

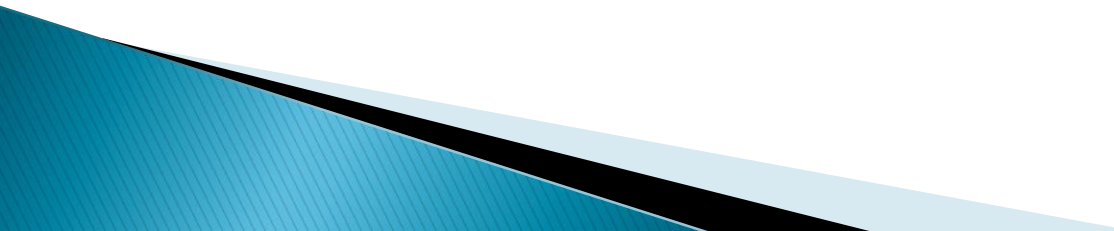


# CORPORATE ENTERPRISE FINANCE FACILITY LTD



“Financial Strengthening for Corporate Enterprises”

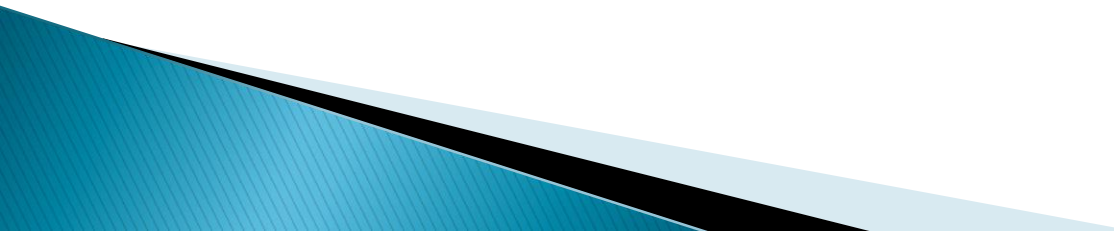
# Background

- ▶ The Dominica Co-operative Societies League Ltd in its' pursuit to ensure financial stability in the Credit Union Movement, embarked on a strategic initiative to enhance its' "Central Finance Facility" (CFF).
  - ▶ This led to the creation of a company aptly named "Corporate Enterprise Finance Facility Ltd (Corp-EFF)".
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# WHO WE ARE

- ▶ Founded in 2012, Corp-EFF is in the business of providing business solutions to Credit Unions. Corp-EFF was incorporated on November 23<sup>rd</sup>, 2012 under Companies' Act of the Commonwealth of Dominica #21 of 1994 and is owned collectively by the Dominica Cooperative Societies League, Grenada Co-operative League and six (6) Credit Unions namely, National Cooperative Credit Union,
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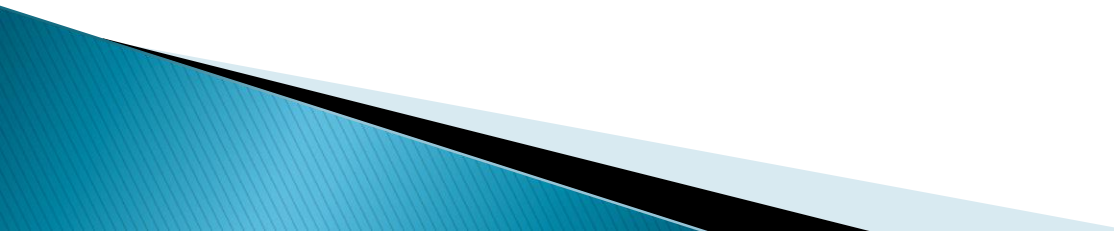
# WHO WE ARE continues..

- ▶ Marigot Co-operative Credit Union, West Coast Co-operative Credit Union, Grenada Union of Teachers Credit Union, Grenada Public Service Credit Union and Central Co-operative Credit Union.
  - ▶ Our owners provided seed capital for the start-up operation, and govern the company through an eight member elected Board of Directors, serving three-year terms.
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# OUR MISSION

- ▶ *“To serve as a primary financial partner with Credit Unions & other Co-operatives in providing superior products, services, and support.”*

# OUR VISION

- ▶ *“To be indispensable to Credit Unions.”*
  - ▶ We intend to achieve this, by being a reliable and effective partner, by providing support services to Credit Unions and other Co-operatives throughout the sub-region
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# Core Values


- ▶ **Corp-EFF** is a value-driven organization. From our client services to our hiring philosophy, our goal is to demonstrate our values in every interaction as outlined in the following table:

# Core Values continues..

Respect	Giving due respect to self, colleagues and customers.
Honesty and Integrity	To act with honesty and integrity without compromising the truth.
Efficiency, Service fairness and Excellence	Good is where we begin. Excellent service each day is our ultimate goal.
Collaboration and Teamwork	Collaborating within and outside to give the best for our customer
Creativity and Accountability	We take Responsibility for our actions that influence the lives of our customers and colleagues
Leadership	The courage to lead from the front and shape the future



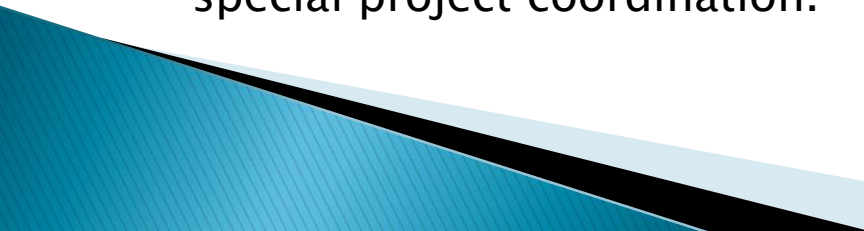
# Regulations

- ▶ Corp-EFF business is regulated by the Financial Services Unit.
  - ▶ The Company received a license from the regulators to operate an Insurance company in Dominica.
  - ▶ The business of Corp-EFF is governed by the following laws:
    - Insurance Act, 2012
    - Money Laundering (Prevention) Act, 2011
    - Companies Act of the Commonwealth of Dominica, 1994
    - Financial Services Unit Act, 2008
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# What We Do

## SERVICE OFFERING

Corp-EFF service portfolio includes the following:

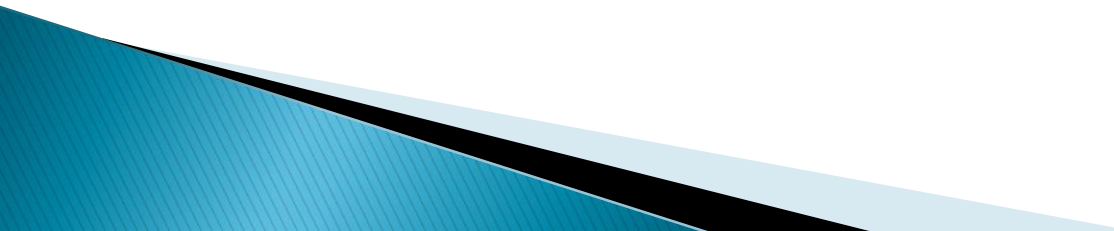
- ▶ INSURANCE SERVICES – Loans Protection (LP) & Life Savings (LS) Insurance to Credit Unions
  - ▶ MONEY SERVICES BUSINESS (1. Money Transfer Services 2. Money Exchange Services)
  - ▶ PURCHASE OF LOANS – Providing Liquidity Support to Credit Unions, regulatory compliance and staff retention
  - ▶ STAFF LOANS – Granting of loans to staff of the Movement at a reduced interest rate
  - ▶ DEBT RECOVERY – Collection of toxic debts on behalf of Credit Unions
  - ▶ CENTRAL MARKETING – cost reduction, focused marketing, generic ads, special project coordination.
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# CORPEFF Insurance Co. Ltd (CICL)

*“We take away the Risk, You are insured”*

# CORPEFF Insurance Co. Ltd CICL

- ▶ CICL was incorporated under the Companies Act of Dominica on March 25, 2014
  - ▶ It is a subsidiary company of Corporate Enterprise Finance Facility Ltd, fully owned and managed by the shareholders of Corp-EFF.
  - ▶ The Company received Certificate of Registration from the regulators on October 1, 2015 and commenced operations in April 2016.
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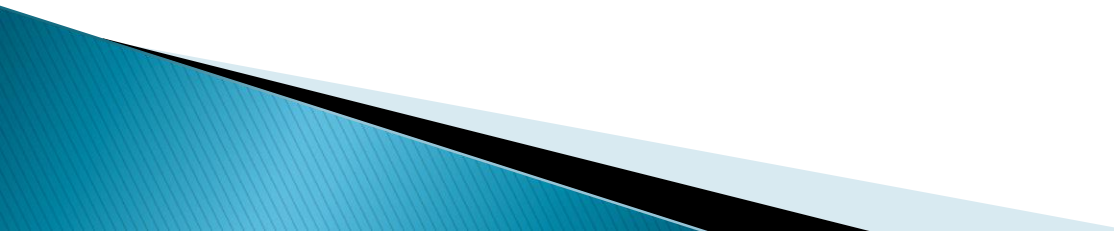
# Regulations

- ▶ The Uniform Insurance Bill for member States of the Eastern Caribbean Currency Union is expected to be implemented soon. This will provide the framework by which Insurance companies will operate. This will undoubtedly provide opportunities for Corp-EFF Insurance Co. Ltd. CICL to penetrate the OECS Market.


# Regulations

- ▶ CICL endeavors to join the ‘International Co-operative and Mutual Insurance Federation (ICMIF)’ to keep management apprised of developing issues within the industry and provide guidance with international standards and best practices in the industry.

# Market Analysis

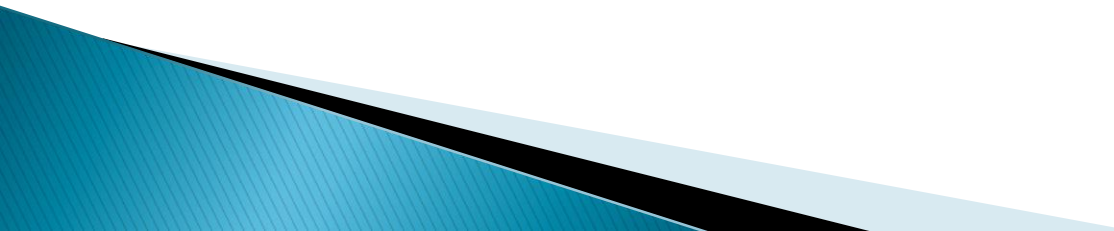
- ▶ Currently there are two providers of LP & LS services to Credit Unions in Dominica and the OECS.
  - ▶ The size of the LP/LS Market in Dominica is \$1.7 million.
  - ▶ CICL Market share to date is 84% in Dominica.
  - ▶ The Average Yearly Claims (DOM) EC\$0.78M
  - ▶ Data indicates a Claims ratio of 46%.
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# Competitor's Claims Settlement History

- ▶ **Claims settlement period is too long** – they take 3–4 months to settle claims. 3 months on providers' end and 1 month on Leagues' side.
  - ▶ **Lack of Communication** – Individual Credit Unions complain that communication with the provider requires too many follow ups and patience on their part.
  - ▶ **Weak customer service** – Overall support is weak and customer care is lacking.
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# CICL's Claims Settlement Service Standard

- ▶ We will settle all Claims within 3 weeks of receiving claims once all relevant documentations are in order.
  - ▶ We will respond to all queries and related communication within 24 working hours.
  - ▶ We will provide all service and support required by our contract and provide regular follow ups.
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# Case Study Dominica

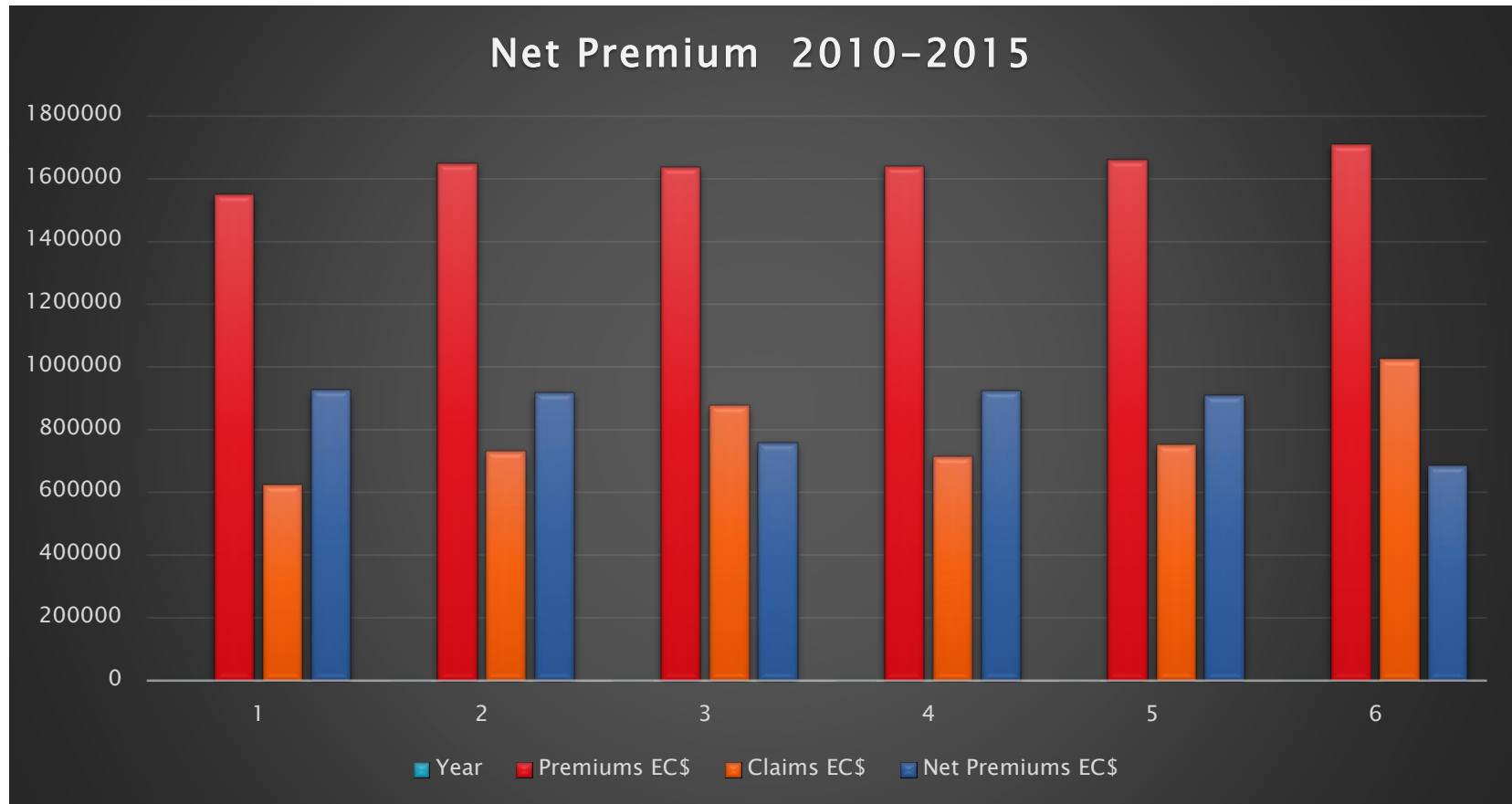
## Net Premium to Service Provider

Year	Premiums EC \$	Claims Paid EC \$	Net Premium EC \$
2010	1,548,906	623,420	925,486
2011	1,649,882	731,296	918,586
2012	1,635,354	876,199	759,155
2013	1,639,832	714,611	925,221
2014	1,660,618	750,440	910,178
2015	1,709,184	1,024,899	684,285
<b>Totals</b>	<b>9,843,776</b>	<b>4,720,865</b>	<b>5,122,911</b>

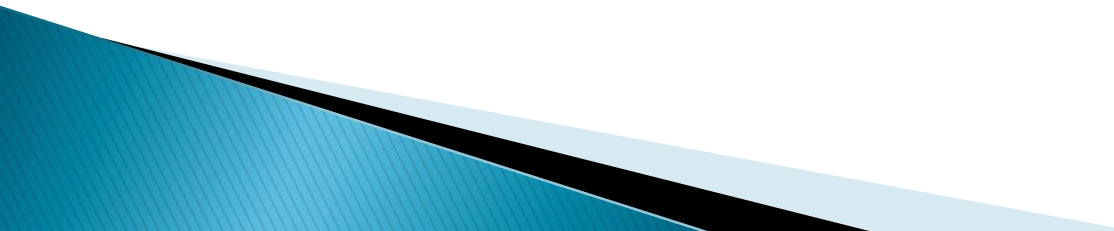
It must be noted that these funds are exported outside the region. The establishment of Corp-EFF Insurance Company ensures that these funds remain within the Eastern Caribbean Currency Union to further benefit the Credit Union movement.

# Case Study Dominica

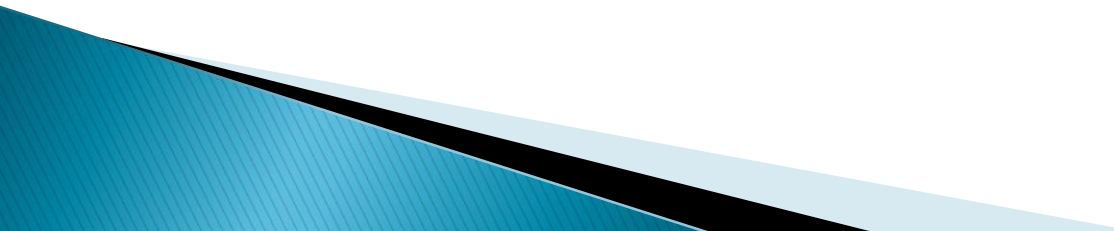
## Net Premium to Service Provider



# Industry Analysis

- ▶ Mr. Denis Garand (FCIA, FSA), an Actuary, was engaged in December 2013 to advise on the viability of our insurance business preposition.
  - ▶ Based on the analysis, we observed that the offering of lower rates would not affect the profitability of CICL.
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# Our Rate Offering

- ▶ CICL rates will reflect a 5% reduction on your rate from your current provider.
  - ▶ CICL offers a yearly rebate of 10% from its profits to all participating Credit Unions subject to Board approval.
  - ▶ The net effect of such reduction would result in the following savings:
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# Dominica Net Savings Analysis 2015

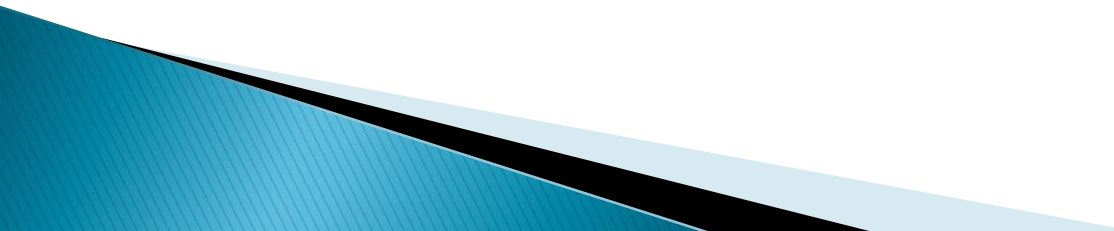
				CorpEFF 5% Reduction	
Month	Premiums 2015	Claims 2015	Net	Premium 2015	Savings
Jan	142,092	42,020	100,072	134,987.40	7,104.60
Feb	141,523	20,319	121,204	134,446.85	7,076.15
Mar	141,694	96,632	45,062	134,609.30	7,084.70
Apr	142,268	87,641	54,627	135,154.60	7,113.40
May	141,876	155,757	- 13,881	134,782.20	7,093.80
Jun	143,098	-	143,098	135,943.10	7,154.90
Jul	141,914	235,758	- 93,844	134,818.30	7,095.70
Aug	142,037	36,899	105,138	134,935.15	7,101.85
Sep	142,616	6,148	136,468	135,485.20	7,130.80
Oct	140,716	227,287	- 86,571	133,680.20	7,035.80
Nov	139,620	18,143	121,477	132,639.00	6,981.00
Dec	149,730	98,295	51,435	142,243.50	7,486.50
<b>Total</b>	<b>1,709,184</b>	<b>1,024,899</b>	<b>684,285</b>	<b>1,623,725</b>	<b>85,459</b>

- ▶ Based on the actual rates paid to the Provider in 2015, a reduction of 5% would result in the Credit Unions collectively saving \$85,459

# Target Markets


- ▶ Our target market consist Primarily of Credit Unions in the OECS.

# Management and Staffing

- ▶ The company has employed professionals with the requisite qualifications, insurance training and experience to manage and operate the operations.
  - ▶ Claims processing is subcontracted to the League as was done by the previous provider.
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# Market Risks

- ▶ Our insurance broker is ‘**Guy Carpenter**’ – with their assistance we have secured a reputable Reinsurer– **Sirius International Insurance Corp**, rated AM Best A, outlook: stable and S & P A– outlook:stable. They will cover risks associated with any catastrophic loss.
  - ▶ This is important considering our region’s vulnerability to hurricanes, earthquakes and volcanoes.
  - ▶ We will maintain adequate internal reserves in line with the Insurance Act of 2012 and its regulations or better.
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# CONCLUSION

- ▶ CICL was locally conceived and regionally grown to provide more value to Credit Unions within the our Currency Union.
- ▶ This value will be reflected in lower rates, yearly cash rebate, faster claims process and a reliable partner in your times of need.
- ▶ CICL is offering real solutions and is actively soliciting participation in its service offering.

Lets all commit to building a stronger movement by supporting our own!!!!!!!!!!!!



**BEST WISHES FOR A  
SUCCESSFUL OECS  
SUMMIT 2016**