

CAS. 8

R. 7915

N. 8065

SE O U L

Julio Castelo Matrán

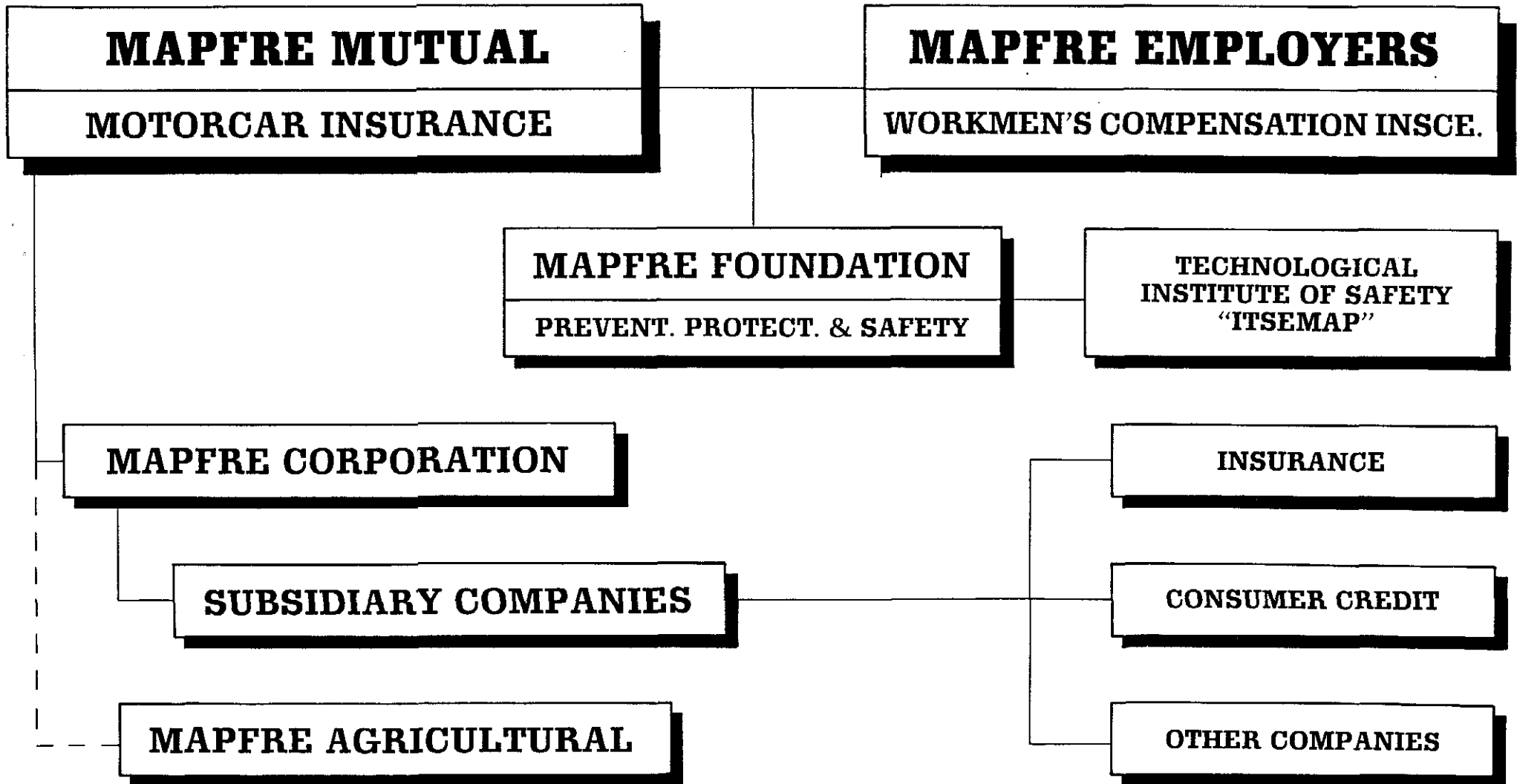
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MAPFRE SYSTEM

GENERAL STRUCTURE

1



R. 8915

BASIC MAGNITUDES 1986

— DIRECT INSURANCE —

2

ITEMS	TOTAL MAPFRE SYSTEM		MAPFRE MUTUAL	
	1986	Δ 1985	1986	Δ 1985
	<u>MILLIONS U.S. \$</u>		<u>MILLIONS U.S. \$</u>	
— PREMIUMS ISSUED	402	55%	186	46%
— PREMIUMS RETAINED	349	53%	185	46%
— CAPITAL AND FREE RESERVES	156	61%	72	31%
— TECHNICAL RESERVES	523	46%	154	40%
— CASH & LIQUID ASSETS	127	76%	54	177%
— SECURITIES	289	40%	70	(1%)
— REAL-ESTATE INVESTMENTS ...	186	21%	88	29%
— NUMBER OF EMPLOYEES	2.023	27%	1.017	27%
— NUMBER OF OFFICES	1.006	23%	1.003	23%
• RATIOS (ON PREMIUMS)	<u>1986</u>	<u>1985</u>	<u>1986</u>	<u>1985</u>
— CAPITAL AND FREE RESERVES	39%	37%	39%	43%
— TECHNICAL RESERVES	130%	138%	83%	87%
— OPERATING EXPENSES	28%	33%	30%	31%
— FINANCIAL YIELD	18%	15%	17%	10%
— PENDING PREMIUMS	17%	17%	12%	10%
— RESULTS (BEFORE TAX)	8%	7%	12%	8%

MAPFRE MUTUAL

MANAGEMENT OF MOTORCAR INSURANCE

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DECENTRALIZATION

CENTRAL DEPARTMENTS

EXECUTIVE COMMITTEE

OPERATIONAL COMMITTEE

INVESTMENT COMMITTEE

TERRITORIAL DEPARTMENTS

REGIONAL HEAD OFFICES

STRUCTURAL OFFICES

COMMERCIAL OFFICES

DIRECT OFFICES

AGENCY OFFICES

NETWORK OF AGENTS

SPECIALIZATION

UNDERWRITING AND CONTRACT

RISK SELECTION

ADMINISTRATION AND ACCOUNTING

BUDGETARY AND OPERATIONAL CONTROL

CLAIMS MANAGEMENT

MATERIAL DAMAGES

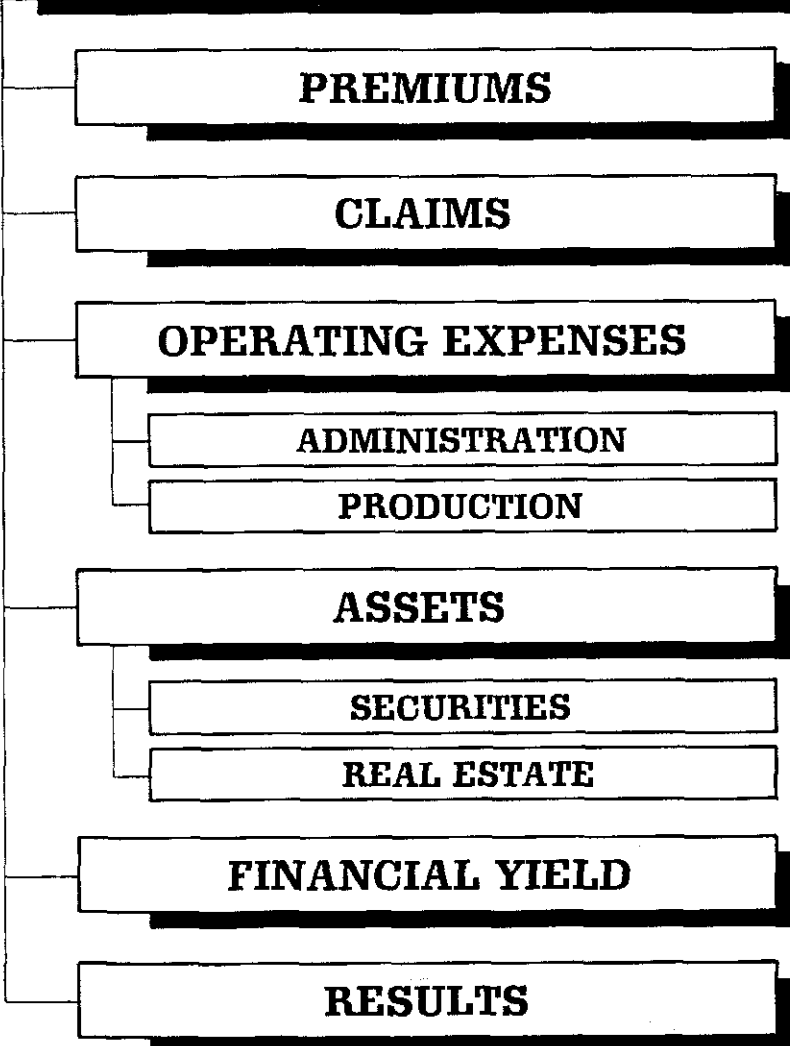
PERSONAL DAMAGES

RECOVERIES

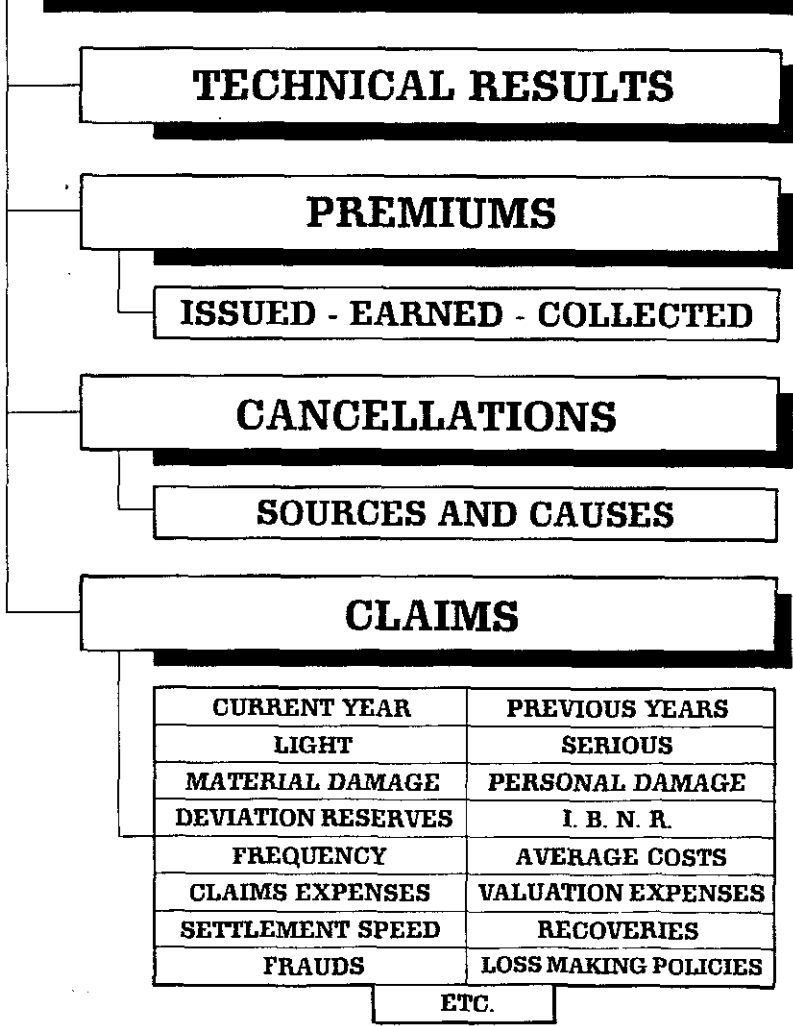
TRAVEL ASSISTANCE

BUDGETARY CONTROL AND CONTROL OF OPERATIONS AND RESULTS

BASIC BUDGETS AND BUDGETARY CONTROL



CONTROL OF OPERATIONS AND RESULTS



CURRENT YEAR	PREVIOUS YEARS
LIGHT	SERIOUS
MATERIAL DAMAGE	PERSONAL DAMAGE
DEVIATION RESERVES	I. B. N. R.
FREQUENCY	AVERAGE COSTS
CLAIMS EXPENSES	VALUATION EXPENSES
SETTLEMENT SPEED	RECOVERIES
FRAUDS	LOSS MAKING POLICIES

ETC.

CLAIMS MANAGEMENT

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PERSONAL DAMAGES

MATERIAL DAMAGES

CLAIM STATEMENT

DAMAGES VALUATION

DRIVE-IN CENTRES

REPAIR WORKSHOPS

"AUDATEX"

VISIT TO INJURED

MEDICAL REPORTS

"DAMAGE COST MATRIX"

PAYMENT OF INDEMNITY

CASH PAYMENT TO POLICYHOLDER

CASH PAYMENT TO WORKSHOP

DIRECT TRANSACTION

COURT SENTENCE

CONTROL

TRAFFIC SAFETY DIAGNOSIS

REPAIR QUALITY

SETTLEMENT SPEED

MATRIX UPDATE

"OMBUUDSMEN"

TECHNICAL CLAIMS AUDITS

6

CLAIMS AND THEIR CAUSES

SERIOUS OR LIGHT CLAIMS

MATERIAL OR PERSONAL DAMAGES

CURRENT YEAR OR PREVIOUS

RISKS SELECTION

AVERAGE COST OR FREQUENCY

LOSS MAKING POLICIES

OTHER CAUSES

CLAIMS PERSONAL DAMAGES

UPDATED SITUATION

VALUATION REVISION

MEDICAL TREATMENT

DIRECT TRANSACTION

CLAIMS MATERIAL DAMAGES

AVERAGE COST

FREQUENCY

ANALYSIS OF WORKSHOPS

ANALYSIS OF ADJUSTERS

SPEED OF SETTLEMENT

PERSONAL DAMAGES

"KASKO" MATERIAL DAMAGES

THIRD PARTY MATER. DAMAGES

TOTAL CLAIMS

LOSS MAKING POLICIES

DEDUCTIBLE - FRANCHISE

REDUCTION OF GUARANTEES

CANCELLATION OF POLICY

OTHER CONTROLS

FRAUDS

RECOVERIES

DRIVE-IN CLAIMS

CAR DIAGNOSIS

COMPARATIVE ANALYSIS

NEGATIVE ASPECTS WHICH
CONTINUE BAD

NEGATIVE ASPECTS WHICH
HAVE IMPROVED

NEW NEGATIVE
ASPECTS

GENERAL
RECOMMENDATIONS

CENTRE OF RESEARCH AND TRAFFIC SAFETY ("CESVI")

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BASIC ACTIVITIES

TRAINING

COURSES

PUBLICATIONS

TECHNICAL ENQUIRIES

RESEARCH AND EXPERIMENTATION

VEHICLES AND THEIR COMPONENTS

BASIC ANALYSIS

SAFETY ANALYSIS

REPAIR ANALYSIS

VALUATION

METHODS AND TECHNIQUES

REPAIRS

EQUIPMENT

LABOUR TIME COST

TRAFFIC SAFETY

CONTROL OF REPAIRS

BODYWORK - PAINT

MECHANICAL - ELECTRICAL

SAFETY CONTROL

LIGHTS

BRAKES

STEERING

SUSPENSION

CARBODY

COMMISSION OF DEFENCE OF THE INSURED —“OMBUDSMEN”—

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FUNCTIONS

TO PROTECT THE RIGHTS OF THE INSURED IN THEIR RELATIONS WITH MAPFRE

RESPONSIBILITIES

- TO SETTLE COMPLAINTS FROM POLICYHOLDERS
- TO MAKE RECOMMENDATIONS TO THE BOARD OF DIRECTORS

COMPOSITION

3 MEMBERS

- NON-PRACTISING JUDGE
- LAW PROFESSOR
- LAWYER OF RECOGNISED PRESTIGE

SYSTEM OF OPERATION

- FREE CLAIM.
- PRESENTATION IN WRITING DIRECT TO THE “DEFENDER”
- PRIOR EXHAUSTION OF NORMAL CLAIM CHANNELS:
 - SETTLEMENT BY TERRITORIAL MANAGER, OR
 - 2 MONTHS MUST HAVE ELAPSED WITHOUT SETTLEMENT
- WRITTEN RESOLUTION OF THE COMMISSION
- COMMUNICATION TO INSURED AND TO MAPFRE
- OBLIGATORY FOR MAPFRE UP TO 40.000 U.S. \$
- IMMEDIATE EFFECT
- NOT OBLIGATORY FOR INSURED, WHO MAINTAINS HIS LEGAL RIGHTS

PUBLICITY SYSTEM

LEAFLETS

- WHEN NEW POLICY IS ISSUED
- ON ANNUAL RENEWAL OF POLICIES
- ON DECLARATION OF A CLAIM

EXPLANATORY “POSTERS” IN ALL BRANCH OFFICES