parts of the third sector being juridical persons (consortiums, co-operatives, others) and or physic constitutions (partners, employees) .

These two categories actually represent the two lines of products already offered by the consortium to which, in simple CAES will furnished a third a third one represented by the social welfare contribution.

INSURANCE LINES	ACTUAL STATUS
Line no profit	Operative
Personal line	Operative
Welfare Contribution	To be activated

Line no profit

It represents the basic market of the insurance offer and it is linked to the composition of the social bases and particularly to the target.

Personal line

In the border of the structure belonging to the social co-operatives operates various entities which represent the basic sources in order to guard and on which to invest (not only economically) : we would say “ we are the people who wants to grow up the world”.

The consortium refers to them in order to offer a complete coverage for insurance needs, that is what an Italian family expect.

Welfare contribution

An important area to be developed, but not yet activated, already under study and investments by CAES Co-operative is represented by the policy welfare

The traditional insurance companies speculate on the market using the financial resources accumulated in the field. Considering the civic and the target of the Consortium, and taking into consideration the spirit of the founder members we don not accept such a method and utilize the resources of the welfare sector being shared among different companies.

Consortium CAES intends to offer a new insurance product which beyond the receipts (helped by the new legal rules) guarantees the insured over all clauses (closing or transfer to a new contract, possibility to choose the annual premium) it foresees also a control from a third party. This element belongs to the field of the Ethic Finance and guarantees the allocation of the Company's investments to other sector ethically acceptable.

The activation of the welfare field is one of the headings of the Consortium to be realized in a very short time.

THE INSURANCE PRODUCTS

Here below our basic polices actually offered on the market:

- 1) RC Social co-operatives
- 2) Volunteers and users
- 3) RC for administrators and users of co-op entities
- 4) RC for associations and organisations for mutual helps
- 5) Banks
- 6) Agricultural Companies
- 7) Shops in the world (solidal trade)
- 8) Theft
- 9) RC products
- 10) Electronics
- 11) Work accidents
- 12) Fire
- 13) Back to back
- 14) RC vehicle
- 15) Kasco insurance

STEPS AND CHARACTERISTICS OF NEGOTIATION

The high level of efficacy of the products offered to the client are to be viewed in to basic points present in the whole contractual phase: from the first contact with a potential client till the possible settlement to an acquired client.

The relationship between Partner/Client and the operative structure of the Consortium would tend to a relation based on some elements to ensure it:

- transparency and clearness
- easy contact
- width of guarantees
- sense of needs of the Client
- competitiveness

The management of the paper/dossiers can be distinguished in two different steps, the phase of assumption and the case of settlement (in case of damage). The Consortium is engaged to ensure that the procedures could reach the following:

In the assumption phase

1. transparency of contractual clauses
2. competency and correctness between the Partner and the Client
3. capability to furnish to Partner and Client insurance consultancies grounded on clearness, completeness and timeliness
4. guarantee a high level of organisation and quality of service

settlement phase

1. easy contact with the structure involved to manage and settle the matter.
2. Availability and professionalism in furnishing information, assistance and service to the Client
3. Quick settlement
4. Equity of settlement

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