

THANKS VERY MUCH TO RIAD FOR HAVING THOUGHT ABOUT ME TO BE HERE TODAY. IT IS AN REAL PLEASURE FOR ME TO HAVE THIS OPPORTUNITY TO DEVELOP BRIEFLY SOME CONCEPTS AND MESSAGES AROUND THOSE INSURANCE FIGURES FOCUSED ON LEGAL PROTECTION AND ASSISTANCE. YOU, AS INSURERS, KNOW THAT THE PUBLIC SPEECH DEVELOPED BY AN INDUSTRY REPRESENTATIVE LIKE ME IS ALMOST ALWAYS CENTERED IN LIFE, MOTOR, HEALTH OR PROPERTY INSURANCES, WHICH ARE THOSE CONFORMING THE BULK OF PREMIUMS IN EVERY MARKET. I HAVE TO SAY THAT WE, IN THE SPANISH PRIVATE INSURERS' ASSOCIATION, DO NOT FEEL COMFORTABLE IN THIS ENVIRONMENT, AND THIS IS THE REASON WE HAVE STEPPED FORWARD TO CHANGE IT.

IN THIS PRECISE WEEKS OR DAYS, WE IN UNESPA ARE DISCLOSING THE ENGLISH VERSION OF OUR SPANISH INSURANCE SOCIAL REPORT. THIS IS AN ANNUAL PUBLICATION WE HAVE PREPARED FOR THE LAST ELEVEN YEARS AND THAT SEEKS FOR A DESCRIPTION OF INSURANCE RETURNS TO SOCIETY. CONSEQUENTLY, WE ANALYZE, BASICALLY, OUR MACROECONOMIC ROLE AS INVESTORS; OUR ROLE TOWARDS OUR CLIENTS AND THIRD PARTIES THROUGH THE MANAGEMENT OF CLAIMS; AND OUR ROLE TOWARDS OUR WORKING FORCE THROUGH HIGH-QUALITY HUMAN RESOURCE PROGRAMS.

ONE OF THE THINGS THAT OBSESSES US MORE IS NOT TO LET OUR SOCIAL REPORT SLIP INTO THE SAME OLD STORY OF TALKING ONLY ABOUT THE BIG GUYS LIVING IN INSURANCE HOUSE: LIFE, MOTOR, HEALTH, AND SO ON. WE KNOW THAT

THE DEEP CORE OF OUR PERFORMANCE TOWARDS OUR CLIENTS LIES ON THESE NARROW GROUP OF ACTIVITIES. BUT, HOWEVER, WE ALSO KNOW THAT OTHER INSURANCE ACTIVITIES, DESPITE SEEMING OF NO IMPORTANCE IF WE ONLY FOCUS ON THEIR PREMIUM OR CLAIMS COST FIGURES, DO HARBOR EXTREMELY INTERESTING THINGS TO BE TOLD.

BECAUSE OF THIS, I RECOMMEND YOU TO GO TO OUR WEBSITE AND CONSULT THE DIFFERENT EDITIONS OF OUR SOCIAL REPORT, EITHER THE COMPLETE SPANISH VERSION OR THE ABRIDGED ENGLISH EDITIONS. IN THE LAST SOCIAL REPORT, 2013, YOU WILL FIND A SPECIFIC CHAPTER ON TRAVEL ASSISTANCE INSURANCE, WHICH WAS MADE LAST YEAR USING VERY COMPLETE AND PRECISE INFORMATION SENT BY OUR ASSOCIATES ABOUT THEIR CLAIMS UNRELATED WITH MOTOR INSURANCE. WE DISCOVERED, FOR EXAMPLE, THAT AN INSURANCE THAT IS NORMALLY LINKED TO CIRCUMSTANCES LIKE LOSS OF LUGGAGE OR TRAVEL CANCELLATION IS, IN REALITY, MORE FREQUENTLY USED IN SITUATIONS LINKED TO TRAVELERS' HEALTH PROBLEMS, EITHER CAUSED BY SICKNESS OR ACCIDENTS.

IN ORDER TO EXPLAIN WHY IT IS IMPORTANT TO GO DEEP AND IMPROVE THE KNOWLEDGE OF INSURANCE PRODUCTS THAT APPEAR TO BE SIMPLE, CHEAP AND ONLY COPING WITH FAIRLY INSIGNIFICANT PROBLEMS. ONE OF THE THINGS THAT WE DID IN THIS STUDY WAS NOT TO FOCUS OUR ANALYSIS ONLY ON AVERAGE OR MEDIAN CLAIMS' COSTS, BUT TO GO ALSO TO EXTREME COSTS. WE WERE ABLE TO BUILD A DATABASE INCLUDING TENS OF THOUSANDS OF DIFFERENT CLAIMS, AND AMONGST

THEM WE DISCOVER THAT SUCH A “SIMPLE” INSURANCE LIKE TRAVEL ASSISTANCE SHOWS, IN ITS HIGHER PERCENTILES, COSTS BORNE THAT EASILY GO BEYOND 50.000 EUROS.

THIS MEANS THAT A PERSON THAT HAS EXPENDED, IN THE MOST EXPENSIVE SCENARIO, AROUND 2.000 EUROS IN HIS HOLIDAYS, A COST FROM WHICH THE INSURANCE PREMIUM IS A TINY PORTION, IS EXPOSED TO EXPERIENCE HUGE PROBLEMS THAT DEMAND AND EXPENDITURE THAT THIS PERSON DEFINITELY WOULD NOT BE ABLE TO FACE BY HIMSELF. AND THIS IS THE MOMENT WERE THE SMALL, MODEST, SOME PEOPLE THINK EVEN DISPENSABLE, TRAVEL ASSISTANCE INSURANCE, SHOWS ITS USEFULNESS.

THE SAME CAN BE SAID ABOUT LEGAL EXPENSES INSURANCE. IT HAS TO BE ADMITTED THAT “PURE” LEGAL EXPENSES INSURANCE IS NOT VERY COMMON AMONG SPANIARDS; AND BY “PURE” I UNDERSTAND THAT CONTRACT THAT IS NOT SOLD PACKED WITH OTHER MOTOR INSURANCE GUARANTEES AND CONSEQUENTLY DEALS WITH OTHER KIND OF LEGAL PROBLEMS. OTHER SOCIETIES HAVE DEEPLY ROOTED TRADITIONS OF ACQUIRING THIS KIND OF PROTECTION. ANYWAY, THE SENSATION IS THAT THIS REALITY IS CHANGING, AND IT HAS TO BE STRESSED THAT, DESPITE ITS RELATIVELY SMALL SIZE, LEGAL EXPENSES INSURANCE FACES IN SPAIN UP TO 400.000 CLAIMS.

FROM MY PERSPECTIVE AS HEAD OF AN INDUSTRY-WIDE ASSOCIATION, IT IS VERY IMPORTANT TO UNDERLINE THESE DIFFERENT REALITIES CONCERNING INSURANCE PRODUCTS THAT ARE NOT COMMONLY TREATED, FOR EXAMPLE BY MEDIA; AND TO ASSURE THAT THE DEMANDS AND CONCERNS OF UNDERTAKINGS SELLING THIS KIND OF PRODUCTS ARE ADEQUATELY TREATED IN OUR ASSOCIATION'S GOVERNING BODIES. WE TRY TO BE AS SENSITIVE TO SMALL FIRMS' CONCERNS THAT TO THOSE OF THE BIG GROUPS. WE HAVE SPECIFIC PROVISIONS IN OUR STATUTES TO ASSURE THIS.

I DO NOT WANT TO WASTE MORE OF YOUR TIME. I JUST WANTED TO EXPRESS TO YOU MY KINDEST REGARDS, AND TO INVITE YOU ALSO TO APPROACH YOURSELVES TO THE EFFORTS THAT WE DO IN ORDER TO PUT ALL INSURANCE ACTIVITY, INCLUDING THAT NOT COMMONLY TREATED, IN THE PLACE IT DESERVES.

ONE CELEBRATED MOTTO, APPARENTLY BORN IN THE LLOYD'S OF LONDON, SAYS THAT THERE ARE ONLY TWO THINGS THAN CANNOT BE INSURED: VIRGINITY, AND RELIGIOUS FAITH. ALL THE REST OF ELEMENTS OF HUMAN EXISTENCE AND ACTIVITY ARE COVERED, AND MOST OF THEM TAKE PLACE, NOT THANKS TO, BUT BECAUSE OF INSURANCE EXISTENCE. HENRY FORD THE FIRST SAID THAT INSURANCE WAS THE ULTIMATE REASON WHY WE CAN FIND SKYSCRAPERS IN THE BIG CITIES OF THE WORLD. HE USED TO EXPLAIN THAT NOBODY IN HIS RIGHT MIND WOULD EVER ASSUME THE RISK OF ERECTING SUCH AN EXPENSIVE STRUCTURE THAT A SIMPLE FIRE CAN REDUCE TO RUBBLE. FROM THINGS THAT WE HAVE RECENTLY ANALYZED AND DISCLOSED, WE COULD SAY, IN THIS LINE, THAT SOMEONE WHO KNEW THAT HIS

HOLIDAY TRIP CAN CAUSE PROBLEMS WORTH 50.000 EUROS THAT HE CANNOT PAY
WOULD, SIMPLY, DECIDE TO REMAIN AT HOME.

WE SIMPLY DON'T KNOW IN WHICH DEGREE WOULD BE OUR WEALTH AND
GROWTH CAPACITY BE CURTAILED BY THE DISAPPEARANCE OF INSURANCE.
INSURANCE COLLABORATES TO BUILD THE WELFARE WE PROFIT FROM, AND LEGAL
EXPENSES OR TRAVEL ASSISTANCE INSURANCE ARE LEGITIMATE ELEMENTS OF THIS
STATEMENT. THANK YOU VERY MUCH, THEN, FROM BEING DYNAMIC, CLIENT-
FOCUSED, CREATIVE, EFFICIENT, AND SOLVENT. IT IS ON BEHALF OF EVERYBODY.

THANKS FOR YOUR PATIENCE.