



ASA

MICROINSURANCE CONFERENCE 2007

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**Parallel Session 2 -Improving efficiency
and enhancing benefits Institutional Models**

Presentation on ASA Insurance Service ASA Experiences

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ASA

Introduction

ASA: A globally renowned MFI of Bangladesh.
Year of establishment 1978.

Vision

ASA seeks to promote social and economic development of the country and make a significant improvement in the well being of the poor.

Mission

Reducing poverty as well as introducing positive changes in the living standard of the poor through providing microfinance services and making it poor friendly and successful globally.

Objectives of ASA

- To alleviate poverty and improve the quality of life of poor people by offering microfinance services.
- To serve larger numbers of poor.
- To maintain institutional sustainability.

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**Coverage/Outreach**

Members	:	7.09 million
Branches	:	3,327
Staff Members	:	24,670
Annual Disbursement	:	US\$ 700 million
Present Outstanding	:	US\$ 360 million

ASA PRODUCTS AND SERVICES

- 1. Loan Products**
- 2. Savings (Mandatory, Voluntary & Term)**
- 3. Loan Risk Insurance**
- 4. Mini Life Insurance**
- 5. Health Assistance for the Members`**



ASA Insurance Services

Loan Insurance:

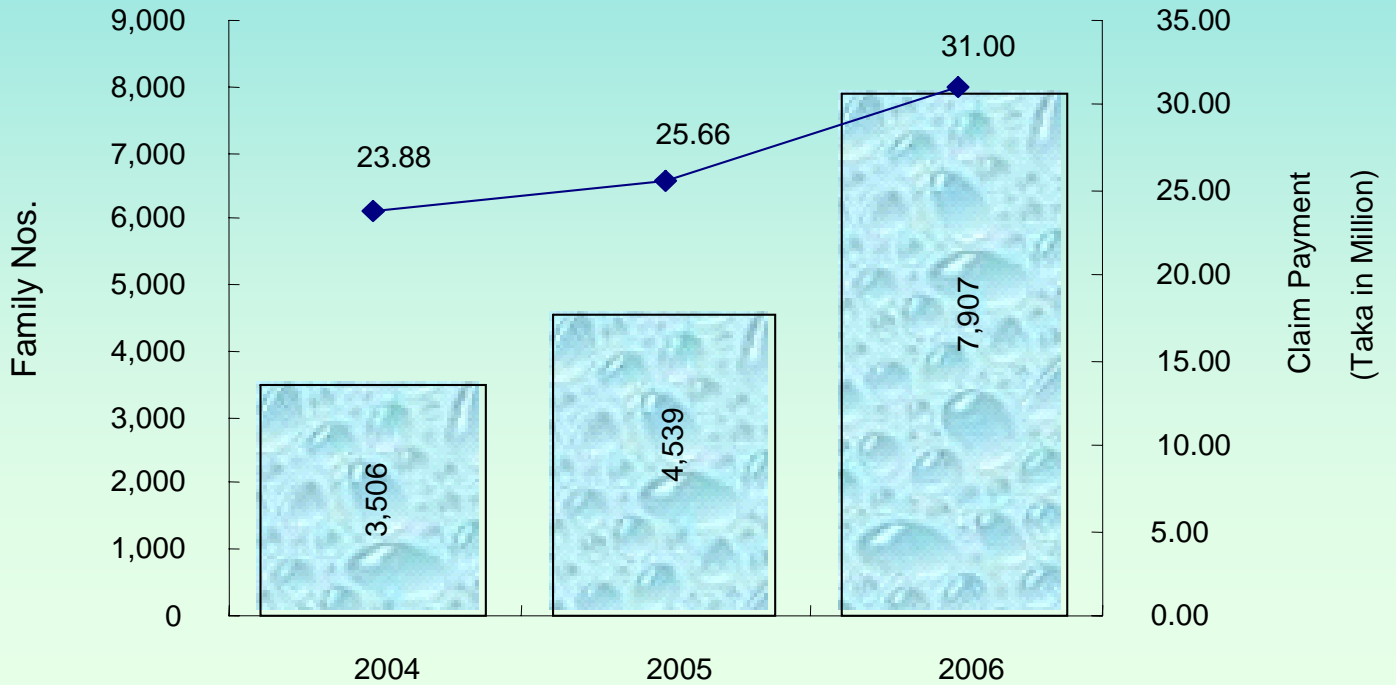
This program has been introduced as an assurance of security to the inheritors of the member's family in case of the member's sudden death. The outstanding loan is adjusted in full as the insurance benefits if a member dies with outstanding loan.

In 2006, ASA made the adjustment or provided payment of Tk. 31 million to the families of 7,907 deceased group members.



Loan Insurance

Claim payments of ASA insurance for the last 3 years



ASA Security Fund:

Member's Security Fund (Mini Life Insurance)

This is a security fund for the members. If a member dies, inheritors of the deceased members get six times of the deposited amount. Otherwise, if the insurance becomes mature members get it back with proper interest.

ASA cleared payment of Tk. 20.88 million to the families of 6,203 deceased group members at the end of 2006.



Male Small Member's Security (Mini Life Insurance) Fund

This program is for the husband/guardians of the members. This product has been introduced to support the members' family further. If the husband/guardian dies, the member gets three times of the deposited amount. Otherwise, the mature insurance is returned with proper interest.

In 2006, ASA paid Tk. 7.20 million as the payment among 6,605 members of the program.



ASA Insurance Policies and Procedures are given below:

SI	Description	Small	Small Business	SEL	Hardcore Poor
Loan Insurance					
1	Premium per thousand	Tk.3	Tk.3	-	Tk.3
2	Benefits	Outstanding loan adjustment	Outstanding loan adjustment	-	Outstanding loan adjustment
Members Security (Life Insurance) Fund					
3	Age limit	18-55 years	18-55 years	18-55 years	18-55 years
4	Duration of policy	8 yrs. (400 weeks)	8 yrs. (400 weeks)	8 years	8 years
5	Deposit system	Weekly	Weekly	Monthly	Monthly
6	Premium	Weekly Tk.10	Weekly Tk.10	Monthly Tk.50	Monthly Tk.10
7	Payment dues after death of borrower	6 times on deposits	6 times on deposits	6 times on deposits	6 times on deposits
8	Payment dues after maturity if borrower alive	Return total deposit with @3-4% interest per annum	Return total deposit with @3-4% interest per annum	Return total deposit with @3-4% interest per annum	Return total deposit with @3-4% interest per annum



ASA Insurance Policies and Procedures

Sl	Description	Small	Small Business	SEL	Hardcore Poor
Member's Husband/Guardian Security (Life Insurance) Fund					
9	Age limit	Below 55 years	Below 55 years	-	Below 55 years
10	Duration of policy	4 years (200 weeks)	4 years (200 weeks)	-	4 years (200 weeks)
11	Deposit system	Weekly	Weekly	-	Monthly
12	Premium	Weekly Tk.10	Weekly Tk.10	-	Monthly Tk.10
13	Payment dues after death of member's husband/ guardian	3 times on deposits	3 times on deposits	-	3 times on deposits
14	Payment dues after maturity if member's husband/ guardian alive	Return total deposit with @2% interest per annum	Return total deposit with @2% interest per annum	-	Return total deposit with @2% interest per annum



THE END

THANKS TO ALL