

1999



**CZECH
INSURANCE
ASSOCIATION**





THE ANNUAL REPORT
OF THE CZECH INSURANCE ASSOCIATION

Contents

THE INSURANCE INDUSTRY IN THE CZECH REPUBLIC	
Foreword	2
The Association's Statement on Motor Third Party Liability Insurance	4
Development of the Czech Insurance Industry in 1999	5
Development of the Insurance Market in 1999	11
Floods	22
CZECH INSURANCE ASSOCIATION (ČAP)	
Summary Operations Report for 1999	24
Principal Goals in 2000	29
Reports on the Activities of Sections and Independent Work Groups	31
Trade Journals of the Czech Insurance Association	43
Organization Chart	44
Articles of the Association and its Bodies	45
Officers	46
Section and Secretariat	47
Insurance Products Offered in 2000	48
Members	50
STATISTICAL SECTION	
The Czech Insurance Market Overall	60
ČAP Member Results	61
The Czech Insurance Market in the European Context	82
Selected Czech Republic Macroeconomic Data	87
Rainfall in the Czech Republic	89
Fires	91
Health Care	92
Crime	94
Traffic Accidents	96



The Insurance Industry in the Czech Republic

**F****FOREWORD**

1999 was the Czech Insurance Association's sixth year of independent operation. The Association entered the year backed by a full consensus among its members concerning the further development of the insurance industry, the insurance market and the Association itself, and with firm resolve to contribute particularly to expected changes in legislation. In the end, those changes did take place, and so 1999 can be described as a breakthrough year, a year that brought us significantly closer to the legislation valid in the European Union. | The passage of the act on liability insurance for damage caused by operation of vehicle ("motor third party liability insurance") brought market liberalization and allowed for competition. In preparing the new law, it was necessary to reflect not only EEC directives but also foreign experience and to take into account the social sensitivity of this transformational step given by the 5.5 million registered vehicles in the Czech Republic, all of which had to be insured within a very short time after the necessary licenses were granted. Eleven member insurance companies successfully met this challenge. | The Association also took part in the preparation an implementing decree, released opinions – several of them of fundamental importance (see the statement of 3 June 1999, below), made preparations for this new class of insurance, and realized an extensive public awareness campaign, among other initiatives. The Association also arranged the launch of the Czech Insurers Bureau. | The second major development in legislation was the passage of a new Insurance Act. This long-anticipated law puts special emphasis on insurance company solvency and insurance company finances in general. It also sets forth insurance company share capital requirements for various classes of insurance and gives more power to state supervision in insurance when it comes to preventive interventions to renew insurance company financial health. The act's provisions on insurance agents, insurance and reinsurance brokers and the Responsible Actuary will also be important. The Association took part in drafting the act and worked to further the interests of its members during the legislative process. The Association was also involved in drafting the Act on Certain Conditions for Doing Business in Tourism, especially the section concerning compulsory insurance of travel agencies in case of



bankruptcy (suretyship insurance), and a law concerning the prevention of serious accidents in the chemical industry. | Thanks to the Association's work and serious approach, certain government agencies specifically requested its opinions. Collaboration with several government bodies was put on a contractual footing. | However, the priority given to legislation did not affect the Association's traditional activities such as insurance awareness, processing of statistics, education and training, market research, etc. In addition, the Association commenced new activities such as the launch of the ČAP Certification Institute for doing business in the areas of electrical security system component certification, company registration, and certification of installation companies. There was one goal, however, which the Association was unable to achieve in 1999, for a number of reasons: the changes to tax legislation which are important for the development of life insurance. I expect that the efforts made to put through these changes will bear fruit in 2000. In particular, the work involved modifications to the Association's own draft legislation, the organization of an international conference on pension system reform, and public relations campaigns. | As for the insurance market itself, it continued to grow dynamically during 1999 with one difference: life insurance grew much faster than its non-life counterpart. | All in all, I can state that 1999 showed that the insurance industry is a stable sector of the Czech economy and that it is capable of handling the difficult steps necessary to transform the industry, thereby living up to its role in society and satisfying client demand. | The Association occupies a firm place in the insurance industry and I am confident that it will continue to do so in the future.



VLADIMÍR MRÁZ
P r e s i d e n t

**T**

THE ASSOCIATION'S STATEMENT ON MOTOR THIRD PARTY LIABILITY INSURANCE

On 3 June 1999 the Chamber of Deputies of the Czech Parliament held the third reading of a draft act on motor third party liability insurance. The act was passed. The Czech Insurance Association welcomes this step, which should in principle enable the launch of compulsory motor third party liability insurance starting on 1 January 2000. The act allows clients to choose their insurance company and envisions a system of bonuses and penalties which in the future will help to reduce the number of accidents. The act allows for stricter audits and enforcement and better record-keeping of liability insurance. The removal of the monopoly and the introduction of competition will lead to better service on the part of insurance companies. It is necessary to appreciate that the inclusion of Deputy-initiated amendments to the bill improved the quality of the act. In the Association's opinion, it is important and positive that, thanks to the above, conditions were created for a more effective system of liability insurance record-keeping and enforcement. Although the rules set forth in the final Act for determining premiums differ from those in the Government's draft, as well as the drafts of the Association, which were based on the thorough application of mathematical and statistical methods to determine premiums, nonetheless the minimum premium, which in 2000 will be the same as the 1999 premium amount, can be increased by consumer price growth or the percentage growth in loss experience if the loss experience for a certain category of vehicles exceeds the average growth in consumer prices. This fact can be seen tentatively as a certain compromise. The Association is doing its best to work with the industry to prepare insurance companies for the new liability insurance in conjunction with the launch of the Czech Insurers Bureau. Following the passage of this legislation by the Chamber of Deputies, the Association will redouble its efforts in this area.

CZECH INSURANCE ASSOCIATION

3 June 1999





D

DEVELOPMENT OF THE CZECH INSURANCE INDUSTRY IN 1999

Development of the Insurance Industry

The 1998 Annual Report of the Czech Insurance Association stated that the Czech insurance industry developed on the legal foundations laid in the first half of the 1990s, but that 1998 was a year of important decisions. One of those was a decision of the Meeting of Economic Ministers on 10 April 1998 to migrate from *ex lege* to compulsory motor third party liability insurance. In this respect, 1999 was a watershed year in Czech insurance law. | Act No. 168/1999 Coll. on motor third party liability insurance and the amendment of certain related acts was passed. This act governs motor third party liability insurance, establishes the Czech Insurers Bureau (*Česká kancelář pojistitelů – ČKP*) and specifies its powers. The act makes it possible for clients to choose their insurance company and harmonized Czech insurance law with EEC directives in this area. It also defines the constitution of liability insurance, obligates vehicle owners to obtain a liability insurance policy, defines indemnity limits, and sets forth the scope of the insurance as well as other rights and obligations of the contracting parties. Under the new act, premiums must be set to ensure all liability insurance obligations can be met, sufficient creation of technical provisions, and payment of ČKP membership contributions. The minimum premium for 2000 was set to be equal to the 1999 premium for *ex lege* motor third party liability insurance. The act also stipulates the minimum premium for the three years following the effective date and contains provisions concerning liability insurance record-keeping and enforcement, including penalties for non-compliance. | The Ministry of Finance of the Czech Republic (“MoF”) promulgated Decree No. 205/1999 Coll. implementing Act No. 168/1999 Coll. This decree stipulates requirements for motor third party liability insurance documentation, frontier insurance documentation, and documentation on the duration of the insurance and the loss experience of expired insurance. Section 4 of the decree sets forth the countries in which domestic vehicles are covered by the insurance. | A short amendment to the Act – Act No. 307/1999 Coll. amending Act No. 168/1999 Coll. – was passed before the year was out. Basically, the amendment includes vehicles of special police and other services among the vehicles not required to be insured under the act. | The second fundamental piece of legislation passed in 1999 was Act No. 363/1999 Coll. on insurance and the amendment of certain related acts (the “Insurance Act”). This act governs the operations of insurance companies, state supervision in the insurance industry, and sets forth the content of the application for an insurance license. It also stipulates minimum insurance company share capital by insurance classes (a list of the classes is included in a Annex to the act) and sets forth provisions on conflicts of interest, creation of technical provisions, and composition of financial placements, as well as requiring insurance companies to maintain own funds at a level satisfying the minimum solvency margin throughout their entire existence as a going concern. The act sets forth conditions for operating as an intermediary, creates the



capacity of Responsible Actuary and sets forth a number of obligations for it, and sets forth the subject matter of MoF audits in the event an insurance company encounters problems in financial health. | The MoF promulgated Decree No. 75/2000 Coll. implementing Act No. 363/1999 Coll. on insurance. This decree sets forth the procedure for determining the equalization provision, conditions for its use, upper limits for the claims ratio and creation of the equalization provision. It also contains provisions concerning the maximum technical interest rate and the procedure for determining it, limits on composition of financial placements and the calculation of the minimum solvency margin. | Another new act affecting the insurance industry is Act No. 159/1999 Coll. on some conditions for operating a business in the sphere of tourism and amending Act No. 40/1964 Coll., the Civil Code, as amended by later regulations, and Act No. 455/1991 Coll., the Trades Licensing Act, as amended. Sections 6–8 of said act deal with compulsory insurance of travel agencies in case of bankruptcy. Thus, travel agency clients will have the right to insurance claims in the event the travel agency fails to return any amounts paid in advance or the price of any holiday package in the event the trip did not take place or in the event the travel agency fails to provide the customer return transport from a foreign holiday to the Czech Republic, provided such transport is part of the holiday package, or in the event the travel agency fails to return to the customer the difference between the price paid for the holiday and the price of the partial holiday in the event only part of the holiday package is provided. | 1999 also saw the passage of Act No. 353/1999 Coll. on prevention of serious accidents caused by selected dangerous chemical substances and chemical preparations and amending Act No. 425/1990 Coll. on district offices, adjustment of their jurisprudence and some other connected measures, as amended (“Act on prevention of serious accidents”). Under this act, building and facility operators are obligated to acquire liability insurance for damage resulting from serious accidents. In addition to the key insurance-industry legislation as mentioned above and other laws requiring certain parties to obtain compulsory insurance respectively, a number of other regulations affecting insurance company operations were passed in 1999. | Decree No. 101/1999 Coll. amending Decree No. 108/1997 Coll. implementing Act No. 49/1997 Coll. on civil aviation and amending and supplementing Act No. 455/1991 Coll., the Trades Licensing Act, as amended, set forth further conditions for aviation third party liability insurance policies, including minimum amounts insured. | Act No. 188/1999 Coll. amending Act No. 58/1995 Coll. on insuring and financing of exports with state support and supplementing Act No. 166/1993 Coll. on the Supreme Audit Office, as amended. Under certain conditions, the act also extends state support to reinsurance towards foreign credit insurance companies. | Government Regulation No. 232/1999 Coll. on provision of financial assistance to persons insured by Pojišťovna MORAVA, a.s. whose property was

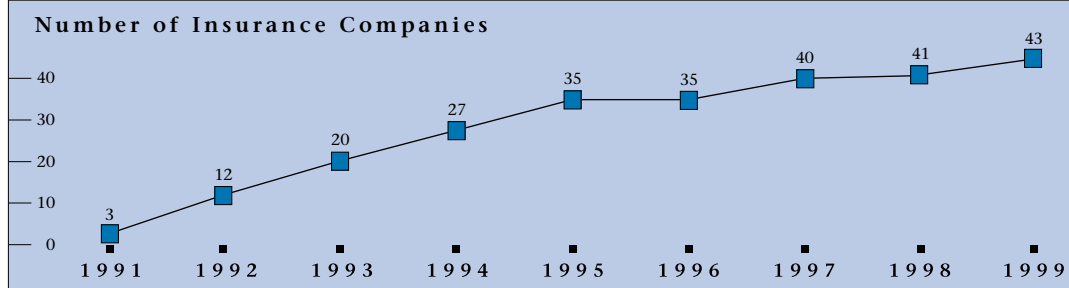


damaged by the floods in 1997, allows for the granting of financial assistance from the State Budget to insureds whose property was damaged by floods or landslides as a result of excessive rainfall in 1997 through a contribution or a subsidy based on a written application filed through the insured's District Office no later than 30 November 1999. In the end, CZK 65 million of budget funds was earmarked for this assistance. At the MoF's request, ČAP carried out an expert assessment of certain applications, including visits directly to the various claim locations. The financial assistance should be paid out in 2000. | The implementing regulation to Act No. 79/1997 Coll. on medical substances and amending and supplementing certain related acts – Decree No. 230/1999 Coll., laying down proper clinical practice and the detailed conditions for clinical evaluation of medical substances – sets forth that the basic documentation that must be submitted before the start of clinical evaluation must include insurance policy documentation. The insurance policy documentation should prove under what conditions compensation will be provided in the event a participant suffers health damage.

Although, in the end, 1999 brought no significant growth in the number of insurance companies in operation, there were more changes during the course of the year than in 1998. As of 31 December 1998, a total of 41 insurance companies held insurance licenses issued by the MoF (40 commercial insurers and Všeobecná zdravotní pojišťovna – the General Health Insurance Company). The following entities obtained insurance licenses in 1999:

- ČP DIRECT pojišťovna, a.s.
- HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit, organizational unit
- Cestovní pojišťovna ADRIA Way družstvo
- Czech Insurers Bureau.

The insurance company Nürnberger Lebensversicherung terminated its business activities and Česká Kooperativa and Moravskoslezská Kooperativa merged to form Kooperativa, pojišťovna, a.s. This brought the total number of insurance companies in the Czech Republic to 43 as of 31 December 1999.



Source: Czech Insurance Association, Ministry of Finance



In March 2000 the insurance license of Pojišťovna OTČINA was withdrawn. This was basically a formal act, since this insurance company had shut down its operations earlier. Thus, according to MoF data, 42 insurance companies held insurance licenses as of 22 May 2000. Of these, 6 operated in the Czech Republic as organizational units and 33 were joint-stock companies.

Insurance Companies by Legal Form

	<i>Number</i>
Joint-stock companies	33
of which: 100% domestic capital	17
100% foreign capital	13
Mostly domestic capital	1
Mostly foreign capital	2
Organizational units of foreign insurers	6
Cooperatives	1
Legal persons (under special law)	2
Total	42

Source: Ministry of Finance, data as of 22 May 2000

Of the joint-stock companies, more than half were 100% Czech owned. At the date mentioned above, 13 insurance joint-stock companies were 100% foreign owned. Of the total of 42 insurance companies, 21 provided non-life insurance only and just 3 were specialized life insurers. As of 22 May 2000 there were 18 composite insurers providing simultaneously some classes of both life and non-life insurance. In this respect it is appropriate to note that Act No. 363/1999 Coll. on insurance, which took effect on 1 April 2000, requires that the existing composite insurers be divided into life and non-life companies within 10 years from the effective date of the Act. | A characteristic feature of 1999 development was an expanding supply of insurance products and improvements in insurance cover. The number of insurance products or insured risks available on the market was roughly 250. For example, as of 31 May 2000 18 ČAP member insurers sold capital life insurance and 20 member companies provided household contents insurance. In the insurance for industry and business segment, 20 insurers offered natural hazards insurance. While there was no increase in the number of insurers offering the above products in comparison with 1 March 1999, competition pressures led to an improvement in the parameters of individual products offered. | A key change occurred in 1999 when 11 member insurers began to carry motor third party liability insurance. The number of companies offering investment life insurance and dread disease insurance also rose, to 5 and 10, respectively. Clients have a wide range of products in insurance of persons, property insurance and liability insurance to choose from. | In 1999, the Czech insurance industry bolstered its position in the national economy. The most important shift took place in the insurance



penetration figure, which is the ratio of insurance premiums to Gross Domestic Product (GDP) unadjusted for inflation. This indicator reached 3.4% for 1999. The stable growth in this key indicator since 1996 can be seen in the following table:

Czech Republic Insurance Penetration

<i>Indicator</i>	<i>Unit</i>	1996	1997	1998	1999
Gross domestic product*	CZK bn	1,532.6	1,668.8	1,798.3	1,836.3
Premiums written	CZK bn	40.2	48.0	55.1	62.8
Ratio	%	2.6	2.9	3.1	3.4

*unadjusted for inflation Source: Czech Insurance Association, Czech Statistical Office, June 2000

In any comparison with advanced insurance markets, it is necessary to state that the Czech Republic's insurance penetration figure is roughly half and is not in line with the Czech insurance industry's potential. The average insurance penetration figure for EU countries in 1998 was 7.4%. In general, the individual country values fall within the 5 – 10% range, with the exception of e.g. Luxembourg (34.8%), Great Britain (12.1%), and Greece (2.0%). Overall insurance penetration figures for the 29 countries whose insurance associations are members of the Comité Européen des Assurances (CEA) are shown in the Statistical Section of this Annual Report. The Czech Republic's position among selected Central and Eastern European countries is illustrated by the following table:

Insurance Penetration (%)

<i>Country</i>	1996	1997	1998
Czech Republic	2.6	2.9	3.1
Estonia	1.8	–	1.7
Latvia	1.5	1.9	2.4
Hungary	2.2	2.3	2.4
Polsko	2.1	2.6	2.8
Slovakia	2.4	2.6	3.1
Slovenia	4.8	4.5	5.1

Source: CEA, European Insurance in Figures, Complete 1998 Data

As the above table shows, the Czech Republic occupies a fairly good position relative to other countries in Central and Eastern Europe. The fact that the Czech Republic is behind the EU average is a long-term matter and catching up will depend on the resolution of a whole number of issues, including e.g.:

- future development of the Czech economy
- resulting form of pension system reform
- development in legislation (act on state property, private health insurance, liability insurance, etc.),
- public perception of insurance.



Turning to the national economy as a whole, gross domestic product (i.e., standard GDP adjusted for inflation) has not developed favorably during the past two years. In 1998 GDP declined by 2.2% and GDP remained more or less flat (-0.2%) in 1999, although in the third and fourth quarters of 1999 it did grow 1% over the same period the year before. The pace of economic growth is expected to rise in 2000–2002. Tax incentives could be a powerful impetus for the development of life insurance which could become an appropriate supplement to state pension insurance. Thus, in the future, life insurance could contribute to the growth of insurance penetration. For the time being, the Czech Republic does not compare well at the international level. The share of life insurance in total premiums written was 31.7% in 1999 (the average for EU countries in 1998 was 58.0%). One cause of this difference is a certain inertia in the way people think, i.e. the widespread expectation that the State will “take care” of its citizens. Another cause, already mentioned above, is the absence of tax incentives that are a standard tool for supporting life insurance in most countries of the European Union. The insurance industry’s development depends on government decisions in non-life insurance as well. In the future, we can expect to see the government show more interest in using insurance to protect state property, in adding more liability insurance products, and in providing premium subsidies to support agricultural insurance, etc. On the other hand, insurance companies must be more active in stressing the importance of insurance. In some classes of insurance, household contents insurance and motor damage insurance, for example, density is still relatively low. The insurance industry’s importance for the national economy can be expressed by other indicators as well, the most important of which is insurance company technical provisions. The character of these provisions makes them a unique financing resource for the economy (“long money”). At 31 December 1999 ČAP member technical provisions stood at CZK 109.6 billion, up from CZK 98.3 billion at 31 December 1998. In a year that saw the unemployment rate in the Czech Republic rise to 9.4%, insurance was one of the sectors that created new jobs. While at the end of 1999 Association member insurers had a total of 16,172 employees, which is only a few tens higher than last year, the number of insurance intermediaries – natural persons – rose substantially – by over 10,000 – particularly in conjunction with the commencement of sale of motor third party liability insurance. Insurance companies also provide work to many other sectors such as expert appraisers, physicians, security services, banks, etc. In 1999, the insurance industry proved that it can handle the difficult steps necessary to transform the industry (e.g. motor third party liability insurance), react to government mandates (e.g., travel agency insurance) and satisfy the needs of clients. The industry’s further development will be based primarily on further harmonization of Czech insurance law with European Union legislation.





D EVELOPMENT OF THE INSURANCE MARKET IN 1999

In our overall evaluation of the development of the Czech insurance market in 1999, we can state that, despite stagnating macroeconomic indicators (GDP, industrial output), the insurance market maintained a considerably high pace of growth in 1999 of about 14% measured in terms of premiums written unadjusted for inflation. This performance is especially significant when seen in light of last year's very low inflation figure of 2.1%. Although performance varied from class to class, and growing competitive pressures led to lower prevailing rates for certain classes of insurance, Czech insurance companies achieved positive aggregate after-tax earnings result.

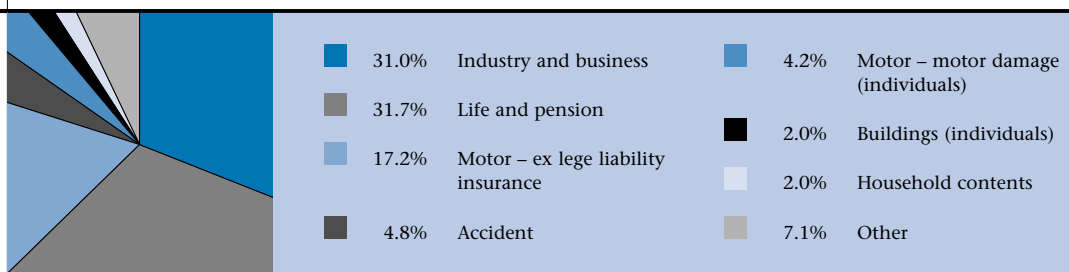
Revenues, Expenses, and Result (CZK m)

<i>Indicator</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>
Total revenues	152,785	222,537	285,041
Total expenses	152,450	220,754	283,842
Result (after tax)	335	1,783	1,199

Source: Czech Insurance Association, June 2000

Overall, insurance company revenues were up 28.1% and expenses rose by 28.6% in 1999. The aggregate after tax result was CZK 1,199 million, which is lower by CZK 584 million than 1998. In addition to the above mentioned competition, 1999 earnings were influenced by the costs of rolling out the new motor third party liability insurance, such as promotion and advertising expenses. | This year's result should be seen in light of the fact that the CZK 1,783 million after-tax result for 1998 was the highest result achieved in the entire decade of the 1990s. | Premiums written in the Czech Republic totaled CZK 62.8 billion, which is 14% higher than in 1998 as already mentioned. This represents a slight decrease in the pace of growth. In 1997 premiums written grew by 19.2% and in 1998 they were up by nearly 16%. Life insurance grew faster than non-life. Although this trend was evident in 1998 as well, the difference in the growth rates between life and non-life was significantly higher in 1999. Premiums written in life insurance grew by 33.1% while non-life premiums written were up just 6.9%. | In 1999, Czech Insurance Association members' share in overall premiums written in the Czech Republic was 99.5% (Czech Republic market without one insurance company, see page 60, note no. 3). The structure of the market underwent a fundamental change. The share of life insurance (i.e. life and pension insurance) in overall premiums written went from 27% in 1998 to 31.7% in 1999. This development took place primarily at the expense of insurance for industry and business, which saw its share in overall premiums decline to 31% (1998: 34.7%). The relative shares of the various other classes of insurance are shown in the following graph:





Another interesting view of the market's structure can be seen in the position of motor vehicle insurance. Together, ex lege motor third party liability insurance and motor damage insurance for businesses and individuals represented 34.1% of total premiums written in the Czech Republic in 1999. We now turn to the results of Czech Insurance Association member insurance companies, from whose data we have prepared detailed statistics. As in past years, these results can be considered, in view of ČAP members' dominant position in the insurance market, to be representative of the Czech Republic market as a whole. The basic ČAP member results follow closely the results of the market as a whole. After-tax earnings totaled CZK 1.119 billion and premiums written were up approximately 15% to CZK 62.5 billion. Share capital was CZK 12.7 billion, an increase of roughly CZK 1.7 billion. Technical provisions (i.e. year-end levels) increased by 10.1% in non-life insurance and by 12.2% in life insurance. As a whole, technical provisions were up CZK 11.3 billion to CZK 109.6 billion. As the table below clearly shows, there was a renewal of the growth in non-life technical provisions, which fell in 1998 mainly as a result of claims payments in conjunction with the floods of 1997 and 1998. Insurance company funds, which totaled CZK 7.2 billion, also followed the growth trajectory shown by share capital and technical provisions. In 1999, the Association's member insurers employed a total of 16,172. The total number of insurance policies at year-end 1999 was 14.4 million (not including motor third party liability contracts).

Technical Provisions (CZK m)

	1997	1998	1999	98/97	99/98
Non-life insurance	33,121	30,365	33,444	91.68	110.14
Life insurance	63,791	67,930	76,186	106.49	112.15
Total	96,912	98,295	109,630	101.43	111.53

As the aggregate balance sheet of ČAP member insurance companies for 1999 shows, financial placements totaled CZK 124.7 billion at year-end 1999. As indicated by Table B (assets) in the Statistical Section hereof, the largest components in financial placements were as follows:

■ fixed income securities	CZK 56.6 bn	(45.4%)
■ bank deposits	CZK 38.3 bn	(30.7%)
■ land and buildings/real estate	CZK 11.1 bn	(8.9%)
■ participating interests in subsidiaries	CZK 4.2 bn	(3.4%)

The non-life technical account ended with a positive balance of CZK 870 million. At CZK 3,086 million, the life technical account also showed a positive balance. The aggregate balance sheet, profit and loss account, and individual account classes for the Association's members are given in the Statistical Section. This is the first time ever that they have been published in the ČAP Annual Report in this scope. It is our hope that they will serve as a source of data for more detailed analyses. The structure of the data presented in Table C (Premiums Written) was fully updated to be compliant with the insurance classes set forth in Act No. 363/1999 Coll. on insurance. High rates of growth were achieved in:

- life insurance (not including pension insurance)
- credit insurance
- legal expenses insurance
- sickness insurance
- accident insurance.

Negative rates of growth were recorded e.g. for the following types of insurance:

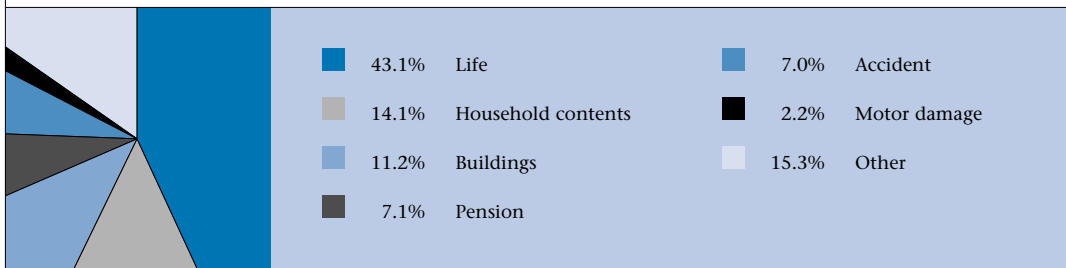
- pension insurance
- assistance insurance
- livestock and crop insurance
- insurance against fire, etc.

ČAP member new business (total annual premiums under all policies sold during the year) was CZK 16.7 billion. A total of 1.9 million new long-term policies were sold during 1999 producing CZK 15.7 billion and 1.9 million short-term policies (i.e. shorter than one year) were sold, producing approximately CZK 1 billion. of the total new business figure, intermediaries as a whole generated 51.4% and brokers alone accounted for 20%. The fact that the new business figure rose 27.2% over 1998 is a positive development. The ČAP member portfolio of long-term policies held by individuals included 12.020 million policies at year-end 1999, thereby for the first time slightly exceeding the 12 million mark.

Portfolio of Long-Term Policies Held by Individuals at 31 December (millions)

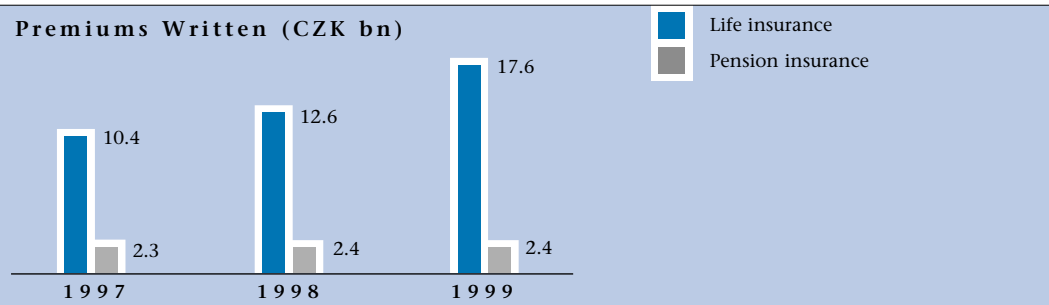
	1996	1997	1998	1999
Total	11.6	11.8	11.8	12.0

This aggregate policy portfolio was distributed among the various types of insurance as follows:



LIFE INSURANCE

A very high rate of growth was achieved in life insurance. Premiums written jumped 39.5% from 1998 levels, totaling CZK 17.6 billion for the year. This growth was generated mainly by launching new insurance products. Public interest in life insurance also rose in conjunction with declining interest rates on bank deposits and was also encouraged by the active sales strategies of certain insurers. In 1999 the rates of growth in premiums written recorded by various insurers providing life insurance varied widely. Single premium payments increased by 102.7%. The claims paid total was CZK 8.1 billion, up 6.1% from 1998. The number of valid policies at 31 December 1999 (the “policy portfolio”) was 5.183 million, which is 1.5% higher than in 1998. Although the number of new policies in 1999 exceeded 700,000, the relatively insignificant growth in the policy portfolio was given by deduction of settled claims (556,000). The average annual premium per policy was CZK 2,766, which is still relatively low despite a 21% increase in comparison with 1998.



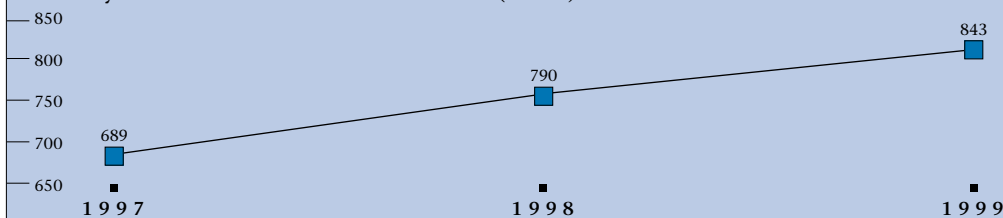
PENSION INSURANCE

The rate of growth in premiums written in this type of insurance exhibited a declining trend as early as 1996–1998. In 1999, premiums written actually fell, by nearly 1% to CZK 2,361 million. This may be related to the enormous interest in certain new types of life insurance, and also the fact that several tax incentives were introduced in 1999 for supplementary pension insurance with state contribution. The policy portfolio contracted by over 7% to 851,000. Single premium payments jumped by 261% to CZK 184 million in 1999, reflecting a major change in the investment behavior of individuals. Other data on life and pension insurance are presented in tables F.1 and F.2 of the Statistical Section.

ACCIDENT INSURANCE

Premiums written grew by 11.4% in 1998 and by 12.7% in 1999, ending the year at CZK 3.0 billion. The growth in claims paid was about ten percent. A total of 414,000 claims were settled and the average settlement amount per claim was CZK 2,872. This insurance showed the same satisfactory growth as in past years, with no dramatic fluctuations (see Statistical Section, Table F.3).

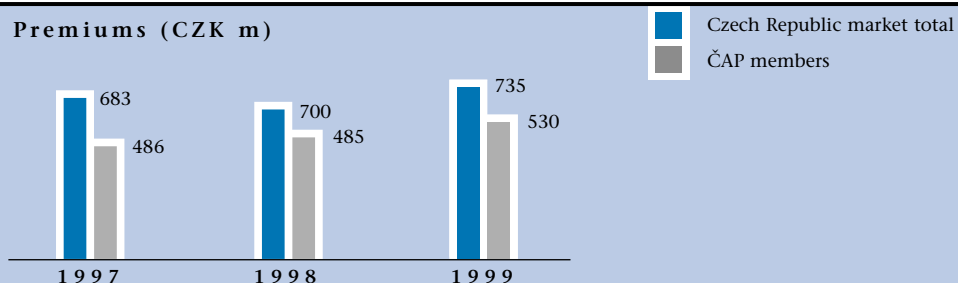
Policy Portfolio at 31 December ('000)



MEDICAL EXPENSES ABROAD INSURANCE

Premiums in 1999 by ČAP members totaled CZK 530 million, up 9.1% from the previous year. Claims paid grew by a substantial 39.6% (1998: 35%) to CZK 218 million. Members of the Czech Insurance Association have their greatest competition in this class of insurance. ČAP members' share in total premiums written in the Czech Republic was "just" approximately 72%. However, member insurers held their ground, since their market share was also roughly 72% in 1998.

Premiums (CZK m)

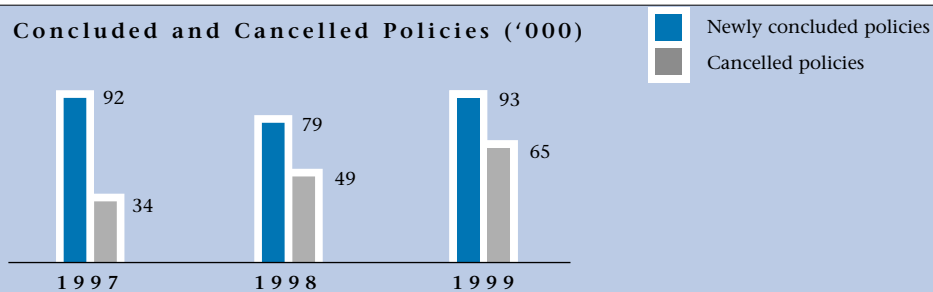


Other data are presented in the Statistical Section, Table F.4

MOTOR DAMAGE INSURANCE (INDIVIDUALS)

Premiums written in this class of insurance in 1999 grew by less than 4% to roughly CZK 2.6 billion while claims paid jumped 32% to CZK 1.4 billion. Although the number of new policies grew by 18%, the number of policies in the portfolio increased by just 8.9% since 65,000 policies lapsed or were cancelled. Clearly, the major factors influencing the policy portfolio include the development of household income and the high average age of motor vehicles operated in the Czech Republic. Insurance companies will have to pay increased attention to this type of insurance, since e.g. the number of claims settled in 1999 rose by 84% (for further information, see Statistical Section Table F.5).

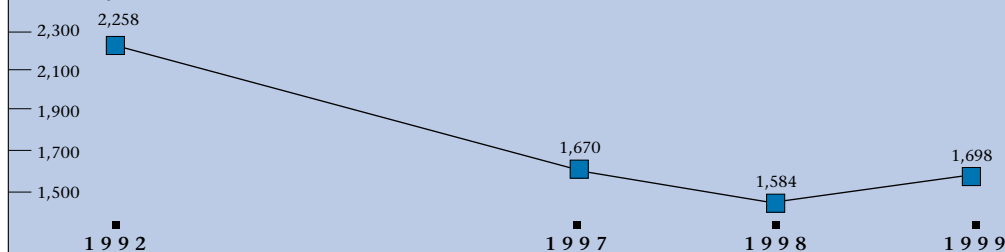
Concluded and Cancelled Policies ('000)



HOUSEHOLD CONTENTS INSURANCE

In 1999, premiums written reached CZK 1,245 million (+12.7%). Claims paid totaled CZK 672 million (+4.0%). The policy portfolio expanded 7.2% over 1998 to 1,698,000. However, this still remained far below the number of policies active in 1992 (2,258,000).

Policy Portfolio ('000)



In case of interest, further information on household contents insurance can be found in the Statistical Section, Table F.6.

BUILDINGS AND STRUCTURES INSURANCE (INDIVIDUALS)

Premiums written grew by 14.4% to CZK 1.320 billion. Claims paid reached CZK 628 million, which is a decrease of approximately 47% on 1998's figure. Claims figures for 1997 and 1998 were impacted considerably by the flooding that took place in those years. CZK 1.972 billion was paid out in claims in 1997 and CZK 1.193 billion was paid in 1998. Other indicators are shown in the Statistical Section, Table F.7.

INDUSTRIAL AND BUSINESS RISKS INSURANCE (TOTAL)

Premiums written in 1999 totaled CZK 19.5 billion, which is 1.9% higher than in 1998. This type of insurance continued to see heavy pressure on prices as a result of competition. Claims paid totaled CZK 10.9 billion (up 18.1% from 1998). The number of policies in the portfolio grew by nearly 14%. Further data are presented in the Statistical Section, Table F.9.

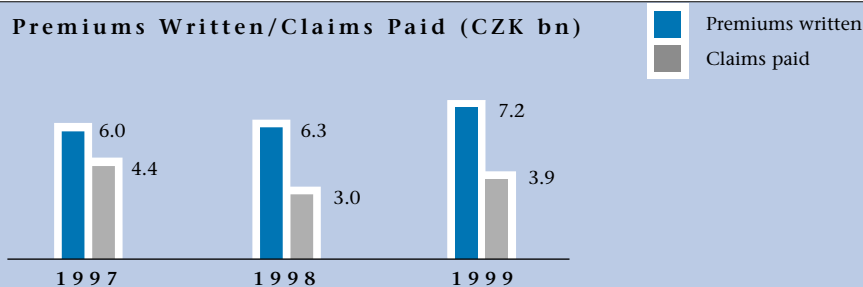
MOTOR DAMAGE INSURANCE (BUSINESSES)

As in past years, this type of insurance represented, from the point of view of premiums written, a substantial portion of total industrial and business risks insurance. Premiums written in 1999 grew by 2.9% to CZK 7.981 billion. This was due to a larger policy portfolio and growth in average premiums per policy. At 31 December 1999 the policy portfolio was at 373,000. Claims paid grew by 8.8%. Claims paid per event was CZK 36,798, or 3.2% greater than the previous year's figure. For more information please see the Statistical Section, Table F.10.

PROPERTY INSURANCE (BUSINESSES)

This is the first year that property insurance for businesses (does not include motor

vehicles) is included in the Annual Report as a separate type of insurance. Its development is very favorable. Premiums written jumped 15.2% to a total of approximately CZK 7.2 billion for 1999. Claims paid totaled CZK 3.9 billion, up 30.3% from the previous year. The number of policies in the portfolio was 474,000, for an increase of 27% over 1998. Further information is presented in Statistical Section Table F.11.



The ratio between the indicators shown in the graph for 1997 was influenced by flood claims.

EXPORT CREDIT INSURANCE

Data on export credit insurance are presented in Tables F.13 and F.14 of the Statistical Section. Premiums written in insurance of export credits against commercial risks grew by 67.7% in 1999 to CZK 151.4 million. The value of insured export reached CZK 23.6 billion, which represents growth of 49.1% over the previous year. The policy portfolio held 413 policies at year-end 1998 and 696 policies at year-end 1999. Premiums written in insurance of export credits against territorial risks were up 79.8% in 1999 to CZK 710.1 million. The value of export insured reached CZK 26.1 billion, which is 26.8% higher than the previous year. The policy portfolio held 211 policies at year-end 1998 and 394 policies at year-end 1999. of the total export from the Czech Republic in 1999 of CZK 928.8 billion, 5.4% was insured.

EX LEGE MOTOR THIRD PARTY LIABILITY INSURANCE

Premiums in 1999 reached CZK 10.8 billion, up nearly 13% from 1998. 1999 was the last year in which this type of insurance was sold under applicable legislation by Česká pojišťovna a.s. and premiums were set by the Ministry of Finance. Claims paid grew by 14.4% in 1998 and by 18.9% in 1999. The number of claims settled grew by 18.3% in 1999. Average claims paid per event was basically unchanged. It was CZK 15,972 in 1998 and CZK 16,058 in 1999. In the fourth quarter of 1999, the new contractual motor third party liability insurance was brought to market by 12 insurers, 11 of which were members of the Association. According to the data available to the Czech Insurers Bureau as of 23 June 2000, 4,495,353 insurance contracts had been concluded as of 31 December 1999.

**Ex Lege Motor Third Party Liability Insurance Premiums in the 1990s
(CZK bn)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Premiums	0.5	0.5	1.2	3.7	3.6	3.9	4.6	6.2	9.6	10.8

Source: Annual Reports of the Czech-Slovak Insurance Association and the Czech Insurance Association, for the respective years

The above table shows the development of ex lege motor third party liability premiums during the entire decade of the 1990s. As the table shows, in the first half of the 1990s – in 1993, specifically – it was necessary to adjust rates to react to an increasing claims ratio and rising prices of repairs, spare parts, etc. In the second half of the 1990s the largest premium growth years were 1997 and 1998. Among reasons of the tariff growth in these years besides the inflation it was added also the necessity to build up adequate technical provisions.

WORKMEN'S COMPENSATION INSURANCE

In 1999, ex lege insurance of employer liability for damage caused by work-related injuries and illnesses (Workmen's Compensation Insurance) was provided in accordance with applicable law by three insurance companies: Česká pojišťovna a.s., Česká Kooperativa pojišťovna a.s. and Moravskoslezská Kooperativa, pojišťovna, a.s. As of 31 August 1999, the effective date of the merger of the two Kooperativas to create Kooperativa, pojišťovna, a.s., the number of insurance providers fell to two. Premiums totaled approximately CZK 2.4 billion in 1999, up 3.3% from the previous year. Claims paid rose 13.1% to CZK 1.7 billion. Approximately 95,000 claims were settled, i.e. roughly 12% less than in 1998. The average amount required to settle a claim rose 27.9% to CZK 17,408.

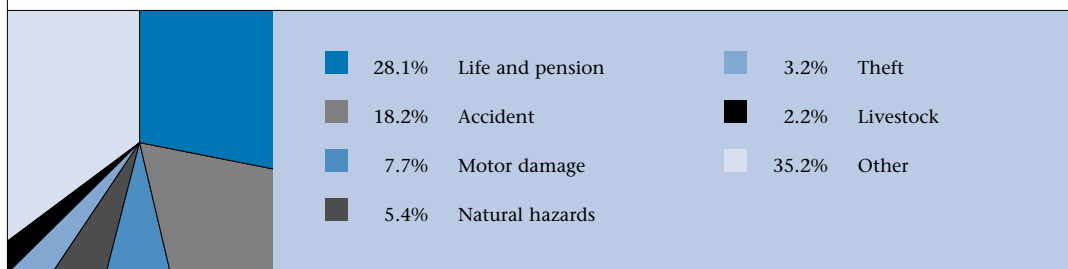
REINSURANCE

ČAP member non-life gross premiums written ceded to reinsurers in 1999 totaled CZK 9.0 billion, up 11.1% from the previous year. Reinsurers' share in claims paid was approximately CZK 4.6 billion, which is 21.7% less than in 1998. This is related to the fact that foreign reinsurers bore a substantial share of the cost of settling flood claims in 1997–1998. ČAP members received approximately CZK 2.8 billion in commissions and profit shares from reinsurers in 1999 (+12.5%). For the time being, reinsurance in the life class is much smaller than in non-life. Life gross premiums written ceded to reinsurers in 1999 were just CZK 194.7 million, but this represents growth of 34.7% over 1998. Reinsurers' share of claims paid totaled CZK 29.1 million.



CLAIMS SETTLED

A total of 2,278,514 claims were settled in 1999, up 6.9% from the previous year. The following graph shows the distribution of this total among various types of insurance:



ČAP member insurers paid out CZK 34.1 billion to settle claims in 1999, which is 4.1% more than in 1998. of this amount, life insurance (not including pension insurance) accounted for 23.8%, motor damage insurance made up 17.9%, and natural hazards insurance represented 8%.

Some claims in 1999 were quite extensive, as is shown in the following table:

<i>Insured event</i>		<i>Claim paid</i>
<i>Location</i>	<i>Cause</i>	<i>CZK m</i>
Valašské Meziříčí	fire	367*
Prague 4	fire	106
Brno	fire	98
Česká Lípa	technical fault	41*
Luky	fire	30
Nový Bor	fire	21
Russian Federation	insolvency of an importer	126**

* *co-insurance*

** *export credit insurance*

1999 STATISTICS

The Statistical Section of this Annual Report presents a detailed summary of the development of the Czech insurance market. 1998 data are final, while the numbers for 1999 reflect data available as of 20 May 2000. The Statistical Section also includes macro-economic indicators and other insurance-related statistics (traffic accidents, fires, health care, crime, Czech Republic rainfall). There is also a summary of insurance data for European Union countries and other countries whose insurance associations are members of the Comité Européen des Assurances (CEA).

SUMMARY

In 1999, the Czech insurance market maintained a satisfactory pace of growth. The share of premiums written in gross domestic product grew, as did the share of life insurance in overall premiums written. These are two fundamental positive trends. The growth in life insurance turnover occurred under conditions of significant differentiation in growth rates among insurance companies providing insurance within the relevant insurance classes. 1999 saw a substantial increase in the share of single premium payments in overall premiums written in this class of insurance. In non-life insurance, on the other hand, there was a decline in the rate of turnover growth. The factors that affected the overall result included costs incurred by insurance companies in preparation for the launch of compulsory contractual motor third party liability insurance, a stagnating economy and declining interest rates. Even in these conditions, the result exceeded CZK 1 billion.



**F****L O O D S****1997**

The floods that occurred in July, 1997, were a natural catastrophe. They affected 34 districts in Moravia and East Bohemia. The Czech Insurance Association prepared statistics on insured events and amounts paid to settle claims. As of 30 September 1998 (i.e., 14 months after the floods), of a total of 117,000 reported insured events, 96.2% had been settled. In financial terms, this means that CZK 8.9 billion (91.5%) of the total estimated claims amount of CZK 9.7 billion had been paid as of that date. The floods affected 23 ČAP member insurers. In the overall economy, the flooding caused total damages in excess of CZK 62.6 billion and 60 deaths.

1998

The floods of 1998, which also occurred in July, were caused by heavy rainfall and affected certain localities in the Rychnov area in East Bohemia. The total number of insured events was estimated at 3,670 and their amount at CZK 570 million. Nearly 50% of this amount had been paid out within two months after the flooding began. Total damages (Czech Republic – wide) were CZK 1.8 billion and there were 10 deaths.

1999

In terms of flooding, 1999 was insignificant compared with 1997 and 1998 and under the long-term average as well. There were only two significant flood situations in terms of area. The first occurred in the winter period (February, early March) in conjunction with snow melting and another situation arose in June following substantial rainfall over Moravian river valleys. Some isolated local flooding also occurred as a result of local rainfall and ice build-ups. The Czech Insurance Association did not collect any data on flood claim settlement.

2000

Floods hit North and East Bohemia in early March, 2000. They affected the clients of 17 of the 33 member insurers of ČAP. As of 15 June 2000 a total of 7,494 insured events had been reported, of which 6,514 (86.9%) had been settled. Insurance company investigations were still underway in the remaining cases. Claims paid (estimate) at the same date totaled CZK 1.9 billion. Of this amount, CZK 1.062 billion (54.9%) had been paid out to clients, including advance payments.

The Statistical Section of this Annual Report (on pages 89–90) shows total rainfall figures for the Czech Republic in 1999.





The Czech Insurance Association



The principal objectives of the Czech Insurance Association (ČAP) in 1999 were approved by the General Assembly of 30 March 1999. In general, these principal objectives can be divided into two groups:

- representing members and furthering their interests,
- providing quality member services.

A partial assessment of the Association's year-to-date operations in 1999 was performed at the General Assembly of 30 November 1999 and a comprehensive operations report was approved at the General Assembly of 28 March 2000. The report's main emphasis was placed on assessing the Association's success in fulfilling the priority objectives given below:

PREPARATION OF ACT ON MOTOR THIRD PARTY LIABILITY INSURANCE AND LAUNCH OF THE CZECH INSURERS BUREAU (ČKP)

The professional insurance aspect of the Association's work continued where it left off in 1998. After the draft act was discussed by the Government's Legislative Council in early January, 1999, the Association proceeded to advocate its members' interests throughout the legislative process. The Act was passed by the Chamber of Deputies of the Czech Parliament and took effect on 30 July 1999. The implementing decree took effect on 23 September 1999. Also, the Association prepared comments for the Ministry of Finance on the methodology used to set premiums. It also assessed the draft content of the insurance license application and proposed a so-called "minimalistic" version of the business plan. | In February 1999 the Presidium of ČAP issued a resolution to begin preparations for the establishment of the Czech Insurers Bureau (ČKP). A section was set up for preparing the ČKP, the powers of the ČKP's Executive Committee were defined, and details of the ČKP's financing were determined. | Aware that the work of preparing and launching the ČKP must be completed properly and on time, the Association teamed up with the insurers who declared interest in offering motor third party liability insurance to agree on a common goal: to contribute to the preparation and future proper operation of the Czech Insurers Bureau even before it is established and its operations are actually commenced. This understanding was formalized in a Joint Action Agreement, which was signed on 30 April 1999. | Based on this agreement, the Czech Insurance Association accepted a credit from the participating insurers to cover the costs associated with realizing the plan outlined above. A Preparation Committee staffed by representatives of the relevant insurers was formed to manage the execution of the plan. The participating insurers made a decision to hire an external manager to coordinate all work relating to execution of the plan. The external manager carried on this work in his capacity as

a member of the Executive Committee of the ČAP section for preparation of the ČKP. Execution of the plan proceeded without delay and kept within the budget that was approved by the participating insurers on 17 June 1999.

Execution of the plan included the following tasks in particular:

- a) in the legislation drafting area, participate in the preparation of the Act and the implementing decree as well as the preparation of fundamental internal regulations of the future ČKP, especially the rules governing future cooperation of ČKP and its members,
- b) in the organizational and personnel area, develop a personnel and wage plan for ČKP and commence its implementation by selecting candidates to fill positions in the target organization structure of ČKP,
- c) in order to obtain appropriate physical space for ČKP, identify a wide range of possible locations and office furniture suppliers based on an analysis of the future ČKP's functional and space requirements, and enter into the relevant lease and purchase agreements in favor of ČKP,
- d) in the IT area, ČAP drafted RFP (Request for Proposal) documentation, selected the principal contractors, and signed on behalf of ČKP the relevant realization contracts.

The first Assembly of ČKP Members was held on 22 October 1999, after eleven insurers were granted licenses to offer motor liability insurance. The Association also engaged in PR activities in this area. At the end of September, 1999, an campaign was launched to explain the new motor third party liability insurance to the public. It included advertising, media appearances by ČAP representatives, and a press conference. The first wave of the campaign took place in October 1999 and the second wave, which included a TV spot, ran in December 1999. The goal of the second wave was to remind car owners of their duty to obtain liability insurance by the end of the year, provided they intend to operate the vehicle from 1 January 2000. Another event in this area was a seminar held in early July 1999 for member insurance companies on the basic principles of the new legislation on motor third party liability insurance. This area clearly demonstrated the Association's capability to act and communicate flexibly between members and the Secretariat, and the Association's various bodies. The entire ČKP preparation project also received manpower support from participating member insurers.

INSURANCE ACT

The Association participated in the preparation of the Insurance Act both through its suggestions and comments and through its draft initiatives, including e.g. a complete draft

of the implementing regulation. The Association followed the legislative process as it unfolded and advocated the interests of its members. The third reading of the draft act by the Chamber of Deputies of the Czech Parliament took place on 10 November 1999 and most of the amendment proposals initiated or supported by ČAP, especially in the insurance finance area (technical provisions, technical interest rate, etc.) were passed. However, the Senate decided to return the Act to the Chamber of Deputies because it did not agree with the proposed treatment of loss prevention. However, it did agree with respect to health insurers for the existing situation to continue, allowing them to obtain a license to offer private health insurance under Act No. 185/1991 Coll. on insurance, as amended. The Chamber of Deputies passed the Senate's bill, and Act No. 363/1999 Coll. was published in the Collection of Laws in December 1999, taking effect as of 1 April 2000. | The Insurance Act is an important step forward in terms of improving Czech insurance law, extending the powers of state supervision to inspect insurance company financial health, and harmonization with EU legislation.

ČAP'S TAX INITIATIVES

Another of the Association's priorities was to advocate tax incentives to support life insurance. After discussions with the Ministry of Finance (MoF) and the Ministry of Labor and Social Affairs (MLSA), the tax proposals were modified to have selected types of life insurance serve as supplements to state pension insurance. A calculation of the proposal's budgetary impact was prepared by ČAP and audited by KPMG. The Association negotiated with representatives of the Chamber of Deputies, Members of Parliament, labor unions, the Confederation of Industry and Transport of the Czech Republic (SP ČR), and organized a supporting PR campaign. For example, a round table discussion was held with MPs and journalists on 1 July 1999. Also, an international conference on pension system reform was held in Prague on 21–22 September 1999 with the goal of highlighting the importance of life insurance in the pension system and the necessity of accepting ČAP's tax proposals. The Association was unable to convince the Chamber of Deputies of the Czech Parliament to consider its tax proposals concerning life insurers at the same time that it considered tax incentives for pension funds late in the second quarter of 1999. In the end, the pension funds got their tax incentives, introducing a clear tax imbalance between products that are similar for practical purposes. The Association relied on its proposals being reflected in the draft amendment of the Income Tax Act. However, that amendment did not make it onto a Government meeting agenda by the end of 1999. Thus, this task remains a priority for 2000.



ACTIVITIES OF CERTAIN ČAP BODIES AND THE MEMBER BASE

The Presidium of ČAP met sixteen times in 1999 (for comparison, it met twelve times in 1998). In addition to the planned meetings, several extraordinary meetings were held that dealt primarily with the preparation of the draft act on motor third party liability insurance and the Czech Insurers Bureau (ČKP). The Presidium discussed very difficult issues relating to financing the ČKP, the directions its activities will take, and the Association's strategy in the legislative process (motor liability insurance, tax issues in life insurance, the Insurance Act, etc.). The Presidium paid considerable attention to the technical parameters of the new motor liability insurance and issues of fair market behavior. During the year, the number of appearances by ČAP representatives in the media increased and the Presidium called two press conferences. It also assessed the Association's management and organization and made changes to the operative powers of the Secretary General. It also discussed and decided on an amendment of the Association's organization structure, which took effect on 1 July 1999. During 1999, the Presidium coopted Mr. Klopal (ČS-Živnostenská pojišťovna, a.s.) as a member to replace Mr. Stix of Moravsko-slezská Kooperativa, pojišťovna, a.s. and Mr. Martínek of Nationale-Nederlanden životní pojišťovna replaced Mr. Tacl. ČAP's priorities and extraordinary tasks in 1999 called for considerable concentration of effort by the Association's bodies to carry them out. In this light it is especially positive that the Association's activities in all other areas continued successfully. All the various sections and specialized work groups successfully fulfilled their principal goals. The professional quality of the Association's work increased. As of 1 January 1999 the Association had 29 members and 2 associate members (AIDA, Pojišťovna CARDIF PRO VITA, a.s.). During 1999 the following were accepted as associate members: ČP DIRECT pojišťovna, a.s., ČESCOB, úvěrová pojišťovna, a.s., and Wüstenrot, životní pojišťovna, a.s. The merger of the two Kooperativas reduced the number of members by one. Thus, as of 31 December 1999, the Association had 28 members and 5 associate members. The Secretariat dealt satisfactorily with the Association's day-to-day operations and fulfilled its coordination, information, administrative and specialized functions. It also cooperated with the various sections to prepare for Presidium meetings. It co-organized the international conference on pension system reform. Its employees acted as members of a number of Ministerial committees and other working bodies in areas such as technical normalization, floods, the environment, etc. The Secretariat represented ČAP at a number of events (conferences, seminars) both in the Czech Republic and abroad. It provided services needed by the teams in charge of preparing the launch of the ČKP. It ensured smooth communications with ČAP members. As of 31 December 1999

the Secretariat had seventeen employees. | The Czech Insurance Association is financed mostly by membership contributions paid by member insurance companies. These contributions consist of a fixed portion (same amount for all) and a variable portion that is based on each member's market share in terms of premiums written. | The Association's finances in 1999 were affected by the preparation of the ČKP. A separate accounting unit was created for the project. | The Association's own 1999 budget approved by the General Assembly was fulfilled according to plan. At year-end, revenues were at 96.1% of plan and expenses were at 94.7%. | The General Assembly approved the Association's 1999 operations report on 28 March 2000. The Inspection Committee had no reservations concerning the Association's finances. The financial statements at 31 December 1999 were subjected to an audit, on the basis of which the auditor issued an *unqualified opinion* on the financial statements. | A detailed description of the priority operations of the various **sections and independent work groups** is presented in the following chapter of this Annual Report. | As the above overview of the priority operations of ČAP and its various bodies confirms, the Association widened its activities in 1999 and successfully fulfilled most of its objectives. At the same time, all the above evaluations also indicate that certain objectives were not achieved because others had to be given higher priority. However, some objectives are long-term in nature, so the work towards fulfilling them will continue in 2000.

COOPERATION WITH PARTNERS

One of the most important facets of the Association's work is cooperation with government agencies and partners, including particularly other associations active in the financial sector and in the loss prevention area. ČAP is a member of the Confederation of Industry and Transport of the Czech Republic. In some cases, the Association's cooperation with government agencies is on a contractual footing or is realized through the participation of the Association's experts in work committees and other advisory bodies. The subject matter of cooperation includes legislation, statistics, loss prevention, training, etc. | At the international level, the Association cooperates bilaterally with national insurance associations in European countries and participates actively in the bodies of CEA, where the Association has a total of seven representatives.



The first group is insurance legislation. 1999 can be described as a breakthrough year in this area. Therefore, first and foremost the Association must concentrate on applying the new legal provisions. | *Act No. 363/1999 Coll. on insurance* not only needs to be popularized, but also certain of its provisions need interpretation and certain methodological procedures need to be prepared. In addition to training seminars, the Association will prepare e.g. a list of insurance companies' obligations under the new act, as well as an English translation of this key piece of legislation. The Association will also present the MoF with comments on the draft decree that will implement the Act. *Act No. 168/1999 Coll. on motor third party liability insurance* introduced a new system for motor liability insurance. Since the insurance is to be offered in an environment of competition among 12 licensed insurers and there is a relation to insurers who sell motor damage insurance, the Association must continue to pay attention to this area, in cooperation with the ČKP. Most importantly, it will monitor compliance with laws and regulations, develop rules for determining actual damages, the use of recourse, and for mutual recognition of damaged vehicle inspections and damage assessments. The Association plans to cooperate with the Police of the Czech Republic, the Automobile Importers Federation, the Association of Leasing Companies, the CEA, etc. *Act No. 159/1999 Coll. on some conditions for operating a business in the sphere of tourism* requires travel agencies to take out insurance that protects their clients in case of bankruptcy. In 2000, the Association will continue to prepare for the establishment of a pool to provide this insurance. | 1999 also saw the passage of *Act No. 353/1999 Coll. on prevention of serious accidents in chemical industry*. Here, too, a pool to provide compulsory insurance to cover operator liability for serious accidents is being considered, as well as the extent of the tasks to be performed by ČAP.

■ The second group of priority goals relates to the preparation of new laws and legal provisions contained in the Czech Government's updated legislative work plan for 2000–2002.

During April and May, 2000, the Czech Government is to approve a *draft amendment to the Income Tax Act*. This is another chance for the Association to advocate its tax proposals for life and pension insurance. | In late 2000 the Czech Government is to consider a *draft Act on insurance contract*, which ČAP experts are helping to prepare. This is important, among other reasons, because it is an opportunity to resolve certain long-term practical problems. | The passage of an *amendment to Act No. 363/1999 Coll. on insurance* is expected by the end of 2002. This should bring this act into full compliance with EU

legislation and allow for the integration of the Czech Republic into the EU's internal insurance market to the extent required. The same deadline has been set for the passage of the *draft Act on insurance intermediaries, insurance advisers and independent loss adjusters*. The active role to be played by ČAP in preparing these draft acts will require that the relevant EEC directives be fully mastered, including those that are to be promulgated in 2000–2002, as well as wider involvement in the CEA, and especially the CEA's Single Market Committee. In the area of insurance intermediation, the Association will collaborate with the various brokers associations.

■ **The third group of priority goals for 2000 relates particularly to the fact that the Czech Government is to begin in-depth discussion of pension reform in 2000.**

Since commercial insurers are capable of offering more services than just voluntary private life and pension insurance as part of the Third Pillar, it will be necessary to watch all proposals closely and carefully prepare professional opinions. Also of strategic and systemic nature is the issue of health insurance and the role of the private sector in this area. It will also be necessary to advocate ČAP's proposed government subsidies (e.g. for insurance premiums) that would stimulate the development of *agricultural insurance*. The approval of the 2000 State Budget opens up the first such opportunity: in the event any money remains in the livestock epidemic fund at the end of the stipulated period, it could be used to subsidize premiums on livestock epidemic insurance.

■ **The fourth group of ČAP priority goals for 2000 relates to the role and operations of the Association itself.**

It will be necessary to regularly evaluate the operations of *ČAP Certification Institute, s.r.o.* and ensure that it has appropriate support from both the Association and its members. The institute must gain the required image and fulfill the tasks assigned to it by the General Assembly of 30 November 1999 (i.e. expand operations to include registration and certification of relevant companies). In 2000 it will be possible to open up a discussion of the Association's development and the direction it will take in the future. One such issue is the discussion on *training and education*, in particular the potential for certifying certain insurance-related professions, etc. The experience of Western European associations indicates that it would be appropriate to discuss possible ways of out-of-court resolution of client *complaints* concerning insurance company behavior. It will also be necessary to pay attention to how ČAP's new organization structure is working out since it took effect on 1 July 1999. The Association is also planning to expand its PR activities and participate in the program accompanying the Pragoalarm trade fair. ČAP will also team up with the CEA to hold an international conference on public relations in the insurance industry.



**ECONOMIC SECTION**

The activities of this section focused in particular on advocating tax proposals in the life insurance area. In the first half of 1999, up-to-date proposals were prepared including a calculation of their impacts on the state budget. The calculation was audited by KPMG. After the passage of tax incentives for pension funds, the standing work group for taxation prepared another version of the proposals that apply to life insurance the approach contained in the passed amendment to the Act on supplementary pension insurance, i.e. linking it to securing individuals in old age. As an alternative, a proposal was prepared to support life insurance by doing away with the withholding tax applied at source to payments of life insurance claims. All actions were managed by the coordination team, which was headed up by a member of the Presidium. | An important task for the Economic Section and the standing work group for accounting was the preparation of suggestions and comments on the draft decree on insurance company technical provisions and solvency reporting. This decree contains detailed language that implements the relevant provisions of Act No. 363/1999 Coll. on insurance. | Specialists from the Economic Section helped prepare the ČKP as needed. They were especially helpful in assessing the financial, accounting and tax aspects of its activities. In September 1999, working seminar was held on the accounting aspects of motor liability insurance. In the statistics area, the first important step was made in relation to the prepared Insurance Act by including in the Annual Report a table showing premiums written by insurance classes. The table is linked to the overview of insurance products created by the Sales and Marketing Section. At the same time, the Economic Section proposed that the mid-year preliminary results statistics be expanded in the same way. Of fundamental importance for the Association's future strategy in statistics is an Cooperation Agreement signed between ČAP and the Czech Statistical Office on 21 December 1999.

LEGISLATIVE SECTION

The activity of the Legislative Section was focused on the items contained in the 1999 activity plan and on resolving issues that arose during the year. | The pivotal activity of the Legislative Section is always either direct participation in drafting legislation or the preparation of comments, proposals and other initiatives designed to improve and accelerate the legislative process for those acts and regulations that relate to insurance. Fundamentally, it is necessary to emphasize that the Legislative Section cooperated very actively in drafting the Insurance Act and during its preparation engaged in a number of activities, the result of which was the inclusion of an absolute majority of ČAP's comments in the draft of said act and a high degree of success in advocating its opinions in the course of the ongoing legislative process. | Of the other pivotal laws to which the Legislative Section prepared its opinions during the year, it is necessary to mention the

following in particular: the Labor Code amendment, the Act amending Act No. 40/1964 Coll. (the Civil Code), the Act on some conditions for doing business in tourism, the Act on bankruptcy procedure and composition, the Collective Bargaining Act, the Wage Act, the amendment of Act No. 61/1996 Coll. on certain measures against legalization of proceeds of criminal activities, the amendment of Act No. 337/1992 Coll. on the administration of taxes and fees, the amendment of Act No. 58/1995 Coll. on insuring and financing of exports with state support and supplementing Act No. 166/1993 Coll. on the Supreme Audit Office, the Securities Commission Act, the Act on motor third party liability insurance, and others. | In the course of its activities, the section cooperates with various government agencies and collaborates in the drafting and enforcement of laws and regulations. One example worthy of mention is cooperation with the MoF's Financial Analysis Unit in amending ČAP's recommendation to its members, "Internal Principles and Procedures to Prevent Legalization of the Proceeds of Criminal Activity in Insurance Companies" and cooperation with the Czech Securities Commission in enforcing the interpretation of the respective Act. | Through its representatives, the Legislative Section – from time to time on an as-needed basis – takes part in drafting and revising contracts (e.g. ČAP's contracts with partners and service providers), methodological instructions, internal regulations and other legal documents of ČAP. During the year, members of the section also took an active role in preparing legal opinions relating to Y2K issues. | The Legislative Section's Executive Committee dealt with complaints from clients and individual member insurance companies concerning the "Code of Ethics in Insurance", unfair competition, and other such issues. It submitted its opinions in the form of proposals to the Presidium of ČAP for decision, or settled them directly. | Members of the section lectured at professional training events and engaged in publication and awareness activities. | Of the section's activities in the training and education area, especially worthy of mention is the seventh three-day seminar for lawyers, which was attended by about 100 lawyers of member companies. The section also drafted and distributed "Conclusions from the sixth seminar for the attorneys and corporate counsel of ČAP member insurers", held in September 1998 in Nymburk. | In January, the Standing Work Group (SWG) for insurance fraud held a Conference on Cooperation between ČAP, the Ministry of the Interior, and the Czech Police in Loss and Theft Prevention. Another seminar was co-organized by the SWG for the ČAP Information System concerning the use of that system to prevent and fight insurance fraud. Throughout the year the section cooperated with the IAIFA (International Association of Insurance Fraud Agencies) to obtain specialized materials on insurance fraud. The section also cooperated with the Attorney General's Office in Brno.

The Czech Section of the International Association for Insurance Law (AIDA), which is an associate member of ČAP, focused in particular on continuing education of insurance company lawyers. In addition to "AIDA Mail", a free publication from Lloyd's of London Press received by all members of the section, members also have access to other foreign periodicals and publications containing information on new laws, regulations and important court decisions in the insurance law area and in European Union countries in particular. For study purposes, a meeting was organized with the newly established Slovak Section of AIDA.

MOTOR VEHICLES INSURANCE SECTION

One of the principal activities of this section in 1999 was the preparation of the Act on Motor Third Party Liability Insurance and the implementing decree thereto. In this matter, the section worked closely with the Ministry of Finance and helped advocate ČAP's suggestions and comments before the Government's Legislative Council and in selected committees of the Chamber of Deputies and Senate of the Czech Parliament. | The Government's draft of this act was included in the agenda of the 10th Session of the Chamber of Deputies on 31 March. After it was returned by the Senate, it was definitively passed by the Chamber of Deputies on 13 July to take effect as of 30 July. The implementing decree took effect on 23 October. | In February, the section initiated the commencement of preparatory work leading up to the establishment of the Czech Insurers Bureau (ČKP). To this end, the Presidium of ČAP set up a special preparation group which soon thereafter became the Section for the Preparation of the ČKP. The preparation committee established pursuant to the above mentioned Joint Action Agreement also played an important role in preparing the ČKP. | The tariffs temporary work group fulfilled a number of tasks, especially in setting minimum premiums. The leasing temporary work group continued in its cooperation with the Association of Leasing Companies of the Czech Republic. The motor damage insurance temporary work group dealt with issues concerning the unified information system and an amendment to the Expert Appraisal Standard. | In order to ensure that the above mentioned act is properly understood, in early July an all-day seminar was organized at which the chairman and secretary of the section acquainted representatives of the various insurance companies with the main principles of the new act on motor third party liability insurance. Members of the section also appeared in the media to help in the information campaign concerning the new system of motor liability insurance. | Once the new act on motor third party liability insurance came into full force and effect as of 1 January 2000, the Motor Vehicle Section's role expanded even more, this time in conjunction with the task of putting Act No. 168/1999 Coll. and Decree No. 205/1999 Coll. to work in practice in an environment of competition among 12 insurers. The section's activity plan for 2000 will be designed with this in mind.



SALES AND MARKETING SECTION

The bulk of this section's activity took place in the temporary work groups. Various specialized tasks were dealt with by the following five groups: intermediaries register, market research, annual report production, offer of insurance products, preparations for FIBEX 2000 and, in the second half, under the new organization structure of ČAP, the brokers work group. In addition to discussing framework proposals and recommendation materials prepared by the various work groups, the section also completed an important Association information paper containing a full listing of insurance products offered (in accordance with the classification of insurance classes defined by relevant EEC directives) and updated the listing of insurance products for the ČAP 1998 Annual Report. It also prepared two market research studies in cooperation with the AISA agency (a syndicated study of the market for personal lines, a smaller market study in the same area performed in cooperation with the students of three secondary and higher vocational schools and with the Education and Publishing Section). The section evaluated insurance market research studies performed by ČAP in 1995–1999 and put forward a draft market research plan for 2000. It organized member insurance company presentations at ČAP's biggest conference in 1999 – the international conference on pension system reform – which were subsequently published in the collected conference papers. Also, three training seminars (on insurance market research, legal aspects of distance insurance selling, and preparing a good annual report) were held under its auspices. The brokers work group updated the list of insurance brokers for use by member insurance companies.

INSURANCE OF PERSONS SECTION

The section's activities in 1999 were focused on preparing the international conference on pension system reform, which took place on 21–22 October 1999 in Prague, on reflecting comments in certain draft legislation (the Insurance Act, the Act on Public Health Insurance, and a draft position statement on the Act on Social Insurance Organization and Financing), on drafting principal ČAP opinion statements (e.g. on life insurance tax incentives, on the employer pension insurance proposal submitted to the MLSA), on child injury statistics issues, and on the legislative treatment of technical interest rate in life insurance. The section was also responsible for preparing the content of a seminar on health care. The section was kept informed on the results of all meetings of the Association's bodies, meetings of the CEA's life insurance committee, and the activities of its work groups. Various experts and representatives of institutions outside the Association were invited to the section's meetings to present the activities of the various institutions and discuss opportunities for cooperation with ČAP. Furthermore, the activities of the section's work groups developed and gained in intensity. | The standing work group for medical expenses abroad insurance prepared instructions for adjusting mass claims.



Later, these instructions were submitted to the Presidium as a recommendation to the members and approved by that body. The work group also completed a bidirectional Czech-English dictionary (including explanations) of medical expenses abroad insurance terminology. | The standing work group for private health insurance prepared for the Presidium a proposal for exchange of information in cases when a single risk is covered by more than one insurance company, as well as working to develop private health insurance (e.g. comments on draft legislation, discussion of cooperation with the Czech Dental Association). The work group also prepared a proposal for multi-resource financing of health care in the Czech Republic, etc. | The standing work group for collaboration with health-care facilities, in cooperation with the Legislative Section, prepared a draft declaration on freeing physicians of confidentiality obligations and discussed it with the Chamber of Czech Physicians. The group also prepared content for a number of successful and well-attended seminars on health-care subjects. | The temporary work group for actuary issues made comments on the treatment of the Responsible Actuary provisions contained in the draft Insurance Act, discussed the use of health-care statistics in actuarial calculations (especially child injury statistics), and commenced work on preparing joint insurance company mortality tables. | The temporary work group for technical interest rate commenced work on analyzing and proposing measures to address this issue within ČAP pursuant to the Presidium's instruction and helped draft ČAP's opinion on the relevant portion of the new Insurance Act.

PUBLIC RELATIONS AND INFORMATION SECTION

Although this section had no standing work groups, it created several temporary work groups during the year to deal with individual tasks. | This section's activities were governed by the plan for 1999, although it also brought forward several initiatives based on the situation as it developed during the year. The section met its plan goals. | In the second half of the year in particular, the section focused on execution of a motor liability insurance awareness campaign. | Following the passage of the relevant act by the Czech Parliament, the section designed the campaign and submitted it for discussion and comments to the ČKP preparation committee and afterwards to the Presidium of ČAP. The Presidium approved the awareness campaign project on 13 September 1999 and appointed the members of its governing and operating bodies which were made up of representatives of the Presidium, the ČKP, this section, and the Secretariat. The campaign was supported by a press conference held on 18 October 1999. All events went according to plan, were evaluated by the section and coordinated by the steering committee. A report on the campaign's execution was submitted to the Presidium of ČAP on 2 November 1999. Another area on which the section focused its efforts was advocating ČAP's tax proposals in the life insurance area. The section worked systematically to promote ČAP's goals in this

area in the media and cooperated closely with the special Coordination Team, the Economic Section and the Secretariat. Among other things, it helped get media exposure for the following:

- round table discussion on the role of life insurance in the system of care for the elderly, held on 1 July 1999, organized by ČAP, guests included members of the Budget Committee of the Chamber of Deputies of the Czech Parliament,
- ČAP international conference “Pension System Reform: A Challenge for the Whole Society”, held on 21–22 September 1999.

For the PRI Section, like for many other organizations, 1999 was a year of addressing the Y2K problem. The section worked closely with the Y2K special work group to inform the public of the Y2K problem and the insurance industry’s opinion on its insurability. The section also carried out PR activities in support of ČAP goals in legislation. Members of the section cooperated with the Secretariat to carry out PR activities concerning the upcoming Insurance Act and compulsory travel agency bankruptcy insurance, which made it into the Act on certain conditions for doing business in tourism. | ČAP’s extraordinary level of activity in the PR area in 1999 is attested to especially by the large number of articles and media appearances of members of the Presidium and representatives of other ČAP bodies:

- 81 articles, interviews, and press reports, most of which related to motor third party liability insurance; other topics included the new Insurance Act, Y2K issues and levelling the tax field for life insurance,
- 23 television appearances and 17 radio interviews, mainly on motor third party liability insurance; other topics included travel insurance, property insurance, and levelling the tax field for life insurance,
- 10 ČAP press releases,
- 8 public appearances at seminars and conferences outside of ČAP,
- 2 press conferences (motor third party liability insurance, pension system),
- 1 round table discussion of ČAP experts with MPs and journalists concerning proposed tax incentives for life insurance.

EDUCATION AND PUBLISHING SECTION

The activities of the Education and Publishing Section were determined by the 1999 work plan and by the education needs of member insurance companies that arose during the year. A major goal for 1999 was to prepare recommended standard lesson plans for training employees new to the insurance industry. | The section’s priorities included the

preparation and execution of the "1999 Training Events Program". Training in 1999 was provided to a total of 1,222 employees of member insurance companies and of institutions that cooperate with the Association (e.g. ministries, interest groups, secondary schools and universities, etc.). | Of particular importance and benefit was the seminar "On Preventing Losses in Property Insurance", at which lectures were presented by representatives of ČAP, the Ministry of the Interior (Presidium of the Police), specialized professional groups, the Association of Leasing Companies, etc. The seminar resulted in a number of specific suggestions for further developing and improving cooperation between ČAP and the other institutions participating in the seminar, particularly the Crime Prevention Department of the Ministry of the Interior of the Czech Republic (MI). | Other important projects included a seminar on "How to Prepare a Good Annual Report" which was organized in cooperation with B.I.G. Prague. A total of four seminars were held for the life insurance departments of insurance companies with special concentration on medical areas of psychiatry, neurology, gastroenterology, and on child and youth injuries in the Czech Republic. | Seminars and work sessions on economic subjects were held to interpret the Accounting Act and to address the accounting issues that arose in conjunction with the new motor third party liability insurance. | ČAP teamed up with the MoF to hold a seminar "On Motor Liability Insurance", which focused on the new Act on Motor Third Party Liability Insurance, the draft MoF decree implementing it and the procedure for filing applications for licenses to offer the new insurance. | Another seminar was held to address Y2K issues. Attendees were informed of the state of Y2K preparedness of the insurance industry and other sectors of the Czech economy. | In the fall, a three-day seminar was held for lawyers, focusing on the following areas: interpreting Act No. 168/1999 Coll. on motor third party liability insurance, state supervision in the insurance industry, current issues relating to the Code of Civil Court Procedure and the planned amendment thereto, recourses in relation to Act No. 168/1999 Coll., compulsory insurance for travel agencies in case of bankruptcy, etc. | Participants in a seminar entitled "Legal Aspects of Distance Selling of Insurance" learned about new methods for selling insurance (by telephone, over the Internet, etc.) and were given the opportunity to gain hands-on experience in the principles of this sales method during an afternoon workshop. | The seminar "On Insurance Market Research" focused on new Czech Republic market research know-how, trends and issues. | A seminar called "Non-proportional Facultative Reinsurance in Industrial Property Insurance" with lecturers from General and Cologne Re was held under the auspices of the reinsurance work group.

A seminar with representatives of the German institution Verband der Schadenversicherer (VdS) which focused on the certification of electrical security systems in Germany and in Europe was held under the auspices of the ČAP theft prevention standing work group. The seminar also dealt with VdS's real-world practical experience in this area. | A very important event was the seminar "On Insurance Fraud and Money Laundering in Insurance of Persons in Light of Foreign Experience" with lecturers from Swiss Re and UNISYS specialized in the fight against money laundering in the financial sector. | A three-day seminar entitled "Financial Management" for managers of insurance company finance departments focused on insurance company financial management, mergers, and portfolio valuation. A course for actuaries on the current topic of "Motor Liability Insurance" went over the principles of this insurance from an actuarial perspective. The additional events in the "1999 Training Events Program" included also a seminar "On Adjusting Motor Third Party Liability Claims". | In the spring and autumn seminars were held for high school and vocational school teachers providing various lectures on selected insurance products and evaluating a joint insurance market research study performed with the participation of the students of three vocational schools. | "Recommended Standard Lesson Plans for Training Employees New to the Insurance Industry", a document prepared by an education section work group in cooperation with other insurance specialists, was approved by the General Assembly of 30 November 1999. The ČAP Secretariat plans to hold a model three-day training program using the standards in 2000. In 1999 the section commenced cooperation with the Insurance Company Personnel Managers Club newly established by ČAP. | The section also arranged publishing activities, the development of the ČAP library, and cooperation with foreign educational institutions. | Cooperation with specialized and professional institutions was further broadened and intensified, in particular through active participation in the Education Committee of the Confederation of Industry and Transport of the Czech Republic and meetings with the Specialized Education Research Institute, the Association of Higher Vocational Schools as well as secondary vocational and higher vocational school associations. Throughout the year there was a mutual exchange of experience with new trends in preparing school graduates for careers in insurance.

**REINSURANCE AND LARGE RISKS SECTION –
PROPERTY INSURANCE SECTION, LIABILITY INSURANCE SECTION**

The Reinsurance and Large Risks Section operated until 30 June 1999, when a Presidium decision took effect, changing ČAP's organizational arrangements. The section included three SWGs – fire prevention, theft prevention, and agricultural insurance, and four

Temporary Work Groups (TWG) – co-insurance, brokers, reinsurance, and a work group for preparation of the Pool for Insurance of Travel Agencies. The section had coordination, inspection, and approval functions. Its activities were based on the work of the various groups. Section members participated in the preparation of comments on various versions of the draft Act on prevention of serious accidents. | The Property Insurance Section commenced operations starting on 1 July 1999. Four standing work groups and three temporary work groups operate within the section. The standing work groups are: fire prevention, theft prevention, agricultural insurance, and property insurance for individuals. The temporary work groups are: prevention of flood damage, insurance of industry and business, and a work group dedicated to preparing the above mentioned Pool. | The Liability Insurance Section commenced its operations on 1 July 1999. Among other activities, the section’s members advocated ČAP’s opinion on the Government’s draft Act on prevention of serious accidents while it was being considered by committees of the Chamber of Deputies of the Czech Parliament.

SWG for Fire Prevention

This group’s principal activity was to prepare and publish the directives ČAP 015 01/99 (01) “Building fire walls and walls of fire complexes to meet insurance companies’ requirements in the Czech Republic”, ČAP CEA 4001:95 12/98 (01) “Sprinkler systems – design and installation”, and ČAP VdS 2496 07/99 (01) “Technical requirements for activating and controlling automatic and manual fire extinguishing equipment”.

SWG for Theft Prevention

This group coordinated and oversaw preparations for the launch of the ČAP Certification Institute, a body for certifying electrical security system components. The basic documents necessary to commence certification were prepared and approved. Members of the work group helped prepare the ČAP seminar on claim prevention in property insurance and a program to accompany the Pragoalarm 99 trade show.

SWG for Agricultural Insurance

This group prepared a comprehensive system for supporting the growth of agricultural insurance which was approved by the Presidium of ČAP. The group was tasked with advocating ČAP’s proposals in negotiations with the Ministry of Agriculture. It also prepared statistics on agricultural insurance.

Property Insurance for Individuals SWG

At its meetings, this work group dealt with preparing a methodological guidelines for insurance companies for dealing with cases of multiple insurance, client database issues, and a standard form for filing flood claims.

Brokers TWG

This group updated the list of brokerage firms. It was also involved in making comments on the Government's draft of the Insurance Act. Starting on 30 June 1999, this group was shifted to the Sales and Marketing Section.

Reinsurance TWG

The reinsurance work group drafted an opinion on the use of reinsurance in travel agency bankruptcy insurance and organized a seminar on non-proportional facultative reinsurance in industrial property insurance. Its activities were wound up as of 30 June 1999.

TWG for Preparing the Pool for Insurance of Travel Agencies

This group drafted the basic documents for the Pool's inception. The group advocated ČAP's proposals during the consideration of the draft Act on certain conditions for doing business in tourism.

Insurance for Industry and Business TWG

At its meetings, this work group deals with drafting rules for co-insurance and is cooperating with the brokers work group to prepare technical insurance conditions for cooperation among insurance companies and brokers.

Flood Claim Prevention TWG

This temporary work group continued, in terms of both content and staff, where the former expert group for preventing and minimizing flood damage left off. Its goal is to carry out resolutions of the Presidium dealing with issues in this area. | Its activities focused (in cooperation with the SWG for the ČAP Information System) on preparing a proposal for realizing a Geographic Information System at ČAP, obtaining statistics on the impact of floods and erosion on cadastral areas in the Czech Republic, preparing tables for converting between cadastral area codes and postal codes, and on discussing possibilities and conditions for obtaining synthetic colored maps of flood-risk areas throughout the Czech Republic and/or in individual districts. | In continued cooperation with the relevant departments of the Ministry of the Environment and the Ministry of Regional Development, the group helped prepare comments on upcoming Government documents on preventing flood damage and renewing areas of the Czech Republic affected by flooding. | The group worked to achieve further progress in a long-term ČAP task in the area of preventing and minimizing flood damage i.e. to obtain an electronic flood map of the Czech Republic in the scale of 1:10,000 for the so-called "10 Year Flood". Work commenced on designing a crisis regime for ČAP to follow in the event of mass flood claims caused by natural catastrophes and a standard form for filing flood and other claims. | The group was also successful in making useful contacts with leading experts at academic and research institutions.

I n d e p e n d e n t W o r k G r o u p s

W O R K G R O U P F O R E U R O P E A N I N T E G R A T I O N

In 1999, the Work Group for European Integration continued to work on translations of European Union legislation. Czech translations of the three fundamental directives on non-life insurance were completed, as well as of related directives (on legal expenses insurance, tourist assistance insurance, credit and caution insurance, and co-insurance) and directives and recommendations relating to insurance agents and brokers. The texts of these documents were published in issue 4 of *Pojistné rozpravy*. In response to current needs that arose in conjunction with the preparation of the new Act on motor third party liability insurance, the Group also completed translations of basic EEC directives in this area and proofread the Guarantee Agreement between National Insurers' Bureaux and Uniform Agreement between Bureaux. The texts of these documents were published in issue 6 of *Pojistné rozpravy*. | Following the passage of Act No. 168/1999 Coll. on motor third liability insurance, the group prepared a final translation of the act as well as a translation of Decree No. 205/1999 Coll. which implements Act No. 168/1999 Coll.

Y 2 K W O R K G R O U P

The impulse to create a specialized Y2K work group was given by the Presidium of ČAP on 3 November 1998 when it discussed the Year 2000 problem in terms of its possible impact on insurance company information systems and insurers' relationships to their clients. The opening meeting of this work group, consisting of 15 representatives of ČAP member insurers, was held on 10 December 1998. | During 1999 the group's activity was very intensive. It can be stated that the group fulfilled all the goals it set for itself in the year 1999.

Main activity areas:

In cooperation with the Public Relations and Information Section, the group periodically called attention to the seriousness of Y2K risks and informed the public on Y2K risks in conjunction with insurance by:

- drafting two ČAP Y2K statements which were presented to the media,
- expanding the ČAP web site by adding pages dedicated to Y2K issues,
- cooperating with the media on an awareness campaign concerning insurance company prevention activities, primarily in the area of industrial and business risks,
- publishing articles in trade journals from time to time.

The group systematically facilitated the exchange of information within ČAP by:

- preparing support materials on Y2K risk prevention for member insurers (e.g., it sent a letter on Y2K issues to ČAP members with a recommendation to commence a dialog

with clients, it prepared a recommended structure for selected areas of Y2K preparations for insurance companies and manufacturing companies),

- organizing an all-day seminar with foreign participation for employees of insurance companies and selected journalists, focusing on the technical-insurance and insurance-law aspects of Y2K,
- carrying out in two waves (Spring, Autumn) a questionnaire research project to find out how far member insurers had got in Y2K compliance, thereby mapping out the degree of Y2K preparedness of member insurers,
- developing cooperation with ČAP's Legislation Section on the legal aspects of Y2K,
- gathering a considerable amount of materials from abroad to support its activities, providing them to all member insurers as well.

The group cooperated with partner organizations and government agencies in the interest of coordinating Y2K activities, with the following in particular:

- National Y2K Coordinator,
- the Banking Association and the Banking Institute (Bankovní institut, a.s.),
- the Confederation of Industry and Transport of the Czech Republic,
- the Association of Czech Insurance Brokers.

SWG FOR THE ČAP INFORMATION SYSTEM

The group prepared the design of the ČAP Information System and carried out Phase One of its implementation according to plan.

The result is:

- a complete networked computer platform for the ČAP Secretariat with Internet connection,
- obtained staffing for administration and effective use of the IS at the ČAP Secretariat by employing an IT specialist effective 3 January 2000,
- created material and staffing conditions for developing electronic communication within the Association.

In 1999, the foundations were laid for ČAP IS to enter Phases Two and Three of its implementation.

**T**

RADE JOURNALS

OF THE CZECH INSURANCE ASSOCIATION

POJISTNÝ OBZOR

Pojistný obzor is the longest-running Czech trade journal (78 years without interruption). It deals with various aspects and issues of the insurance industry. It is intended for those involved in insurance and the financial sector in general, as well as for students and teachers of high schools and universities in the economic and legal fields. In addition to specialized articles, Pojistný obzor presents up-to-date information about insurance companies and the Czech Insurance Association. This monthly journal of the Czech insurance industry is published regularly 12 times per year. In 1999, issue 4 included an insert entitled "Insurance Products of ČAP Member Insurance Companies". This was the first time Pojistný obzor carried an expanded product listing. The latest information on the new motor third party liability insurance and the Czech Insurers Bureau was also published. During the year the journal also presented articles dealing with Y2K issues. The Editorial Board consisted of 13 members. At year-end 1999 total circulation was approximately 1,500.

Subscriptions and distribution:

– for the Czech Republic: A.L.L. Production, 190 00 Prague 9, Poděbradská 24,

tel.: (+420 2) 663 2150, fax: (+420 2) 684 7731, e-mail: hanka@allpro.cz

– for the Slovak Republic: L.K. PERMANENT, PP 4, 834 14 Bratislava,

tel.: (+421 7) 4445 3711, fax: (+421 7) 4437 3311, e-mail: lkperm@lkpermanent.sk.

Editorial Office: Na Poříčí 12, 115 30 Prague 1, tel.: (+420 2) 2487 5629, fax: (+420 2) 2487 5625;

e-mail: pojistny.obzor@cap.cz; Editor-in-Chief: Eva Trojanová

POJISTNÉ ROZPRAVY

Pojistné rozpravy has been published, with some interruptions, since 1956. It has been published by the Czech Insurance Association since 1997. The journal serves as a vehicle for publishing articles and translations of articles written by leading insurance professionals on insurance theory, insurance law with focus on the harmonization of Czech insurance law with EU legislation, actuarial mathematics, insurance economics (financial analysis), statistics, etc. Pojistné rozpravy is designed for insurance industry professionals, university and high school educators, and other specialists. A total of 4 issues (nos. 4–7) were published in 1999. Issues 5 and 7 contained original articles. The other two issues were dedicated to translations of EEC directives on insurance. The Editorial Committee consisted of 8 members and met as needed. The average circulation was 500.

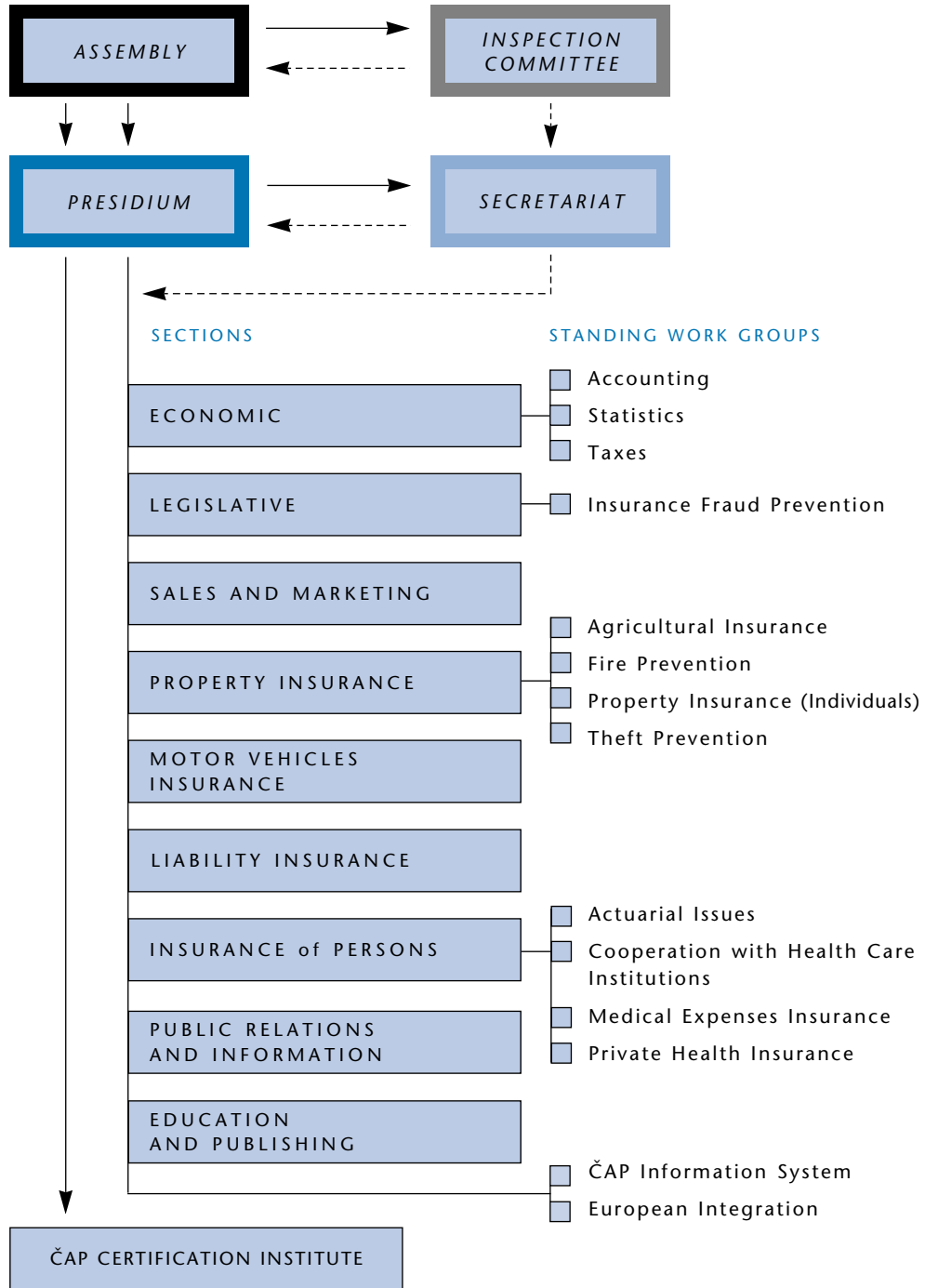
Editorial Office: Na Poříčí 12, 115 30 Prague 1, tel.: +420 2 2487 5629, fax: +420 2 2487 5625;

e-mail: pojistny.obzor@cap.cz; Editor-in-Chief: Eva Trojanová. Subscriptions are accepted by the editorial office.





0 ORGANIZATION CHART



As of 30 June 2000





A

ARTICLES OF THE ASSOCIATION AND ITS BODIES

THE ARTICLES OF THE ASSOCIATION

The Articles of the Czech Insurance Association define especially the bodies of the Association (their status, power, and mutual relations) and the rights and obligations of the members.

THE GENERAL ASSEMBLY

The General Assembly is the highest authority within the Association. It is convened as needed, but no less than twice a year. Each member has one vote.

The General Assembly:

- approves the Association's working conception, action plan, and budget
- approves the annual accounts and financial report
- admits and expels members
- makes decisions concerning the Articles of Association and amendments thereto
- elects the Presidium and Inspection Committee, each for a term of two years.

THE PRESIDIUM

The Presidium is the Association's Statutory Body and is composed of the President, two Vice-Presidents, and six other members. The Presidium submits proposals on all issues that must be decided by the Assembly. The President represents the Association and acts on its behalf.

THE INSPECTION COMMITTEE

The three-member Inspection Committee is elected by the Assembly. The Committee monitors and inspects the Association's finances and accounting.

THE SECTIONS AND WORK GROUPS

The Sections and standing work groups are established by the Presidium. They submit proposals and recommendations for discussion by the Presidium and carry out tasks assigned by the Presidium. The Section and standing work group chairmen are appointed by the Presidium at the proposal of the relevant body.

THE SECRETARIAT

The Presidium has formed the Secretariat to manage the Association's day-to-day activities and coordinate the work of the Sections and work groups. The Secretariat is headed up by the Secretary General, who is appointed and dismissed by the Presidium.





PRESIDIUM

President

Vladimír Mráz

CEO, Kooperativa, pojišťovna, a.s.

Vice Presidents

Ladislav Bartoníček

CEO, Česká pojišťovna a.s.

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Sales Director, Nationale-Nederlanden životní pojišťovna, organizational unit

Jiří Morávek

CEO, IPB Pojišťovna, a.s.

Pavol Parížek

CEO, Exportní garanční a pojišťovací společnost, a.s.

Marek Venuta

CEO, Česko-rakouská pojišťovna, a.s.

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Vlastimil Uzel

Adviser to the CEO, Česká pojišťovna a.s.

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Libor Jelínek*

Komerční pojišťovna, a.s.

Members

Václav Bohdanecký

Hasičská vzájemná pojišťovna, a.s.

Jana Rajtrová

Exportní garanční a pojišťovací společnost, a.s.

As of 31 May 2000

*Elected on 28 June 2000



**S****ECTIONS AND SECRETARIAT****SECRETARIAT****SECTIONS****SECTION
CHAIRS****Jaroslav Mesršmíd**

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Zuzana Tvarohová

Deputy Secretary General

Secretaries

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Legislative

Sales and Marketing

Property Insurance

Motor Vehicle Insurance

Liability Insurance

Insurance of Persons

Public Relations and
Information

Education and Publishing

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Secretary for European Integration

Martin Komárek

Secretary for the Information System

Eva Trojanová

Editor-in-Chief of ČAP journals

Milena Šejvlová

Assistant to the Secretary General

Magdalena Bližňáková

Librarian

Šárka Vomelová

Administration

As of 30 June 2000

**Jiří Charypar held this position until 20 June 2000*



INSURANCE PRODUCTS OFFERED IN 2000

	Insurance of persons													Property and liability insurance (individuals)										
	Risk life insurance	Capital life insurance	Pension insurance	Insurance of children	Investment life insurance	Accident insurance	Combined insurance ^{/1}	Group insurance ^{/2}	Medical expenses abroad insurance	Dread disease insurance	Insurance of medical expenses due to hospitalization	Illness insurance ^{/3}	Credit insurance ^{/3}	Other insurance	Motor damage insurance	Motor third-party liability insurance ^{/10}	Professional liability insurance	Other liability insurance ^{/4}	Household contents insurance	Recreational household insurance	Building and structures insurance ^{/5}	Travel insurance	Legal expenses insurance	Other property insurance
Allianz pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
CERTUSIA, pojišťovna a.s. *	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Commercial Union, životní pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Česká podnikatelská pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Česká pojišťovna a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Česká pojišťovna ZDRAVÍ, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
ČSOB Pojišťovna a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Česko-rakouská pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
ČS-Živnostenská pojišťovna, a.s. **	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
D.A.S. pojišťovna právní ochrany, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Evropská Cestovní Pojišťovna a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Exportní garanční a pojišťovací společnost, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Generali Pojišťovna a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
GERLING-Konzern Všeobecná pojišťovací a.s. – org. unit	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Gothaer Versicherungen – Czech Republic Branch	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Hasičská vzájemná pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
IPB Pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Kooperativa, pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Komerční pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
KRAVAG-SACH, organ. unit for the Czech Republic	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Nationale-Nederlanden životní pojišťovna, organ. unit	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Pojišťovna PATRIE, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Pojišťovna Slavia, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Pojišťovna UNIVERSAL, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s. ***	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Union pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
VICTORIA pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Winterthur pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
ČESCOB, úvěrová pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
ČP DIRECT pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
POJIŠŤOVNA CARDIF PRO VITA, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>
Wüstenrot, životní pojišťovna, a.s.	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>	>





MEMBERS

Allianz pojišťovna, a.s.
CERTUSIA, pojišťovna a.s.
Commercial Union, životní pojišťovna, a.s.
Česká podnikatelská pojišťovna, a.s.
Česká pojišťovna a.s.
Česká pojišťovna ZDRAVÍ, a.s.
Česko-rakouská pojišťovna, a.s.
ČSOB Pojišťovna a.s. (Chmelařská pojišťovna a.s. until 14 March 2000)
ČS-Živnostenská pojišťovna, a.s.
D.A.S. pojišťovna právní ochrany, a.s.
Evropská Cestovní Pojišťovna a.s.
Exportní garanční a pojišťovací společnost, a.s.
Generali Pojišťovna a.s.
GERLING-Konzern Všeobecná pojišťovací akciová společnost – organizational unit
GOTHAER VERSICHERUNGEN – branch for the Czech Republic
Hasičská vzájemná pojišťovna, a.s.
IPB Pojišťovna, a.s.
Kooperativa, pojišťovna, a.s.
Komerční pojišťovna, a.s.
KRAVAG-SACH, Pojišťovna německé silniční dopravy, vzájemný pojišťovací spolek –
organizational unit for the Czech Republic
Nationale-Nederlanden životní pojišťovna, organizational unit
Pojišťovna PATRIE, a.s. (under forced administration since 13 April 2000)
Pojišťovna Slavia, a.s.
Pojišťovna UNIVERSAL, a.s.
PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s.
Union pojišťovna, a.s.
VICTORIA pojišťovna, a.s.
Winterthur pojišťovna, a.s.

ASSOCIATE MEMBERS

AIDA Czech Section of the International Association for Insurance Law
ČESCOB, úvěrová pojišťovna, a.s. (since 12 February 1999)
Česká kancelář pojistitelů (Czech Insurers Bureau – since 22 February 2000)
ČP DIRECT pojišťovna, a.s. (since 15 June 1999)
POJIŠŤOVNA CARDIF PRO VITA, a.s. (since 23 June 1998)
Wüstenrot, životní pojišťovna, a.s. (since 13 September 1999)

As of 31 May 2000



Allianz pojišťovna, a.s.

Římská 12, 120 04 Praha 2, tel.: (420 2) 2440 5111, fax: (420 2) 2440 5555, e-mail: klient@allianz.cz internet: www.allianz.cz



Start of activity: 1. 1. 1993
Share capital: CZK 500 m
Foreign participation: 100%
Recorded adjusted number of employees: 623
Result: CZK 115 m
Premiums written: CZK 3,239 m

Board of Directors:
Thomas Münkel, Jiří Charypar
Jeroen van Leeuwen
Supervisory Board:
Detlev Bremkamp,
Jürgen Eichelman, Klaus Junker
As of 31 December 1999
Personnel changes in the Board effective
1 April 2000
Chairman of the Board and CEO:
Thomas Münkel
Vice Chairman of the Board:
Miroslav Tacl
Members of the Board:
Jiří Charypar, Jeroen van Leeuwen
Rainer Förster

CERTUSIA, pojišťovna a.s.

U Ražské zahrady 3, 130 00 Praha 3, tel.: (420 2) 2410 6171, fax: (420 2) 2410 6134, e-mail: info@certusia.cz internet: www.certusia.cz



Start of activity: 1. 9. 1995
Share capital: CZK 251 m
Foreign participation: 100%
Result: CZK -35.3 m
Recorded adjusted number of employees: 102
Premiums written: CZK 81.6 m

Chairman of the Board:
Petr Axel Postřehovský
Chairman of the Supervisory Board:
Václav Skurovec
CEO:
Zdeněk Tuček

Commercial Union, životní pojišťovna, a.s.

Jugoslávská 29, 120 00 Praha 2, tel.: (420 2) 2400 7100, fax: (420 2) 2400 7101, e-mail: cuprague@cupz.cz internet: www.cupz.cz



Start of activity: 3. 11. 1997
Share capital: CZK 220 m
Foreign participation: 100%
Recorded adjusted number of employees: 41
Result: CZK -68 m
Premiums written: CZK 98 m

Chairman of the Board:
Martin D. Cullen
Chairman of the Supervisory Board:
Roy Kemp
CEO:
Martin D. Cullen

Česká podnikatelská pojišťovna, a.s.

Budějovická 5, 140 21 Praha 4, tel.: (420 2) 6112 1111, fax: (420 2) 6112 2163, e-mail: pojistovna@cpp.cz internet: www.cpp.cz



Start of activity: 6. 11. 1995
Share capital: CZK 500 m
Foreign participation: 0%
Recorded adjusted number of employees: 206
Result: CZK 3.7 m
Premiums written: CZK 225.7 m

Chairman of the Board:
Vlastimil Navrátil
Chairman of the Supervisory Board:
Rudolf Bubla
CEO:
Vlastimil Navrátil

*Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)*

Česká pojišťovna a.s.

Spálená 16, 113 04 Praha 1 – Nové Město, tel.: (420 2) 6131 9111, fax: (420 2) 2421 0752, e-mail: cpas@cpoj.cz internet: www.cpoj.cz



ČESKÁ POJIŠŤOVNA

Start of activity: 1. 5. 1992
Share capital: CZK 3,412 m
Foreign participation: 0%
Result: CZK 1,058 m
Recorded adjusted number of employees: 7,088
Premiums written: CZK 33,077 m

Chairman of the Board:
Ladislav Bartoníček
Chairman of the Supervisory Board:
Ivan Kočárník
Executive Director:
Petr Prokop
After General Meeting of 20 June 2000

Česká pojišťovna ZDRAVÍ, a.s.

Bělohorská 37, 169 00 Praha 6, tel.: (420 2) 2209 0611, fax: (420 2) 2209 0682, e-mail: pojistovna@zdravi.cz internet: www.zdravi.cz



Česká pojišťovna
ZDRAVÍ, a.s.

Start of activity: 1. 7. 1993
Share capital: CZK 100 m
Foreign participation: 0%
Recorded adjusted number of employees: 71
Result: CZK -4.8 m
Premiums written: CZK 147 m

Chairman of the Board:
Petr Oršulík
Chairman of the Supervisory Board:
Petr Prokop
CEO:
Petr Oršulík

Česko-rakouská pojišťovna, a.s.

Bělohorská 19/269, 160 12 Praha 6, tel.: (420 2) 2051 3128-33, 2039 3111, fax: (420 2) 2051 3134, e-mail: crp@crp.cz internet: www.crp.cz



ČESKO - RAKOUSKÁ
POJIŠŤOVNA

Start of activity: 1. 7. 1993
Share capital: CZK 480 m
Foreign participation: 100%
Result: CZK 35.9 m
Recorded adjusted number of employees: 507
Premiums written: CZK 942.9 m

Chairman of the Board:
Marek Venuta
Chairman of the Supervisory Board:
Herbert Schimetschek
CEO:
Marek Venuta

ČSOB Pojišťovna a.s.

Sladkovského 383, 530 02 Pardubice, tel.: (420 40) 602 7111, fax: (420 40) 661 5123, e-mail: all@csobpoj.cz internet: www.csobpoj.cz



ČSOB POJIŠŤOVNA

Start of activity: 1. 1. 1996
Share capital: CZK 447.3 m
Foreign participation: 75,8%
Recorded adjusted number of employees: 336
Premiums written: CZK 178.0 m

Chairman of the Board:
Josef Nehyba
Chairwoman of the Supervisory Board:
Jeanine Gijns
CEO:
František Vacek

ČS-Živnostenská pojišťovna, a.s.

Smilova 547, 530 02 Pardubice, tel.: (420 40) 605 1111, fax: (420 40) 605 1380, e-mail: zivpo@zivpo.cz internet: www.zivpo.cz



ČS-ŽIVNOSTENSKÁ POJIŠŤOVNA, a.s.
člen Finanční skupiny České spořitelny

Start of activity: 1. 1. 1993
Share capital: CZK 816 m
Foreign participation: 0%
Result: CZK -48.0 m
Recorded adjusted number of employees: 1,261
Premiums written: CZK 2,169 m

Chairman of the Board:
Jaroslav Klopal
Chairman of the Supervisory Board:
Dušan Baran
CEO:
Jaroslav Klopal

Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)

D.A.S. pojišťovna právní ochrany, a.s.

Rostovská 25, 101 00 Praha 10, tel.: (420 2) 7174 0087, fax: (420 2) 7174 0085, e-mail: das@das.cz internet: www.das.cz



Start of activity:	1. 2. 1995	<i>Chairwoman of the Board:</i>
Share capital:	CZK 24 m	Jitka Pokorná Chizzola
Foreign participation:	100%	<i>Chairman of the Supervisory Board:</i>
Result:	CZK -1.3 m	Peter Wiegand
Recorded adjusted number of employees:	46	<i>CEO:</i>
Premiums written:	CZK 84.1 m	Jitka Pokorná Chizzola

Evropská Cestovní Pojišťovna a.s.

Kozí 5/916, 111 21 Praha 1, tel.: (420 2) 2186 0111, fax: (420 2) 2186 0100, e-mail: ecp@evropska.cz internet: www.evropska.cz



Start of activity:	16. 9. 1993	<i>Chairman of the Board:</i>
Share capital:	CZK 74 m	Vladimír Krajíček
Foreign participation:	100%	<i>Chairman of the Supervisory Board:</i>
Result:	CZK 9.6 m	Ib Uhrenholt
Recorded adjusted number of employees:	28	<i>CEO:</i>
Premiums written:	CZK 63.9 m	Vladimír Krajíček

Exportní garanční a pojišťovací společnost, a.s. (EGAP)

Vodičkova 34, 111 21 Praha 1, tel.: (420 2) 2284 1111, fax: (420 2) 2284 4001, e-mail: egap@egap.cz internet: www.egap.cz



EXPORTNÍ GARANČNÍ
A POJIŠŤOVACÍ SPOLEČNOST, a.s.

Start of activity:	1. 6. 1992	<i>Chairman of the Board:</i>
Share capital:	CZK 1,300 m	Ladislav Zelinka
Foreign participation:	0%	<i>Chairman of the Supervisory Board:</i>
Result:	CZK -364.3 m	Jiří Maceška
Recorded adjusted number of employees:	138	<i>CEO:</i>
Premiums written:	CZK 793 m	Pavol Parížek

Generali Pojišťovna a.s.

Bělehradská 132, 120 84 Praha 2, tel.: (420 2) 2109 1000, fax: (420 2) 2109 1300, e-mail: odbyt@generali.anet.cz internet: www.generali.cz



Start of activity:	23. 7. 1993	<i>Chairman of the Board:</i>
Share capital:	CZK 410 m	Harald Mayer-Rönne
Foreign participation:	100%	<i>Chairman of the Supervisory Board:</i>
Recorded adjusted number of employees:	450	Dietrich Karner
Premiums written:	CZK 1,302 m	<i>CEO:</i>
		Harald Mayer-Rönne

GERLING-Konzern Všeobecná pojišťovací akciová společnost – organizational unit

Na Zátorce 5, 160 00 Praha 6, tel.: (420 2) 2431 6318, fax: (420 2) 2431 4389, e-mail: gerling-konzern@telecom.cz internet: www.gerling.cz



GERLING

Start of activity:	1. 12. 1993	<i>Head of organizational unit:</i>
Result:	CZK 22.6 m	Ladislav Vostárek
Recorded adjusted number of employees:	18	<i>CEO:</i>
Premiums written:	CZK 245.0 m	Herwig Weigel

*Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)*

GOTHAER VERSICHERUNGEN – branch for the Czech Republic

Radimova 36, 169 00 Praha 6, tel.: (420 2) 3335 7789, 3335 4062, 2051 742, 5051 7422, e-mail: gothaer@gothaer.cz



Versicherungen

Start of activity: 14. 1. 1993
 Result: CZK -6.9 m
 Recorded adjusted number of employees: 5
 Premiums written: CZK 13.5 m

Chairman of the Board:
 Horst Fossen
Chairman of the Supervisory Board:
 Klaus Murmann
Branch Director:
 Otokar Cudlman

Hasičská vzájemná pojišťovna, a.s.

Římská 45, 120 00 Praha 2, tel.: (420 2) 2251 5657, 2425 5295, 2252 1428, fax: (420 2) 2251 4412, 2252 1428, e-mail: info@hvp.cz internet: www.hvp.cz



Start of activity: 11. 11. 1992
 Share capital: CZK 295.2 m
 Foreign participation: 0%
 Recorded adjusted number of employees: 132
 Premiums written: CZK 239.3 m

Chairwoman of the Board:
 Jaroslava Reichlová
Chairman of the Supervisory Board:
 Rudolf Manoušek (until 20. 2. 2000)
 Ján Chlebo (from 21. 2. 2000)
CEO:
 Jaroslava Reichlová

IPB Pojišťovna, a.s.

Smilova 315, 530 02 Pardubice, tel.: (420 40) 602 2111, 602 2222, fax: (420 40) 661 5799, e-mail: info@ipbpojistovna.cz internet: www.ipbpojistovna.cz



Start of activity: 17. 4. 1992
 Share capital: CZK 500 m
 Foreign participation: 0%
 Result: CZK 51.5 m
 Recorded adjusted number of employees: 987
 Premiums written: CZK 5,974.7 m

Chairman of the Board:
 Aladár Blaas
Chairman of the Supervisory Board:
 Miroslav Tuček
CEO:
 Jiří Morávek

Kooperativa, pojišťovna, a.s.

Templová 5, 110 01 Praha 1, tel.: (420 2) 2100 0610, 2100 0111, fax: (420 2) 232 2633, e-mail: info@koop.cz internet: www.koop.cz



POJIŠŤOVNA A. S.

Start of activity: 1. 3. 1993
 Share capital: CZK 1,000 m
 Foreign participation: 90.5%
 Result: CZK 114.6 m
 Recorded adjusted number of employees: 2,686
 Premiums written: CZK 7,565.3 m

Chairman of the Board:
 Vladimír Mráz
Chairman of the Supervisory Board:
 Günter Geyer
CEO:
 Vladimír Mráz

Komerční pojišťovna, a.s.

Jindřišská 17, 111 21 Praha 1, tel.: (420 2) 2209 5111, fax: (420 2) 2423 6696, e-mail: centrala@kp-kb.cz internet: www.kompoj.cz

KOMERČNÍ POJIŠŤOVNA^{a.s.}

Start of activity: 6. 11. 1995
 Share capital: CZK 450 m
 Foreign participation: 0%
 Recorded adjusted number of employees: 232
 Result: CZK -99 m
 Premiums written: CZK 462.0 m

Chairman of the Board:
 Václav Runštuk
Chairman of the Supervisory Board:
 Otakar Schlossberger
CEO:
 Václav Runštuk

Share capital and foreign participation (according to state as of 31 May 2000)
 Result, premiums written and number of employees (for 1999 as of 31 May 2000)
 Management (as of 31 May 2000)

KRAVAG-SACH, Pojišťovna německé silniční dopravy, vzájemný pojišťovací spolek – organizational unit for the Czech Republic

Šmeralova 7, 170 00 Praha 7, tel.: (420 2) 3338 2341, 3338 3297, fax: (420 2) 3337 1176, e-mail: kravag-prag@telecom.cz



Start of activity:	23. 6. 1995	<i>Head of organizational unit:</i>
Result:	CZK -5.3 m	Petr Dohnal
Recorded adjusted number of employees:	8	
Premiums written:	CZK 12.2 m	

Nationale-Nederlanden životní pojišťovna, organizational unit

U Prašné brány 1, 110 05 Praha 1, tel.: (420 2) 2177 0444, fax: (420 2) 2177 0888, e-mail: klient@ing.cz internet: www.ing.cz



Start of activity:	1. 6. 1992	<i>CEO:</i>
Recorded adjusted number of employees:	142	J. J. T. van Oijen
Premiums written:	CZK 3,535 m	

Pojišťovna PATRIE, a.s.

Lysolaje 15, 165 00 Praha 6, tel.: (420 2) 3392 0025, fax: (420 2) 3392 0025



Start of activity:	5. 1. 1995	<i>Chairman of the Board:</i>
Share capital:	CZK 161.5 m	Pavel Válka
Recorded adjusted number of employees:	35	<i>Chairman of the Supervisory Board:</i>
Premiums written:	CZK 24 m	Serguei Khimorodo
		<i>CEO:</i>
		Pavel Válka

Pojišťovna Slavia, a.s.

Ve struhách 27/1076, 160 00 Praha 6, tel.: (420 2) 2018 8360 nebo 90–91 fax: (420 2) 311 8581, e-mail: pojistení@pojistovna-slavia.cz internet: www.pojistovna-slavia.cz



Start of activity:	1. 6. 1994	<i>Chairman of the Board:</i>
Share capital:	CZK 225 m	Petr Černý
Foreign participation:	0%	<i>Chairman of the Supervisory Board:</i>
Recorded adjusted number of employees:	106	Jiří Pelouch
Premiums written:	CZK 56 m	<i>CEO:</i>
		Petr Černý

Pojišťovna UNIVERSAL, a.s.

Blanická 10, P.O.BOX 7, 120 21 Praha 2, tel.: (420 2) 2150 6111, fax: (420 2) 2251 7883, e-mail: univers@mbox.vol.cz internet: www.finance.cz



Start of activity:	1. 1. 1995	<i>Vice Chairwoman of the Board:</i>
Share capital:	CZK 250 m	Zdeňka Hajná
Foreign participation:	0%	<i>Chairman of the Supervisory Board:</i>
Recorded adjusted number of employees:	199	Antonín Brůžek
Premiums written:	CZK 151 m	<i>CEO:</i>
		Milan Točina

*Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)*

PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s. (AMCICO/AIG)

V Celnici 10, Millennium Plaza, 117 21 Praha 1, tel.: (420 2) 2103 3888, fax: (420 2) 2103 3777, e-mail: amcico@amcico.cz internet: www.amcico.cz

AMCICO AIG Life

AIG
ČESKÁ REPUBLIKA

Start of activity: October 1992
Share capital: CZK 106 m
Foreign participation: 100%
Result: CZK 73.7 m
Recorded adjusted number of employees: 91
Premiums written: CZK 937.0 m

Chairman of the Board:
Bengt Westergren

Chairman of the Supervisory Board:
Chris Mistillioglou

Life division

AMCICO AIG Life

Division Director:

George Mamalakis

V Celnici 10, Millennium Plaza, 117 21 Praha 1, tel.: (420 2) 2103 3888, fax: (420 2) 2103 3777, e-mail: amcico@amcico.cz internet: www.amcico.cz

Non-life division

AIG Česká republika

Division Director:

Jean-Claude Noujaim

Palác Myslbek, Ovocný trh 8, 110 00 Praha 1, tel.: (420 2) 2423 8354, fax: (420 2) 2423 8352 e-mail: aig.prague@aig.com, internet: www.aig.cz

Union pojišťovna, a.s.

Gorkého 2, 702 00 Ostrava, tel.: (420 69) 615 6387, fax: (420 69) 615 6361, e-mail: sekretariat@unionpoj.cz internet: www.unionpoj.cz

UNION
POJIŠŤOVNA, A.S.

Start of activity: 22. 11. 1995
Share capital: CZK 300 m
Foreign participation: 0%
Result: CZK -12.9 m
Recorded adjusted number of employees: 79
Premiums written: CZK 111 m

Chairwoman of the Board:

Šárka Fromeliusová

Chairman of the Supervisory Board:
Jozef Dejčík

CEO:

Šárka Fromeliusová

VICTORIA pojišťovna, a.s.

Francouzská 28, 120 00 Praha 2, tel.: (420 2) 2158 5111, fax: (420 2) 2158 5555, e-mail: victoria@victoria.cz internet: www.victoria.cz

VICTORIA
Člen pojišťovací skupiny ERGO

Start of activity: 11. 8. 1994
Share capital: CZK 109 m
Foreign participation: 100%
Result: CZK -45.5 m
Recorded adjusted number of employees: 97
Premiums written: CZK 95.6 m

Chairman of the Board:

Thomas Thiemann

Chairman of the Supervisory Board:
Gerhard Dassow

CEO:

Roman Daneš

Winterthur pojišťovna, a.s.

Panská 7, 110 00 Praha 1, tel.: (420 2) 2212 7111, fax: (420 2) 2212 7200, e-mail: info@winterthur.cz internet: www.winterthur.cz

winterthur

Start of activity: 14. 7. 1995
Share capital: CZK 373 m
Foreign participation: 100%
Result: CZK -117.6 m
Recorded adjusted number of employees: 123
Premiums written: CZK 566 m

Chairman of the Board:

Franz Fuchs

Chairman of the Supervisory Board:
Roger Meier

CEO:

Zdeněk Lustig (since 1. 3. 2000)

*Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)*

Associate Members

AIDA, Czech Section of the International Association for Insurance Law

Purkyňova 2, 114 00 Praha 1, tel.: (420 2) 2405 2106, 2494 6531, fax: (420 2) 2405 2378, e-mail: kotrbata@cpoj.cz



Start of activity: 1. 1. 1993

Chairwoman:
Jiřina Kotrbatá

ČESCOP, úvěrová pojišťovna, a.s.

Palác KOVO, Jankovcova 2, 170 88 Praha 7, telefon: (420 2) 6671 0160, fax: (420 2) 6671 0291, e-mail: hynek.rasocha@eulergroup.com internet: www.cescob.cz



Start of activity: 21. 8. 1997
Share capital: CZK 156 m
Foreign participation: 50%
Recorded adjusted number of employees: 13
Premiums written: CZK 53.1 m

Chairman of the Board:
Július Kudla
Chairman of the Supervisory Board:
Vlastimil Uzel
CEO:
Július Kudla

Česká kancelář pojistitelů (ČKP)

Štefánikova 32, 150 00 Praha 5, tel.: (420 2) 5732 2371, fax: (420 2) 5732 2370, e-mail: info.ckp@ckp.cz



Executive Director:
Jakub Hradec

ČP DIRECT pojišťovna, a.s.

Molákova 11, 186 00 Praha 8, tel.: (420 2) 8309 3413, fax: (420 2) 8309 3600, e-mail: mail@cpdirect.cz internet: www.cpdirect.cz



Start of activity: 22. 7. 1999
Share capital: CZK 80 m
Foreign participation: 0%
Recorded adjusted number of employees: 83
Premiums written: CZK 0.5 m

Chairman of the Board:
Igor Valtr
Chairman of the Supervisory Board:
Petr Kellner
CEO:
Igor Valtr
Chairman of the Board and CEO since 1 April 2000:
Lubomír Hanuš

Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)

POJIŠŤOVNA CARDIF PRO VITA, a.s.

Na Rybníčku 5/1329, 120 00 Praha 2, tel.: (420 2) 9636 8888, fax: (420 2) 9636 8880, e-mail: david.wolski@cz.cardif.com



Start of activity: 1. 12. 1997
Share capital: CZK 106 m
Foreign participation: 100%
Recorded adjusted number of employees: 6
Result: CZK -4.1 m
Premiums written: CZK 14 m

Chairman of the Board:
Richard Sumann
Chairman of the Supervisory Board:
Pierre de Villeneuve
CEO:
Richard Sumann

Wüstenrot, životní pojišťovna, a.s.

Janáčkovo nábř. 41, 150 21 Praha 5, tel.: (420 2) 5709 2549, fax: (420 2) 5709 2596, e-mail: pojistovna@wuestenrot.cz internet: www.wuestenrot.poj.cz



Start of activity: 21. 12. 1998
Share capital: CZK 82 m
Foreign participation: 100%
Recorded adjusted number of employees: 8
Result: CZK -8.9 m
Premiums written: CZK 7.8 m

Chairman of the Board:
Jaroslav Vostatek
Chairman of the Supervisory Board:
Helmut Geier

Share capital and foreign participation (according to state as of 31 May 2000)
Result, premiums written and number of employees (for 1999 as of 31 May 2000)
Management (as of 31 May 2000)



Statistical Section



THE CZECH INSURANCE MARKET OVERALL

Indicator	Unit	1998	1999	99/98	ČAP share (%)
1 TOTAL REVENUES	CZK '000	222,536,873	285,040,506	128.09	99.42
2 Premiums written total	CZK '000	55,088,340	62,795,256	113.99	99.48
3 • life insurance	CZK '000	14,965,171	19,917,398	133.09	100.00
4 • non-life insurance	CZK '000	40,123,169	42,877,858	106.87	99.23
5 accident insurance	CZK '000	2,701,045	3,044,373	112.71	99.93
6 buildings and structures insurance (individuals)	CZK '000	1,109,714	1,260,262	113.57	99.95
7 motor damage insurance (individuals)	CZK '000	2,523,123	2,621,361	103.89	99.20
8 household contents insurance	CZK '000	1,128,104	1,245,634	110.42	99.98
9 liability insurance of individuals	CZK '000	245,072	285,163	116.36	97.91
10 medical expenses abroad insurance	CZK '000	699,827	734,631	104.97	72.09
11 industrial and business risks	CZK '000	19,113,479	19,488,414	101.96	99.97
12 – agricultural insurance	CZK '000	1,066,230	976,879	91.62	100.00
13 – motor damage insurance (businesses)	CZK '000	7,758,760	7,981,084	102.87	100.00
14 ex lege motor third-party liability insurance	CZK '000	9,556,777	10,796,397	112.97	100.00
15 workmen's compensation insurance	CZK '000	2,281,945	2,356,013	103.25	100.00
16 TOTAL EXPENSES	CZK '000	220,754,146	283,841,769	128.58	99.44
17 RESULT (after tax)	CZK '000	1,782,727	1,198,737	67.24	93.36
18 Number of employees	persons	16,334	16,384	100.31	98.71

Source: ČAP, June 2000

- Notes:
1. Of the members of ČAP, Česká kancelář pojistitelů (the Czech Insurers Bureau) did not have any commercial activities in 1999.
 2. ČAP would like to thank the following insurers who were not Association members in 1999 for providing data: Halali, všeobecná pojišťovna, a.s., HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit – organizational unit, Nationale-Nederlanden pojišťovna, a.s., První česká servisní pojišťovna a.s., Všeobecná pojišťovna Praha a.s., Všeobecná zdravotní pojišťovna České republiky (contractual insurance).
Cestovní pojišťovna ADRIA Way družstvo and Česká úrazová pojišťovna, a.s. did not have any commercial activities in 1999.
 3. Zürich Versicherungs-Gesellschaft, organizational unit did not provide data.
 4. 1998 data are final; data for 1999 are preliminary data available as of 20 May 2000 (applies to Czech Insurance Market Overall table and ČAP – tables A-I).
 5. Complete 1999 data for Pojišťovna Patrie, a.s. are not available. Its results are included in the Czech Insurance Market Overall table, but not in Table B. In the F tables qualified estimates were used, for premiums written in particular.



Č A P M E M B E R R E S U L T S

A. T O T A L R E S U L T S

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Total revenues	CZK '000	152,355,288	221,605,085	283,380,807	145.45	127.88
2 Total expenses	CZK '000	151,983,326	219,790,086	282,261,625	144.61	128.42
3 Result (after tax)	CZK '000	371,962	1,814,999	1,119,182	487.95	61.66
4 Total premiums written	CZK '000	47,616,431	54,797,290	62,465,818	115.08	113.99
5 Share capital	CZK '000	9,832,891	10,990,191	12,655,391	111.77	115.15
6 Funds	CZK '000	4,970,469	6,781,660	7,212,354	136.44	106.35
7 Technical provisions						
- non-life insurance	CZK '000	33,121,010	30,365,108	33,443,691	91.68	110.14
8 Technical provisions						
- life insurance	CZK '000	63,791,008	67,929,739	76,185,693	106.49	112.15
9 Total number of employees	persons	16,094	16,137	16,172	100.27	100.22
10 • total sales staff	persons	5,329	5,910	5,494	110.90	92.96
11 - authorized to conclude contracts	persons	4,588	4,882	4,548	106.41	93.16
12 Total intermediaries	persons	13,769	18,950	28,397	137.63	149.85
13 Total number of contracts concluded	pcs	12,471,929	13,602,696	14,408,477	109.07	105.92

- 1 Total credit/debit turnover difference on class 6 accounts
- 2 Total credit/debit turnover difference on class 5 accounts
- 3 Line 1 - Line 2
- 4 Total credit/debit turnover difference on accounts 601 and 621
- 5 Balance on account 401
- 6 Balance on accounts 402, 403, 404, 405 and class 41 accounts
- 7,8 Balance on class 44 accounts
- 9 Recorded adjusted number of employees in the fourth quarter
- 13 Insurance contracts valid as of December 31

B. BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

I. ASSETS

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Intangible assets	CZK '000	244,734	362,630	621,986	148.17	171.52
2 Formation expenses	CZK '000	29,275	20,497	12,198	70.02	59.51
3 Goodwill	CZK '000	-	-	-	-	-
4 Financial placements (investments)	CZK '000	93,410,310	108,907,774	124,703,072	116.59	114.50
5 Land and buildings (real estate)	CZK '000	9,742,835	11,119,228	11,091,488	114.13	99.75
6 • Land and buildings used in operations	CZK '000	4,474,335	5,335,729	5,697,055	119.25	106.77
7 Financial placements in third-party companies and other long-term receivables	CZK '000	13,061,510	13,773,708	10,405,381	105.45	75.55
8 • Participating interests in companies with controlling influence	CZK '000	5,752,233	6,692,714	4,188,267	116.35	62.58
9 • Participating interests in companies with substantial influence	CZK '000	817,647	793,410	886,933	97.04	111.79
10 • Bonds and other debentures, loans to companies with controlling influence	CZK '000	380,000	258,522	231,221	68.03	89.44
11 • Bonds and other debentures, loans to companies with substantial influence	CZK '000	1,250	-	-	-	-
12 • Other participating interests and other long-term receivables	CZK '000	6,110,380	6,029,062	5,098,960	98.67	84.57
13 Other financial placements	CZK '000	70,513,860	83,961,633	103,116,631	119.07	122.81
14 • Variable-yield securities	CZK '000	7,841,404	4,269,548	4,397,819	54.45	103.00
15 • Fixed-income securities	CZK '000	23,958,648	39,161,712	56,599,809	163.46	144.53
16 • Financial placements in investment companies and investment funds	CZK '000	6,106,766	2,511,430	1,651,445	41.13	65.76
17 • Financial placements in associations with legal entity status	CZK '000	430	430	430	100.00	100.00
18 • Financial placements in associations without legal entity status	CZK '000	-	-	-	-	-
19 • Mortgage loans	CZK '000	648	13,569	13,245	2,093.98	97.61
20 • Other loans	CZK '000	731,144	1,553,865	1,428,700	212.53	91.94

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
21 • Bank deposits	CZK '000	29,728,436	36,449,850	38,294,299	122.61	105.06
22 • Other financial placements	CZK '000	2,146,384	1,229	730,884	0.06	59,469.81
23 Receivables for advance deposits paid	CZK '000	92,083	47,906	35,277	52.02	73.64
24 Financial placements made on behalf of insureds	CZK '000	22	5,299	54,295	24,086.36	1,024.63
25 Receivables	CZK '000	9,520,034	8,821,651	11,488,501	92.66	130.23
26 Receivables arising out of direct insurance and reinsurance	CZK '000	5,103,962	5,374,577	6,947,968	105.30	129.27
27 • Owed by insureds	CZK '000	3,267,363	3,447,270	4,973,391	105.51	144.27
28 • Owed by intermediaries	CZK '000	68,349	61,783	102,409	90.39	165.76
29 • Receivables arising out of reinsurance operations	CZK '000	1,854,452	1,866,248	1,874,942	100.64	100.47
30 Receivables for subscribed capital	CZK '000	199,948	86,514	230,000	43.27	265.85
31 Other receivables	CZK '000	4,216,124	3,360,560	4,310,533	79.71	128.27
32 Other assets	CZK '000	17,342,905	8,134,443	8,860,568	46.90	108.93
33 Tangible movable assets	CZK '000	1,628,908	1,688,918	1,834,917	103.68	108.64
34 • Movable assets used in operations	CZK '000	1,678,062	1,584,789	1,711,061	94.44	107.97
35 • Movable assets not subject to depreciation	CZK '000	96,066	110,368	132,453	114.89	120.01
36 Acquisition of property	CZK '000	1,542,326	886,063	971,744	57.45	109.67
37 • Advance deposits paid toward acquisition of intangible assets	CZK '000	762,810	328,640	467,822	43.08	142.35
38 Other assets	CZK '000	4,783,605	2,328,858	2,646,790	48.68	113.65
39 Cash and other financial assets	CZK '000	9,388,066	3,230,604	3,407,117	34.41	105.46
40 • Current accounts	CZK '000	9,142,412	2,954,007	3,140,993	32.31	106.33
41 • Cash and cash equivalents	CZK '000	148,681	174,473	154,531	117.35	88.57
42 • Cheques	CZK '000	141	48	–	34.04	–
43 • Own shares	CZK '000	96,832	102,076	103,593	105.42	101.49
44 Temporary accounts of assets	CZK '000	3,014,982	4,663,133	6,966,005	154.67	149.38
45 Interest and rent	CZK '000	292,394	207,342	247,460	70.91	119.35
46 Acquisition costs arising out of insurance contracts	CZK '000	684,177	889,044	2,645,240	129.94	297.54
47 Other temporary accounts of assets	CZK '000	2,038,423	3,566,747	4,073,305	174.98	114.20
48 Loss brought forward	CZK '000	837,185	1,405,487	1,561,999	167.88	111.14
49 Loss for the current financial year	CZK '000	777,854	436,181	858,593	56.07	196.84
50 TOTAL ASSETS	CZK '000	125,148,004	132,731,299	155,060,724	106.06	116.82,

II. LIABILITIES AND EQUITY

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Share capital and funds	CZK '000	14,503,360	17,771,851	19,706,245	122.54	110.88
2 Share capital	CZK '000	9,532,891	10,990,191	12,493,891	115.29	113.68
3 Share premium account	CZK '000	437,079	383,691	478,348	87.79	124.67
4 Other capital accounts	CZK '000	3,521,712	4,911,576	4,899,029	139.47	99.74
5 Re-valuation reserve fund	CZK '000	-	-	-	-	-
6 Statutory reserve fund	CZK '000	284,954	330,325	400,302	115.92	121.18
7 Other funds	CZK '000	726,724	1,156,068	1,434,675	159.08	124.10
8 Technical provisions	CZK '000	96,541,787	98,294,847	109,629,384	101.82	111.53
9 Provision for unearned premiums	CZK '000	8,667,075	7,708,715	8,811,422	88.94	114.30
10 Life assurance provision	CZK '000	59,575,373	62,018,464	67,908,543	104.10	109.50
11 Outstanding claims provision	CZK '000	26,927,502	25,457,492	28,742,707	94.54	112.90
12 Bonuses and rebates provision	CZK '000	479,736	761,637	987,150	158.76	129.61
13 Equalisation provision and other technical provisions	CZK '000	892,101	2,348,539	3,179,562	263.26	135.38
14 Provision for covering liabilities under financial placements on behalf of insureds	CZK '000	5,617	5,299	54,295	94.34	1,024.63
15 Provision for other risks and losses	CZK '000	2,748,683	2,902,156	505,453	105.58	17.42
16 Statutory provisions	CZK '000	39,315	30,308	15,205	77.09	50.17
17 Other provisions	CZK '000	2,709,368	2,871,848	490,248	106.00	17.07
18 Advance payments received	CZK '000	267,092	312,112	371,272	116.86	118.95
19 Subordinated debt	CZK '000	-	-	-	-	-
20 Payables	CZK '000	8,447,487	8,749,444	15,385,741	103.57	175.85
21 Payables arising out of direct insurance and reinsurance	CZK '000	3,250,743	3,912,794	9,426,039	120.37	240.90
22 • Owed to insureds	CZK '000	1,299,625	1,321,423	6,318,424	101.68	478.15
23 • Owed to intermediaries	CZK '000	193,592	307,352	408,941	158.76	133.05
24 • Payables arising out of reinsurance operations	CZK '000	1,757,526	2,284,039	2,798,674	129.96	122.53
25 Payables secured by debenture	CZK '000	40,301	17,585	-	43.63	-
26 • Payables secured by debenture in convertible currency	CZK '000	-	-	-	-	-
27 Bank credits	CZK '000	111,404	390,394	471,500	350.43	120.78
28 Tax payables	CZK '000	320,018	405,786	405,411	126.80	99.91
29 Social security and public health insurance payables	CZK '000	123,977	149,026	186,453	120.20	125.11
30 Payables to companies with controlling influence	CZK '000	10,584	14,597	10,882	137.92	74.55
31 Payables to companies with substantial influence	CZK '000	-	-	-	-	-
32 Other payables	CZK '000	4,590,460	3,859,262	4,885,456	84.07	126.59
33 Temporary accounts of liabilities	CZK '000	964,107	1,813,665	5,190,452	188.12	286.19
34 Profit brought forward	CZK '000	322,346	630,745	2,183,884	195.67	346.24
35 Profit for the financial year	CZK '000	1,347,525	2,251,180	2,033,998	167.06	90.35
36 TOTAL LIABILITIES AND EQUITY	CZK '000	125,148,004	132,731,299	155,060,724	106.06	116.82

I. TECHNICAL ACCOUNT - NON-LIFE INSURANCE

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Earned premiums, net of reinsurance	CZK '000	26,436,043	31,236,005	32,638,330	118.16	104.49
2 Gross premiums written	CZK '000	34,625,357	39,832,119	42,524,486	115.04	106.76
3 • Gross premiums written ceded to reinsurers	CZK '000	6,482,316	8,105,246	9,006,351	125.04	111.12
4 Change in balance of provision for unearned premiums	CZK '000	1,778,772	578,140	1,271,161	32.50	219.87
5 • Change in balance of provision for unearned premiums – reinsurers' share	CZK '000	71,774	87,272	391,356	121.59	448.43
6 Return from financial placements transferred from the non-technical account	CZK '000	240,693	461,990	410,285	191.94	88.81
7 Other technical income, net of reinsurance	CZK '000	2,267,070	843,144	1,208,350	37.19	143.31
8 Claims paid, net of reinsurance	CZK '000	20,347,009	14,887,041	22,127,171	73.17	148.63
9 Claims paid	CZK '000	24,541,575	23,780,708	25,466,279	96.90	107.09
10 • Claims paid, reinsurers' share	CZK '000	7,854,790	5,927,592	4,640,597	75.46	78.29
11 Change in outstanding claims provision	CZK '000	5,918,740	-4,141,755	2,069,357	-	-
12 • Change in outstanding claims provision, reinsurers' share	CZK '000	2,258,516	-1,175,680	767,868	-	-
13 Change in balance of other technical provisions, net of reinsurance	CZK '000	1,524	47,384	527,284	3,109.19	1,112.79
14 Bonuses and rebates, net of reinsurance	CZK '000	380,111	305,143	275,603	80.28	90.32
15 Operating expenses, net amounts	CZK '000	5,929,362	7,427,672	8,221,003	125.27	110.68
16 Acquisition costs on insurance contracts	CZK '000	2,798,515	3,652,183	6,627,871	130.50	181.48
17 Deferred acquisition costs on insurance contracts	CZK '000	-50,511	-418,079	-1,611,212	-	-
18 Administrative expenses	CZK '000	5,139,113	6,648,099	5,964,700	129.36	89.72
19 Reinsurance commissions and profit participation, net of reinsurance	CZK '000	1,957,755	2,454,531	2,760,356	125.37	112.46
20 Other technical charges, net of reinsurance	CZK '000	1,723,407	4,244,002	1,954,165	246.26	46.05
21 Change in balance of equalisation provision	CZK '000	-50,433	1,449,674	281,577	-	19.42
22 RESULT of non-life technical account	CZK '000	612,826	4,180,223	870,162	682.12	20.82

II. TECHNICAL ACCOUNT – LIFE INSURANCE

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Earned premiums, net of reinsurance	CZK '000	12,284,810	14,758,365	19,498,564	120.14	132.12
2 Gross premiums written	CZK '000	12,670,299	14,965,171	19,917,398	118.11	133.09
3 • Gross premiums written ceded to reinsurers	CZK '000	246,458	144,507	194,695	58.63	134.73
4 Change in balance of provision for unearned premiums, net of reinsurance	CZK '000	139,031	62,299	224,139	44.81	359.78
5 Income from financial placements	CZK '000	44,924,281	59,371,204	91,104,487	132.16	153.45
6 Income from participating interests	CZK '000	232,102	128,535	9,223	55.38	7.18
7 Income from other financial placements	CZK '000	7,744,202	7,019,341	8,946,379	90.64	127.45
8 • Income from land and buildings	CZK '000	205,790	321,380	318,509	156.17	99.11
9 • Income from other financial placements	CZK '000	7,538,412	6,697,961	8,627,870	88.85	128.81
10 Value re-adjustments on financial placements	CZK '000	2,073,686	5,890,789	4,249,238	284.07	72.13
11 Gains on the realization of financial placements	CZK '000	34,874,291	46,332,539	77,899,647	132.86	168.13
12 Unrealized gains on financial placements	CZK '000					
13 Other technical income, net of reinsurance	CZK '000	224,157	102,412	225,580	45.69	220.27
14 Claims paid, net of reinsurance	CZK '000	8,179,919	9,271,361	10,842,390	113.34	116.94
15 Claims paid	CZK '000	8,159,403	9,104,811	9,796,313	111.59	107.59
16 • Claims paid, reinsurers' share	CZK '000	26,651	16,164	29,094	60.65	179.99
17 Change in provision for claims	CZK '000	43,616	185,295	1,071,051	424.83	578.02
18 • Change in provision for claims, reinsurers' share	CZK '000	-3,551	2,581	-4,120	-	-
19 Change in balance of other technical provisions	CZK '000	6,097,795	4,798,043	7,549,329	78.68	157.34
20 Change in balance of life assurance provision	CZK '000	5,988,464	4,547,680	7,232,599	75.94	159.04
21 • Change in balance of life assurance provision, reinsurer's share	CZK '000	-71,342	4,684	3,603	-	76.92
22 Change in balance of other technical provisions, net of reinsurance	CZK '000	37,989	255,047	320,333	671.37	125.60
23 Bonuses and rebates, net of reinsurance	CZK '000	59,616	67,075	89,480	112.51	133.40

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
24 Net operating expenses	CZK '000	3,096,382	3,722,635	4,818,624	120.23	129.44
25 Acquisition costs on insurance contracts	CZK '000	1,644,757	2,298,273	3,032,645	139.73	131.95
26 Deferred acquisition costs on insurance contracts	CZK '000	-56,094	-354,053	-161,229	-	-
27 Administrative expenses	CZK '000	1,583,171	1,877,519	2,098,813	118.59	111.79
28 Net reinsurance commissions and profit participations	CZK '000	75,452	99,104	151,605	131.35	152.98
29 Charges for financial placements	CZK '000	40,698,555	54,319,156	84,045,283	133.47	154.72
30 Charges for financial placements	CZK '000	2,279,636	2,782,024	5,530,203	122.04	198.78
31 Value adjustments to financial placements	CZK '000	3,280,757	6,685,010	2,701,296	203.76	40.41
32 Costs of realization of financial placements	CZK '000	35,138,162	44,852,122	75,813,784	127.65	169.03
33 Unrealized losses on financial placements	CZK '000					
34 Other technical charges, net of reinsurance	CZK '000	168,528	192,853	195,445	114.43	101.34
35 Transfer of return from financial placements to the non-technical account	CZK '000	31,631	136,350	201,679	431.06	147.91
36 RESULT of life technical account	CZK '000	-899,178	1,724,508	3,086,401	-	178.97

III. NON-TECHNICAL ACCOUNT

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Non-life insurance technical account result	CZK '000	612,826	4,180,223	870,933	682.12	20.83
2 Life assurance technical account result	CZK '000	-899,178	1,724,508	3,086,401	–	178.97
3 Income from financial placements	CZK '000	23,112,848	51,612,652	66,052,661	223.31	127.98
4 Income from participating interests	CZK '000	1,301	10,388	12,970	798.46	124.86
5 Income from other financial placements	CZK '000	1,521,892	3,298,633	3,519,064	216.75	106.68
6 • Income from land and buildings	CZK '000	22,194	36,581	58,826	164.82	160.81
7 • Income from other financial placement components	CZK '000	1,499,698	3,262,052	3,460,238	217.51	106.08
8 Value re-adjustments on financial placements	CZK '000	39,833	45,597	2,842,008	114.47	6,232.88
9 Gains on the realization of financial placements	CZK '000	21,549,822	48,258,034	59,678,619	223.94	123.67
10 Return from financial placements transferred from life assurance technical account	CZK '000	31,959	137,883	204,845	431.44	148.56
11 Charges for financial placements	CZK '000	21,270,504	48,633,404	69,043,194	228.64	141.97
12 Charges for financial placements	CZK '000	45,220	364,698	726,633	806.50	199.24
13 Value adjustments on financial placements	CZK '000	90,650	130,911	3,015,492	144.41	2,303.47
14 Losses on the realization of financial placements	CZK '000	21,134,634	48,137,795	65,301,069	227.77	135.65
15 Transfer of return from financial placements to non-life technical account	CZK '000	139,117	437,893	391,948	314.77	89.51
16 Other income	CZK '000	2,521,314	5,474,991	4,576,793	217.15	83.59
17 Other charges	CZK '000	2,453,832	12,161,287	2,569,476	495.60	21.13
18 Income tax on ordinary activities	CZK '000	397,615	726,306	1,599,166	182.67	220.18
19 Profit or loss on ordinary activities after tax	CZK '000	1,118,701	1,171,367	1,187,849	104.71	101.41
20 Extraordinary income	CZK '000	461,638	1,734,559	235,796	375.74	13.59
21 Extraordinary charges	CZK '000	976,704	730,653	76,361	74.81	10.45
22 Extraordinary result	CZK '000	-515,066	1,003,906	159,435	–	15.88
23 Income tax on extraordinary activities	CZK '000	484	194,240	422	40,132.23	0.22
24 Other taxes and fees	CZK '000	33,480	166,034	171,457	495.92	103.27
25 PROFIT OR LOSS of the financial year	CZK '000	569,671	1,814,999	1,175,405	318.60	64.76

C . P R E M I U M S W R I T T E N

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 TOTAL PREMIUMS WRITTEN	CZK '000	47,616,431	54,797,290	62,465,818	115.08	113.99
2 Non-life insurance total	CZK '000	34,926,297	39,832,119	42,548,420	114.05	106.82
3 Accident insurance	CZK '000	2,422,949	2,699,432	3,042,328	111.41	112.70
4 Sickness insurance (private health insurance)	CZK '000	89,112	128,490	163,672	114.19	127.38
5 Motor vehicle damage insurance (excluding railway rolling stock)	CZK '000	9,923,123	10,271,504	10,581,602	103.51	103.02
6 • individuals total	CZK '000	2,197,354	2,512,744	2,600,518	114.35	103.49
7 • industry and business total	CZK '000	7,725,769	7,758,760	7,981,084	100.43	102.87
8 Rail damage insurance	CZK '000	1,006	1,183	1,285	117.59	108.62
9 Aircraft hull insurance	CZK '000	169,182	172,628	118,264	102.04	68.51
10 River/sea hull insurance	CZK '000	50,844	44,552	11,630	87.62	26.10
11 Transport (freight) insurance	CZK '000	345,123	348,118	329,269	100.87	94.59
12 Fire and natural hazards insurance	CZK '000	6,673,609	7,071,430	7,508,227	105.96	106.18
13 • property insurance, individuals	CZK '000	1,943,122	2,177,222	2,422,681	112.05	111.27
14 – buildings, including those under construction	CZK '000	923,062	1,109,138	1,259,645	120.16	113.57
15 – fire	CZK '000	60,099	117,671	133,898	195.80	113.79
16 – households, including recreational households	CZK '000	977,342	1,018,161	1,089,627	104.18	107.02
17 – fire	CZK '000	16,092	26,918	31,380	167.28	116.58
18 • property insurance, business	CZK '000	4,730,487	4,894,208	5,085,546	103.46	103.91
19 – buildings and real estate, except for land	CZK '000	1,091,658	1,363,621	1,455,013	124.91	106.70
20 – fire	CZK '000	531,930	856,086	887,721	160.94	103.70
21 – equipment and inventories	CZK '000	1,072,224	1,181,861	1,283,619	110.23	108.61
22 – fire	CZK '000	332,965	391,120	354,268	117.47	90.58
23 Other material damage insurance	CZK '000	3,590,447	3,995,830	3,691,946	111.29	92.39
24 • theft and robbery insurance	CZK '000	1,054,661	1,121,337	1,210,939	106.32	107.99
25 – individuals	CZK '000	67,516	109,787	153,695	162.61	139.99
26 – industry and business	CZK '000	987,145	1,005,389	1,051,244	101.85	104.56
27 • All Risks Insurance	CZK '000	873,308	979,706	1,071,354	112.18	109.35
28 – machines and machine-like equipment	CZK '000	303,517	399,484	500,668	131.62	125.33
29 • other insurance	CZK '000	629,130	828,557	432,774	131.70	52.23
30 • crop insurance	CZK '000	500,687	555,917	553,234	111.03	99.52
31 • livestock insurance	CZK '000	532,661	510,313	423,645	95.80	83.02

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
32 Ex lege liability insurance	CZK '000	8,301,572	11,838,722	13,152,410	142.61	111.10
33 • ex lege motor third party liability insurance	CZK '000	6,150,284	9,556,777	10,796,397	155.39	112.97
34 • workmen's compensation insurance	CZK '000	2,151,288	2,281,945	2,356,013	106.07	103.25
35 Compulsory contractual liability insurance	CZK '000	28,833	29,190	32,059	101.24	109.83
36 Contractual liability insurance	CZK '000	1,871,077	1,963,605	2,143,873	104.95	109.18
37 • individuals	CZK '000	198,137	239,259	279,217	120.75	116.70
38 • industry and business	CZK '000	1,672,940	1,724,346	1,864,656	103.07	108.14
39 Credit insurance	CZK '000	795,990	485,249	880,301	60.96	181.41
40 • export credit insurance against commercial risks	CZK '000	91,225	90,284	151,427	98.97	167.72
41 • export credit insurance against territorial risks	CZK '000	704,765	394,965	710,095	56.04	179.79
42 Suretyship insurance	CZK '000	-	-	10,880	-	-
43 Insurance against various financial losses	CZK '000	101,967	171,093	195,152	167.79	114.06
44 • business interruption insurance	CZK '000	94,741	168,597	189,796	177.96	112.57
45 Legal expenses insurance	CZK '000	39,119	53,665	85,259	137.18	158.87
46 Travel risks insurance (insurance for travel and stays)	CZK '000	522,344	557,428	600,263	106.72	107.68
47 • medical expenses abroad insurance	CZK '000	485,842	485,454	529,576	99.92	109.09
48 • assistance insurance	CZK '000	2,147	20,540	19,030	956.68	92.65
49 Life insurance total	CZK '000	12,690,134	14,965,171	19,917,398	117.93	133.09
50 • life insurance	CZK '000	10,413,296	12,582,420	17,556,839	120.83	139.53
51 • pension insurance	CZK '000	2,276,838	2,382,751	2,360,559	104.65	99.07

D. NEW BUSINESS

Indicator	Unit	1997	1998	1999	98/97	99/98
1 New business total	CZK '000	12,218,536	13,106,892	16,676,706	107.27	127.24
2 • intermediaries	CZK '000	3,093,034	5,760,279	8,577,324	186.23	148.90
3 – brokers	CZK '000	534,329	2,165,719	3,339,105	405.32	154.18
4 Total long-term policies	CZK '000	11,411,862	12,192,813	15,722,053	106.84	128.95
5 • non-life	CZK '000	7,012,125	6,986,718	8,442,186	99.64	120.83
6 • life	CZK '000	4,399,737	5,206,095	7,279,867	118.33	139.83
7 Total new short-term policies	CZK '000	806,674	914,079	954,653	113.31	104.44
8 • non-life	CZK '000	801,769	914,079	954,653	114.01	104.44
9 • life	CZK '000	4,905	–	–	–	–
10 New long-term policies	pcs	1,504,718	1,560,192	1,855,256	103.69	118.91
11 • non-life	pcs	781,165	794,965	1,141,479	101.77	143.59
12 • life	pcs	723,553	765,227	713,777	105.76	93.28
13 New short-term policies	pcs	1,085,795	1,203,791	1,936,648	110.87	160.88
14 • non-life	pcs	1,085,429	1,203,791	1,936,648	110.90	160.88
15 • life	pcs	366	–	–	–	–

Long-term policies are those concluded for a term of one year or longer, including indefinite-term policies.

Short term policies are those concluded for a term of less than one year.

If a single policy covers various risks and some of these risks are covered for a term of less than one year, but the overall policy has a term of one year or more, the shorter-term risks are not listed separately, and are included under long-term policies.

For the purposes of this Table, new policies include subsequent addition of new risks to existing policies as of 1 January, provided the new insurance will be in effect for a period of at least one year.

- 4 Annual premium on long-term policies sold between 1 January and 31 December (not including policies effective previously for a definitive period of time which expire during the year in question, or reinstated under the same conditions as the policy which had lapsed)
- 7 Premiums for the entire insured period for short-term policies sold between 1 January and 31 December
- 10 Number of long-term policies sold between 1 January and 31 December (not including policies effective previously for a definitive period of time which expire during the year in question, or where reinstated under the same conditions as the policy which had lapsed)
- 13 Number of short-term policies sold between 1 January and 31 December

*E. PORTFOLIO OF LONG-TERM POLICIES HELD
BY INDIVIDUALS*

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Policies in portfolio total	pcs	11,819,716	11,820,133	12,019,508	100.00	101.69
2 • non-life insurance total	pcs	5,800,961	5,797,059	5,985,204	99.93	103.25
3 property and liability insurance	pcs	5,077,572	4,957,408	5,079,996	97.63	102.47
4 – motor damage insurance	pcs	229,245	242,280	263,720	105.69	108.85
5 – buildings and structures insurance	pcs	1,305,625	1,330,755	1,352,092	101.92	101.60
6 – household contents insurance	pcs	1,669,661	1,583,534	1,697,506	94.84	107.20
7 – liability insurance	pcs	1,574,822	1,537,611	1,513,369	97.64	98.42
8 accident insurance	pcs	688,568	790,262	842,865	114.77	106.66
9 • life insurance total	pcs	6,018,755	6,023,074	6,034,304	100.07	100.19
10 – life insurance	pcs	5,089,886	5,105,357	5,182,889	100.30	101.52
11 – pension insurance	pcs	928,869	917,717	851,415	98.80	92.78
12 Portfolio premiums total	CZK '000	19,421,539	22,654,624	26,244,038	116.65	115.84
13 • non-life insurance total	CZK '000	7,500,137	8,592,570	9,642,536	114.57	112.22
14 property and liability insurance	CZK '000	4,917,231	5,593,513	6,160,443	113.75	110.14
15 – motor damage insurance	CZK '000	2,718,592	3,001,355	3,142,297	110.40	104.70
16 – buildings and structures insurance	CZK '000	952,755	1,253,856	1,340,380	131.60	106.90
17 – household contents insurance	CZK '000	953,010	1,014,642	1,203,072	106.47	118.57
18 – liability insurance	CZK '000	180,797	224,103	307,128	123.95	137.05
19 accident insurance	CZK '000	2,425,820	2,723,470	3,071,248	112.27	112.77
20 • life insurance total	CZK '000	11,921,402	14,062,054	16,601,502	117.96	118.06
21 – life insurance	CZK '000	9,616,506	11,684,367	14,333,275	121.50	122.67
22 – pension insurance	CZK '000	2,304,896	2,377,687	2,268,227	103.16	95.40
23 Average premiums per policy	CZK/pc	1,643	1,917	2,183	116.64	113.92
24 • non-life insurance total	CZK/pc	1,293	1,482	1,611	114.64	108.69
25 property and liability insurance	CZK/pc	968	1,128	1,213	116.51	107.48
26 – motor damage insurance	CZK/pc	11,859	12,388	11,915	104.46	96.18
27 – buildings and structures insurance	CZK/pc	730	942	991	129.12	105.21
28 – household contents insurance	CZK/pc	571	641	709	112.26	110.61
29 – liability insurance	CZK/pc	115	146	203	126.96	139.24
30 accident insurance	CZK/pc	3,523	3,446	3,644	97.82	105.73
31 • life insurance total	CZK/pc	1,981	2,335	2,751	117.87	117.84
32 – life insurance	CZK/ks	1,889	2,289	2,766	121.13	120.84
33 – pension insurance	CZK/pc	2,481	2,591	2,664	104.41	102.83

1–11 | Number of long-term life and non-life insurance policies in personal lines, effective as of 31 December

12–22 | Annual aggregate premium amount under life and non-life policies in personal lines valid as of 31 December

F. SUMMARY TABLES FOR SELECTED INSURANCE TYPES

F.1 - LIFE INSURANCE

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums written	CZK '000	10,413,296	12,582,420	17,556,839	120.83	139.53
2 • single premiums	CZK '000	1,108,459	1,411,772	2,860,951	127.36	202.65
3 Claims paid	CZK '000	6,878,377	7,661,027	8,132,717	111.38	106.16
4 Portfolio premiums under policies valid as of 31 December	CZK '000	9,709,972	11,684,367	14,333,778	120.33	122.67
5 Portfolio - number of policies as of 31 December	pcs	5,089,886	5,105,357	5,182,889	100.30	101.52
6 Average premiums per policy	CZK/pc	1,908	2,289	2,766	119.97	120.84
7 Average payment per claim	CZK/pc	14,653	14,051	14,618	95.89	104.03
8 Number of claims settled	pcs	469,409	545,220	556,348	116.15	102.04
9 Number of claims outstanding	pcs	6,760	10,020	12,380	148.22	123.55

F.2 - PENSION INSURANCE

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums written	CZK '000	2,276,838	2,382,751	2,360,559	104.65	99.07
2 • single premiums	CZK '000	29,333	50,845	183,695	173.34	361.28
3 Claims paid	CZK '000	1,110,464	1,407,015	1,611,153	126.71	114.51
4 Portfolio premiums under policies valid as of 31 December	CZK '000	2,304,744	2,377,687	2,268,227	103.16	95.40
5 Portfolio - number of policies as of 31 December	pcs	928,869	917,717	851,415	98.80	92.78
6 Average premiums per policy	CZK/pc	2,480	2,591	2,664	104.46	102.83
7 Average payment per claim	CZK/pc	19,038	18,817	19,194	98.84	102.00
8 Number of claims settled	pcs	58,329	74,775	83,941	128.20	112.26
9 Number of claims outstanding	pcs	823	943	1,259	114.58	133.51

F.3 - ACCIDENT INSURANCE

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums written	CZK '000	2,422,949	2,699,432	3,042,328	111.41	112.70
2 Claims paid	CZK '000	1,046,252	1,080,933	1,190,009	103.31	110.09
3 Portfolio premiums under policies valid as of 31 December	CZK '000	2,175,828	2,718,050	3,118,638	124.92	114.74
4 Portfolio - number of policies as of 31 December	pcs	688,568	790,262	842,865	114.77	106.66
5 Average premiums per policy	CZK/pc	3,160	3,439	3,700	108.85	107.58
6 Average payment per claim	CZK/pc	2,216	2,507	2,872	113.11	114.60
7 Number of claims settled	pcs	472,120	431,235	414,278	91.34	96.07
8 Number of claims outstanding	pcs	15,418	17,721	108,527	114.94	612.42

F.4 - MEDICAL EXPENSES ABROAD INSURANCE

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums	CZK '000	485,842	485,454	529,576	99.92	109.09
2 Claims paid	CZK '000	115,734	156,211	218,013	134.97	139.56
3 Average payment per claim	CZK/pc	7,817	9,631	11,289	123.20	117.22
4 Number of claims settled	pcs	14,805	16,220	19,312	109.56	119.06
5 Number of claims outstanding	pcs	681	887	2,426	130.25	273.51

F.5 - MOTOR DAMAGE INSURANCE (INDIVIDUALS)

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums written	CZK '000	2,197,354	2,512,744	2,600,518	114.35	103.49
2 Amount of bonuses granted	CZK '000	432,510	554,159	157,689	128.13	28.46
3 Claims paid	CZK '000	789,026	1,084,186	1,434,182	137.41	132.28
4 Portfolio - number of policies as of 31 December	pcs	229,245	242,280	263,720	105.69	108.85
5 Number of new policies	pcs	92,091	78,923	93,046	85.70	117.89
6 Number of cancelled policies	pcs	34,470	48,657	64,796	141.16	133.17
7 Number of claims reported	pcs	22,537	27,538	49,009	122.19	177.97
8 Number of claims settled	pcs	20,687	26,471	48,751	127.96	184.17
9 Number of claims outstanding	pcs	4,391	4,334	5,231	98.70	120.70

F. 6 - HOUSEHOLD CONTENTS INSURANCE

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums written	CZK '000	1,031,754	1,127,948	1,245,438	109.32	110.42
2 Claims paid	CZK '000	1,048,217	646,304	672,218	61.66	104.01
3 Portfolio premiums under policies valid as of 31 December	CZK '000	953,010	1,014,642	1,203,072	106.47	118.57
4 Portfolio - number of policies as of 31 December	pcs	1,669,661	1,583,534	1,697,506	94.84	107.20
5 Average premiums per policy	CZK/pc	571	641	709	112.26	110.61
6 Average payment per claim	CZK/pc	9,332	7,213	7,372	77.30	102.20
7 Number of claims settled	pcs	112,326	89,601	91,191	79.77	101.77
8 Number of claims outstanding	pcs	13,346	6,575	1,549	49.27	23.56

F. 7 - BUILDINGS AND STRUCTURES INSURANCE (INDIVIDUALS)

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums collected	CZK '000	951,279	1,153,995	1,319,784	121.31	114.37
2 Claims paid	CZK '000	1,971,600	1,192,649	627,916	60.49	52.65
3 Portfolio premiums under policies valid as of 31 December	CZK '000	952,755	1,253,856	1,340,380	131.60	106.90
4 Portfolio - number of policies as of 31 December	pcs	1,305,625	1,330,755	1,352,092	101.92	101.60
5 Average premiums per policy	CZK/pc	730	942	991	129.07	105.21
6 Average payment per claim	CZK/pc	22,035	18,749	12,054	85.09	64.29
7 Number of claims settled	pcs	89,475	63,613	52,091	71.10	81.89
8 Number of claims outstanding	pcs	17,697	4,866	479	27.50	9.84

F. 8 - LIABILITY INSURANCE (INDIVIDUALS)

Indicator	Unit	1997	1998	1999	98/97	99/98
1 Premiums collected	CZK '000	198,137	239,259	279,217	120.75	116.70
2 Claims paid	CZK '000	114,899	126,913	153,061	110.46	120.60
3 Portfolio premiums under policies valid as of 31 December	CZK '000	180,797	224,103	307,128	123.95	137.05
4 Portfolio - number of policies as of 31 December	pcs	1,574,822	1,537,611	1,513,369	97.64	98.42
5 Average premiums per policy	CZK/pc	115	146	203	126.74	139.24
6 Average payment per claim	CZK/pc	4,056	4,528	4,995	111.65	110.30
7 Number of claims settled	pcs	28,330	28,026	30,644	98.93	109.34
8 Number of claims outstanding	pcs	7,459	7,730	7,799	103.63	100.89

**F. 9 - INDUSTRIAL AND BUSINESS RISKS
INSURANCE (TOTAL)**

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	19,153,212	19,113,479	19,481,711	99.79	101.93
2 Claims paid	CZK '000	10,713,484	9,215,338	10,881,731	86.02	118.08
3 Portfolio premiums under policies valid as of 31 December	CZK '000	15,443,182	15,259,295	17,803,649	98.81	116.67
4 Portfolio - number of policies as of 31 December	pcs	542,677	542,667	616,672	100.00	113.64
5 Average premiums per policy	CZK/pc	28,457	28,119	28,871	98.81	102.67
6 Average payment per claim	CZK/pc	36,778	32,679	31,060	88.85	95.05
7 Number of claims settled	pcs	291,299	281,999	350,340	96.81	124.23
8 Number of claims outstanding	pcs	33,343	43,810	51,883	131.39	118.43

F. 10 - MOTOR DAMAGE INSURANCE - BUSINESSES

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	7,725,769	7,758,760	7,981,084	100.43	102.87
2 Claims paid	CZK '000	3,726,636	4,299,920	4,679,833	115.38	108.84
3 Portfolio premiums under policies valid as of 31 December	CZK '000	5,777,833	6,148,664	7,193,888	106.42	117.00
4 Portfolio - number of policies as of 31 December	pcs	306,954	338,298	372,560	110.21	110.13
5 Average premiums per policy	CZK/pc	18,823	18,175	19,309	96.56	106.24
6 Average payment per claim	CZK/pc	32,764	35,647	36,798	108.80	103.23
7 Number of claims settled	pcs	113,743	120,625	127,177	106.05	105.43
8 Number of claims outstanding	pcs	14,287	15,776	18,401	110.42	116.64

F. 11 - PROPERTY INSURANCE - BUSINESSES

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	6,037,120	6,250,355	7,202,593	103.53	115.23
2 Claims paid	CZK '000	4,355,697	3,016,806	3,929,969	69.26	130.27
3 Portfolio premiums under policies valid as of 31 December	CZK '000	4,421,589	4,424,491	6,708,170	100.07	151.61
4 Portfolio - number of policies as of 31 December	pcs	360,798	372,105	473,607	103.13	127.28
5 Average premiums per policy	CZK/pc	12,255	11,890	14,164	97.02	119.12
6 Average payment per claim	CZK/pc	98,608	80,510	62,359	81.65	77.45
7 Number of claims settled	pcs	44,172	37,471	63,022	84.83	168.19
8 Number of claims outstanding	pcs	2,492	2,769	6,779	111.12	244.82

**F.12 - CONTRACTUAL LIABILITY INSURANCE
- BUSINESSES**

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	1,672,940	1,724,346	1,864,656	103.07	108.14
2 Claims paid	CZK '000	410,415	453,507	659,793	110.50	145.49
3 Portfolio premiums under policies valid as of 31 December	CZK '000	1,119,162	1,100,308	1,538,896	98.32	139.86
4 Portfolio - number of policies as of 31 December	pcs	107,255	113,252	139,015	105.59	122.75
5 Average premiums per policy	CZK/pc	10,435	9,716	11,070	93.11	113.94
6 Average payment per claim	CZK/pc	12,042	12,811	9,286	106.39	72.48
7 Number of claims settled	pcs	34,083	35,400	71,056	103.86	200.72
8 Number of claims outstanding	pcs	610	772	4,189	126.56	542.62

**F.13 - EXPORT CREDIT INSURANCE
AGAINST COMMERCIAL RISKS**

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	91,225	90,284	151,427	98.97	167.72
2 Claims paid	CZK '000	114,460	63,975	61,831	55.89	96.65
3 Export value insured	CZK '000	9,815,000	15,802,000	23,555,000	161.00	149.06
4 Portfolio premiums under policies valid as of 31 December	CZK '000	40,083	61,400	83,095	153.18	135.33
5 Portfolio - number of policies as of 31 December	pcs	346	413	696	119.36	168.52
6 Average premiums per policy	CZK/pc	263,656	218,605	217,568	82.91	99.53
7 Average payment per claim	CZK/pc	823,453	353,453	475,623	42.92	134.56
8 Number of claims settled	pcs	139	181	130	130.22	71.82
9 Number of claims outstanding	pcs	129	295	214	228.68	72.54

**F.14 - EXPORT CREDIT INSURANCE
AGAINST TERRITORIAL RISKS**

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums written	CZK '000	704,765	394,965	710,095	56.04	179.79
2 Claims paid	CZK '000	5,399	62,712	496,736	1,161.55	792.09
3 Export value insured	CZK '000	16,388,000	20,618,000	26,141,000	125.81	126.79
4 Portfolio premiums under policies valid as of 31 December	CZK '000	704,765	394,965	710,095	0.00	0.00
5 Portfolio - number of policies as of 31 December	pcs	94	211	394	224.47	186.73
6 Average premiums per policy	CZK/pc	7,497,500	1,871,872	1,802,272	24.97	96.28
7 Average payment per claim	CZK/pc	5,399,000	10,452,000	17,128,828	193.59	163.88
8 Number of claims settled	pcs	1	6	29	600.00	483.33
9 Number of claims outstanding	pcs	1	11	1	1,100.00	9.09

**F.15 - EX LEGE MOTOR THIRD PARTY
LIABILITY INSURANCE**

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums	CZK '000	6,150,284	9,556,777	10,796,397	155.39	112.97
2 Claims paid	CZK '000	5,221,409	5,972,058	7,102,466	114.38	118.93
3 Average payment per claim	CZK/pc	15,138	15,972	16,058	105.51	100.54
4 Number of claims settled	pcs	344,915	373,909	442,313	108.41	118.29
5 Number of claims outstanding	pcs	143,539	132,978	164,970	92.64	124.06

F.16 - WORKMEN'S COMPENSATION INSURANCE

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
1 Premiums	CZK '000	2,151,288	2,281,945	2,356,013	106.07	103.25
2 Claims paid	CZK '000	1,180,016	1,460,300	1,650,799	123.75	113.05
3 Average payment per claim	CZK/pc	10,920	13,611	17,408	124.64	127.90
4 Number of claims settled	pcs	108,062	107,289	94,830	99.28	88.39
5 Number of claims outstanding	pcs	5,000	2,970	4,573	59.40	153.97

G. NUMBER OF CLAIMS SETTLED BY RISK

Indicator	Unit	1997	1998	1999	98/97	99/98
1 TOTAL NUMBER OF CLAIMS SETTLED	pcs	2,121,434	2,130,978	2,278,514	100.45	106.92
2 • natural hazards	pcs	204,470	136,616	123,866	66.81	90.67
3 • theft	pcs	59,032	65,438	73,489	110.85	112.30
4 • motor damage	pcs	134,430	147,096	175,928	109.42	119.60
5 • crop	pcs	5,700	5,230	6,211	91.75	118.76
6 • livestock	pcs	44,483	50,270	51,124	113.01	101.70
7 • accident	pcs	472,120	431,235	414,278	91.34	96.07
8 • life	pcs	469,409	545,220	556,348	116.15	102.04
9 • pension	pcs	58,329	74,775	83,941	128.20	112.26
10 • medical expenses abroad	pcs	14,805	16,220	19,312	109.56	119.06
11 • other risks	pcs	658,656	658,878	774,018	100.03	117.48

H. CLAIMS PAID BY RISKS

Indicator	Unit	1997	1998	1999	98/97	99/98
1 CLAIMS PAID	CZK '000	32,231,130	32,763,998	34,108,709	101.65	104.10
2 • natural hazards	CZK '000	7,682,177	4,899,371	2,741,945	63.78	55.97
3 • theft	CZK '000	1,023,497	1,372,243	1,397,428	134.07	101.84
4 • motor damage	CZK '000	4,515,662	5,384,106	6,114,015	119.23	113.56
5 • crop	CZK '000	913,100	626,567	477,204	68.62	76.16
6 • livestock	CZK '000	390,187	355,280	292,238	91.05	82.26
7 • accident	CZK '000	1,046,252	1,080,933	1,190,009	103.31	110.09
8 • life	CZK '000	6,878,377	7,661,027	8,132,717	111.38	106.16
9 • pension	CZK '000	1,110,464	1,407,015	1,611,153	126.71	114.51
10 • medical expenses abroad	CZK '000	115,734	156,211	218,013	134.97	139.56
11 • other risks	CZK '000	8,555,680	9,821,245	11,933,988	114.79	121.51

I. TOTAL PREMIUMS WRITTEN AND MARKET SHARE (CZK '000, %)

Insurance company	Total							
	1996	%	1997	%	1998	%	1999	%
Česká pojišťovna a.s.	25,933,224	64.44	28,761,797	59.94	32,508,977	59.01	33,076,635	52.67
Kooperativa, pojišťovna, a.s.*	3,901,646	9.70	4,585,607	9.56	6,813,654	12.37	7,565,277	12.05
IPB Pojišťovna, a.s.	1,561,138	3.88	2,253,151	4.70	3,224,683	5.85	5,974,662	9.51
Nationale-Nederlanden životní pojišťovna, organizational unit	1,839,320	4.57	2,380,530	4.96	2,850,604	5.17	3,535,463	5.63
Allianz pojišťovna, a.s.	1,566,453	3.89	2,159,961	4.50	2,633,487	4.78	3,238,899	5.16
ČS-Živnostenská pojišťovna, a.s.	941,837	2.34	1,318,187	2.75	1,770,536	3.21	2,168,881	3.45
Generali Pojišťovna a.s.	426,750	1.06	843,781	1.76	1,086,956	1.97	1,302,197	2.07
Česko-rakouská pojišťovna, a.s. PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s.	468,856	1.17	681,491	1.42	780,508	1.42	937,415	1.49
Exportní garanční a pojišťovací společnost, a.s.	296,188	0.74	744,713	1.55	456,365	0.83	793,233	1.26
Winterthur pojišťovna, a.s.	52,628	0.13	135,534	0.28	306,492	0.56	566,327	0.90
Komerční pojišťovna, a.s.	5,079	0.01	22,890	0.05	140,788	0.26	462,259	0.74
GERLING-Konzern Všeobecná pojišťovací a.s., organizational unit	123,639	0.31	147,166	0.31	180,554	0.33	244,972	0.39
Hasičská vzájemná pojišťovna, a.s.	139,527	0.35	176,455	0.37	221,170	0.40	239,250	0.38
Česká podnikatelská pojišťovna, a.s.	15,505	0.04	43,253	0.09	129,541	0.24	225,664	0.36
ČSOB Pojišťovna a.s.	10,329	0.03	51,422	0.11	118,081	0.21	177,997	0.28
Pojišťovna UNIVERSAL, a.s.	41,997	0.10	95,438	0.20	162,337	0.29	151,295	0.24
Česká pojišťovna ZDRAVÍ, a.s.	83,172	0.21	107,007	0.22	137,952	0.25	146,887	0.23
Union pojišťovna, a.s. Commercial Union, životní pojišťovna, a.s.	-	-	107	0.00	16,526	0.03	98,015	0.16
VICTORIA pojišťovna, a.s.	20,236	0.05	34,035	0.07	68,501	0.12	95,601	0.15
D.A.S. pojišťovna právní ochrany, a.s.	22,389	0.06	39,060	0.08	52,995	0.10	84,060	0.13
CERTUSIA, pojišťovna a.s.	12,716	0.03	39,559	0.08	75,637	0.14	81,606	0.13
Evropská Cestovní Pojišťovna a.s.	116,100	0.29	68,710	0.14	93,617	0.17	63,893	0.10
Pojišťovna Slavia, a.s.	40,028	0.10	44,702	0.09	46,656	0.08	55,830	0.09
ČESCOB, úvěrová pojišťovna, a.s.	-	-	34	0.00	24,589	0.04	53,119	0.08
Pojišťovna PATRIE, a.s.	31,195	0.08	45,111	0.09	56,795	0.10	23,934	0.04
POJIŠŤOVNA CARDIF PRO VITA, a.s.	-	-	4	0.00	1,705	0.00	14,082	0.02
GOTHAER VERSICHERUNGEN – branch for the Czech Republic	11,610	0.03	17,347	0.04	24,154	0.04	13,538	0.02
KRAVAG-SACH, organizational unit	1,279	0.00	4,450	0.01	9,368	0.02	12,197	0.02
Wüstenrot, životní pojišťovna, a.s.	-	-	-	-	-	-	7,794	0.01
ČP DIRECT pojišťovna, a.s.	-	-	-	-	-	-	499	0.00
Moravskoslezská Kooperativa, pojišťovna, a.s.	1,592,917	3.96	1,852,562	3.86	-	-	-	-
Pojišťovna MORAVA, a.s.	344,662	0.86	320,775	0.67	-	-	-	-
CZECH REPUBLIC TOTAL	40,243,094	100.00	47,986,301	100.00	55,088,340	100.00	62,795,256	100.00

Source: ČAP, May 2000

*Data for Kooperativa include data for Česká Kooperativa until 1997; data for 1998 and 1999 include Česká Kooperativa and Moravskoslezská Kooperativa

<i>Non-life insurance</i>					<i>Life insurance</i>				
<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>%</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>%</i>
18,865,688	21,497,026	24,620,534	24,551,366	57.26	7,067,536	7,264,771	7,888,443	8,525,269	42.80
3,861,718	4,464,743	6,403,231	6,827,061	15.92	39,928	120,864	410,423	738,216	3.71
410,192	745,038	1,072,811	1,555,067	3.63	1,150,946	1,508,113	2,151,872	4,419,595	22.19
-	-	-	-	-	1,839,320	2,380,530	2,850,604	3,535,463	17.75
1,257,696	1,791,734	2,190,430	2,594,302	6.05	308,757	368,227	443,057	644,597	3.24
902,678	1,200,726	1,631,360	1,992,908	4.65	39,159	117,461	139,176	175,973	0.88
315,967	644,291	797,353	894,042	2.09	110,783	199,490	289,603	408,155	2.05
296,210	477,856	615,135	759,641	1.77	14,667	30,986	64,725	183,242	0.92
178,715	304,564	318,209	360,090	0.84	290,141	376,927	462,299	577,325	2.90
296,188	744,713	456,365	793,233	1.85	-	-	-	-	-
39,772	75,297	161,564	234,968	0.55	12,856	60,237	144,928	331,359	1.66
50	1,837	97,254	274,990	0.64	5,029	21,053	43,534	187,269	0.94
123,639	147,166	180,554	244,972	0.57	-	-	-	-	-
134,356	167,588	207,611	224,053	0.52	5,171	8,867	13,559	15,197	0.08
10,850	40,575	123,965	216,250	0.50	4,655	2,678	5,576	9,414	0.05
10,329	50,681	114,318	172,725	0.40	-	741	3,763	5,272	0.03
39,651	92,785	151,655	137,750	0.32	2,346	2,653	10,682	13,545	0.07
83,172	107,007	137,952	146,887	0.34	-	-	-	-	-
81,591	132,750	124,202	111,213	0.26	-	-	-	241	0.00
-	-	-	-	-	-	107	16,526	98,015	0.49
9,214	17,997	42,529	57,529	0.13	11,022	16,038	25,972	38,072	0.19
22,389	39,060	52,995	84,060	0.20	-	-	-	-	-
12,716	39,559	75,637	81,606	0.19	-	-	-	-	-
116,100	68,710	93,617	63,893	0.15	-	-	-	-	-
40,028	44,702	46,656	55,830	0.13	-	-	-	-	-
-	34	24,589	53,119	0.12	-	-	-	-	-
31,195	45,111	56,795	23,934	0.06	-	-	-	-	-
-	3	1,276	10,453	0.02	-	1	429	3,629	0.02
11,610	17,347	24,154	13,538	0.03	-	-	-	-	-
1,279	4,450	9,368	12,197	0.03	-	-	-	-	-
-	-	-	244	0.00	-	-	-	7,550	0.04
-	-	-	499	0.00	-	-	-	-	-
1,522,981	1,662,007	-	-	-	69,936	190,555	-	-	-
328,047	300,940	-	-	-	16,615	19,835	-	-	-
29,254,227	35,296,167	40,123,169	42,877,858	100.00	10,988,867	12,690,134	14,965,171	19,917,398	100.00



THE CZECH INSURANCE MARKET IN THE EUROPEAN CONTEXT

CEA MARKET BASIC DATA 1998

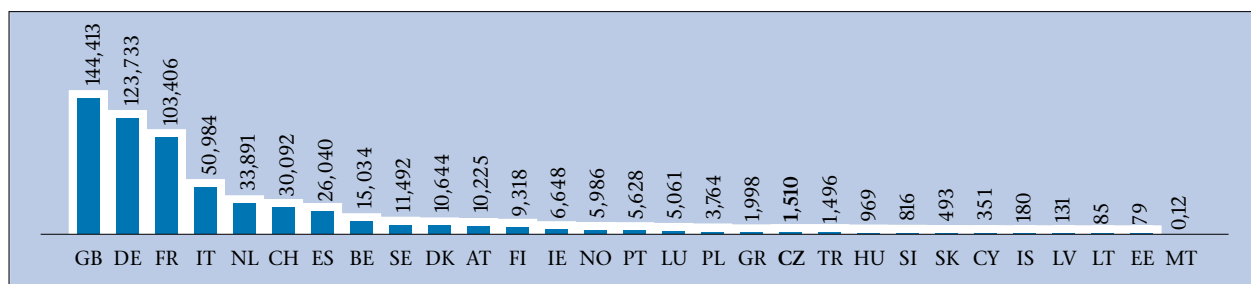
Premiums (EUR m)	604,467
Number of insurance companies	5,437
Number of employees	1,041,559
<hr/>	
Premiums per capita (EUR)	
- total	1,150
- life insurance	669
- non-life insurance	481
<hr/>	
Proportion of total premiums - life (%)	58.1
Proportion of total premiums - non-life (%)	41.9
<hr/>	
Ratio of premiums to gross domestic product (%)	7.3
Ratio of insurance company investments (financial placements) to gross domestic product (%)	47.6

Comité Européen des Assurances (CEA) is a committee of national insurance associations of European countries with market economies. Established in 1953, today the CEA has 29 member associations. The Czech Insurance Association became an associate member of the CEA on 20 October 1993 and has been a full member since 23 October 1998. The CEA represents and supports European insurers e.g. by protecting and advocating their interests before international organizations. The CEA also plays an essential role in advocating the insurance industry's interests in the process of building the single internal market within the European Union.

Source: CEA, *European Insurance in Figures, Complete 1998 Data*

P R E M I U M S B Y C O U N T R Y

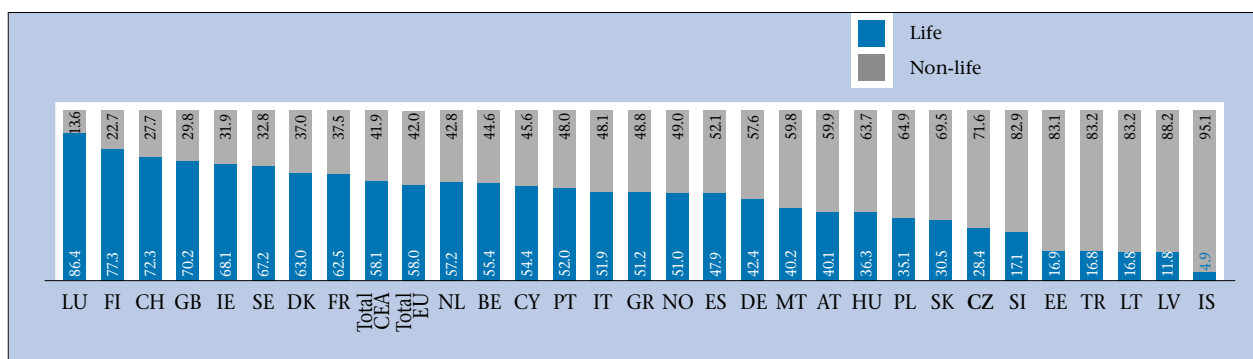
Country	Total		Life insurance		Non-life insurance	
	Premiums	Share	Premiums	Share	Premiums	Share
	1998 (EUR m)	1998 (%)	1998 (EUR m)	1998 (%)	1998 (EUR m)	1998 (%)
AT Austria	10,225	1.7	4,103	1.2	6,122	2.4
BE Belgium	15,034	2.5	8,325	2.4	6,709	2.7
CH Switzerland	30,092	5.0	21,743	6.2	8,349	3.3
CY Cyprus	351	0.1	191	0.1	160	0.1
CZ Czech Republic	1,510	0.2	429	0.1	1,081	0.4
DE Germany	123,733	20.5	52,507	14.9	71,226	28.2
DK Denmark	10,644	1.8	6,705	1.9	3,939	1.6
EE Estonia	79	0.01	13	-	65	0.03
ES Spain	26,040	4.3	12,473	3.5	13,567	5.4
FI Finland	9,318	1.5	7,202	2.0	2,115	0.8
FR France	103,406	17.1	64,654	18.4	38,753	15.3
GB Great Britain	144,413	23.9	101,381	28.8	43,032	17.0
GR Greece	1,998	0.3	1,023	0.3	957	0.4
HU Hungary	969	0.2	352	0.1	617	0.2
IE Ireland	6,648	1.1	4,525	1.3	2,123	0.8
IS Iceland	180	0.03	9	-	171	0.1
IT Italy	50,984	8.4	26,483	7.5	24,501	9.7
LT Lithuania	85	0.01	14	-	71	0.03
LU Luxembourg	5,061	0.8	4,375	1.2	686	0.3
LV Latvia	131	0.02	15	-	116	0.05
MT Malta	0.12	-	0.05	-	0.07	-
NL Netherlands	33,891	5.6	19,400	5.5	14,490	5.7
NO Norway	5,986	1.0	3,055	0.9	2,931	1.2
PL Poland	3,764	0.6	1,320	0.4	2,444	1.0
PT Portugal	5,628	0.9	2,929	0.8	2,699	1.1
SE Sweden	11,492	1.9	7,724	2.2	3,768	1.5
SI Slovenia	816	0.1	139	0.04	676	0.3
SK Slovakia	493	0.1	150	0.04	342	0.1
TR Turkey	1,496	0.2	252	0.1	1,245	0.5
EU TOTAL	558,515	92.4	323,811	92.1	234,704	92.8
CEA TOTAL	604,467	100.0	351,494	100.0	252,973	100.0



Source: CEA, European Insurance in Figures, Complete 1998 Data

DISTRIBUTION OF TOTAL PREMIUMS BETWEEN LIFE AND NON-LIFE INSURANCE IN 1998

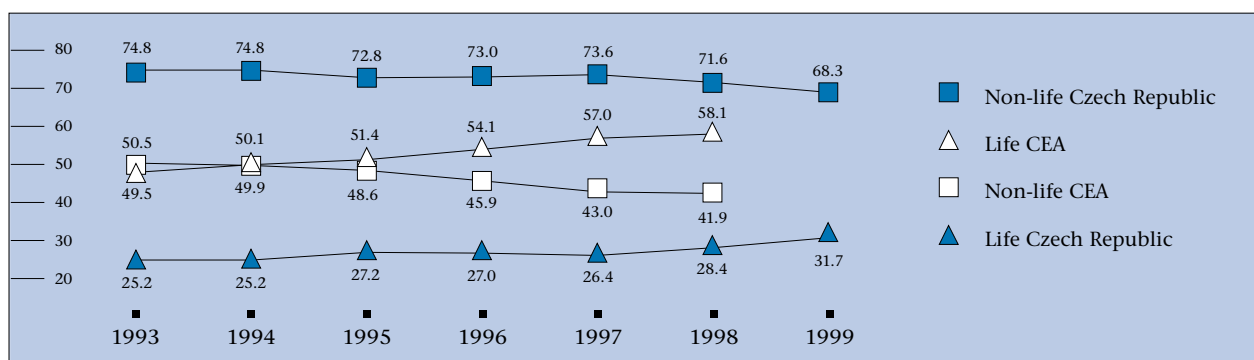
Country	Life insurance (%)	Non-Life insurance (%)
AT Austria	40.1	59.9
BE Belgium	55.4	44.6
CH Switzerland	72.3	27.7
CY Cyprus	54.4	45.6
CZ Czech Republic	28.4	71.6
DE Germany	42.4	57.6
DK Denmark	63.0	37.0
EE Estonia	16.9	83.1
ES Spain	47.9	52.1
FI Finland	77.3	22.7
FR France	62.5	37.5
GB Great Britain	70.2	29.8
GR Greece	51.2	48.8
HU Hungary	36.3	63.7
IE Ireland	68.1	31.9
IS Iceland	4.9	95.1
IT Italy	51.9	48.1
LT Lithuania	16.8	83.2
LU Luxembourg	86.4	13.6
LV Latvia	11.8	88.2
MT Malta	40.2	59.8
NL Netherlands	57.2	42.8
NO Norway	51.0	49.0
PL Poland	35.1	64.9
PT Portugal	52.0	48.0
SE Sweden	67.2	32.8
SI Slovenia	17.1	82.9
SK Slovakia	30.5	69.5
TR Turkey	16.8	83.2
EU TOTAL	58.0	42.0
CEA TOTAL	58.1	41.9



Source: CEA, European Insurance in Figures, Complete 1998 Data

DISTRIBUTION OF TOTAL PREMIUMS BETWEEN LIFE AND NON-LIFE INSURANCE (%)

	1993	1994	1995	1996	1997	1998	1999
CEA TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0
- Life	49.5	50.1	51.4	54.1	57.0	58.1	-
- Non-life	50.5	49.9	48.6	45.9	43.0	41.9	-
CZECH REPUBLIC TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0
- Life	25.2	25.2	27.2	27.0	26.4	28.4	31.7
- Non-life	74.8	74.8	72.8	73.0	73.6	71.6	68.3



Source: CEA, *European Insurance in Figures, Complete 1998 Data*

PREMIUMS TO GROSS DOMESTIC PRODUCT (GDP)

Country	1998				
	Total premiums (EUR m)	GDP (EUR m)	Total premiums to GDP (%)	Life premiums (EUR m)	Life premiums to GDP (%)
AT Austria	10,225	190,592	5.4	4,103	2.2
BE Belgium	15,034	224,715	6.7	8,325	3.7
CH Switzerland	30,092	236,357	12.7	21,743	9.2
CY Cyprus	351	7,993	4.4	191	2.4
CZ Czech Republic	1,510	51,733	2.9*	429	0.8
DE Germany	123,733	1,934,831	6.4	52,507	2.7
DK Denmark	10,644	156,846	6.8	6,705	4.3
EE Estonia	79	4,727	1.7	13	0.3
ES Spain	26,040	522,757	5.0	12,473	2.4
FI Finland	9,318	113,717	8.2	7,202	6.3
FR France	103,406	1,307,205	7.9	64,654	4.9
GB Great Britain	144,413	1,196,008	12.1	101,381	8.5
GR Greece	1,998	100,309	2.0	1,023	1.0
HU Hungary	969	40,453	2.4	352	0.9
IE Ireland	6,648	66,341	10.0	4,525	6.8
IS Iceland	180	6,592	2.7	9	0.1
IT Italy	50,984	1,062,713	4.8	26,483	2.5
LZ Lithuania	85	9,642	0.9	14	0.1
LU Luxembourg	5,061	14,532	34.8	4,375	30.1
LV Latvia	131	5,593	2.4	15	0.3
NL Netherlands	33,891	315,734	8.6	19,400	6.1
NO Norway	5,986	124,792	4.8	3,055	24.5
PL Poland	3,764	135,714	2.8	1,320	1.0
PT Portugal	5,628	95,997	5.9	2,929	3.1
SE Sweden	11,492	197,386	5.8	7,724	3.9
SI Slovenia	816	16,026	5.1	139	0.9
SK Slovakia	493	15,920	3.1	150	0.9
TR Turkey	1,496	141,149	1.1	252	0.2
EU TOTAL	558,515	7,536,173	7.4	323,811	4.3
CEA TOTAL	604,467	8,332,866	7.3	351,494	4.2

Source: CEA, *European Insurance in Figures, Complete 1998 Data*

*3.1% according to ČAP data



S E L E C T E D C Z E C H R E P U B L I C M A C R O E C O N O M I C D A T A

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
Gross domestic product						
– current prices	CZK bn	1,668.8	1,798.3	1,836.3	107.76	102.11
– adjusted for inflation (base 1995)	CZK bn	1,432.8	1401.3	1,397.9	97.80	99.76
Industrial output index (1999 = 100, adjusted for inflation)		104.5	101.6	96.9	–	–
Balance of payments – current account (CNB)*	CZK bn	-101.9	-43.1	-36.6	–	–
Total current household income, gross*	CZK m	1,436,729	1,554,933	1,580,165	108.23	101.62
• wage and salary income*	CZK m	623,627	654,735	673,605	104.99	102.88
• social income*	CZK m	211,764	231,897	251,356	109.51	108.39
• other current income*	CZK m	82,535	58,543	64,225	70.93	109.71
Total current expenditures*	CZK m	455,480	481,032	495,607	105.61	103.03
Consumer price index (living expenses, 1994 average = 100)						
• households total		128.8	142.6	145.6	–	–
• employees		128.3	141.5	144.4	–	–
• pensioners		132.6	150.5	154.2	–	–
• households total (1999 = 100)		108.5	110.7	102.1	–	–
Total household deposits (CZK-denominated, incl. interest)	CZK m	627,618	694,416	700,107	110.64	100.82
Savings rate ¹⁾	%	11.19	13.64	11.77	–	–
Unemployment, at year-end						
– number of registered unemployed		268,902	386,918	487,623	143.89	126.03
– unemployment rate	%	5.23	7.48	9.37	–	–
Number of registered business entities at year-end		1,627,626	1,781,334	1,963,319	109.94	110.22

<i>Indicator</i>	<i>Unit</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>98/97</i>	<i>99/98</i>
Population						
as of 1 July, median	persons	10,303,642	10,294,943	10,282,784	99.92	99.88
as of 31 December	persons	10,299,125	10,289,621	10,278,098	99.91	99.89
Children 18 and under						
as of 1 July, median	persons	2,263,180	2,195,343	2,285,443	97.00	104.1
as of 31 December	persons	2,225,555	2,166,097	2,247,080	97.33	103.4
Live births	persons	90,657	90,535	89,471	99.87	98.82
Deaths	persons	112,774	109,527	109,768	97.15	100.22
Freight transport*	kt	634,703	582,859	540,929	91.83	92.81
• rail ²⁾	kt	111,379	110,281	90,735	99.01	82.28
• road ³⁾	kt	521,482	470,887	448,300	90.30	95.20
• air	kt	14	13	17	92.86	130.77
• water (in-state)	kt	1,828	1,678	1,877	91.79	111.86
Gross tangible investments in construction, total*	CZK m	319,314	235,625	211,274	73.79	89.67
Gross tangible investments in machines and equipment, total*	CZK m	286,273	232,384	235,591	81.18	101.38
Foreign trade*						
• imports	CZK m	861,770	928,939	998,729	107.79	107.51
• exports	CZK m	722,501	850,308	928,865	117.69	109.24
• trade balance	CZK m	-139,269	-78,631	-69,864	56.46	88.85
Foreign visitors to the Czech Republic	persons '000	107,884	102,843	100,832	95.33	98.04
Czech citizens travelling abroad	persons '000	46,070	43,608	39,977	94.66	91.97
Total number of motor vehicles	pcs	5,208,529	5,383,765	5,238,778	103.36	97.31
• passenger cars and vans	pcs	3,547,745	3,687,451	3,695,792	103.94	100.23

*1999 data are preliminary

- 1) Savings rate = ratio of gross savings to gross disposable income
- 2) Rail transport totals include small freight operators
- 3) Road transport totals are according to Eurostat methodology, i.e. public and non-public transport

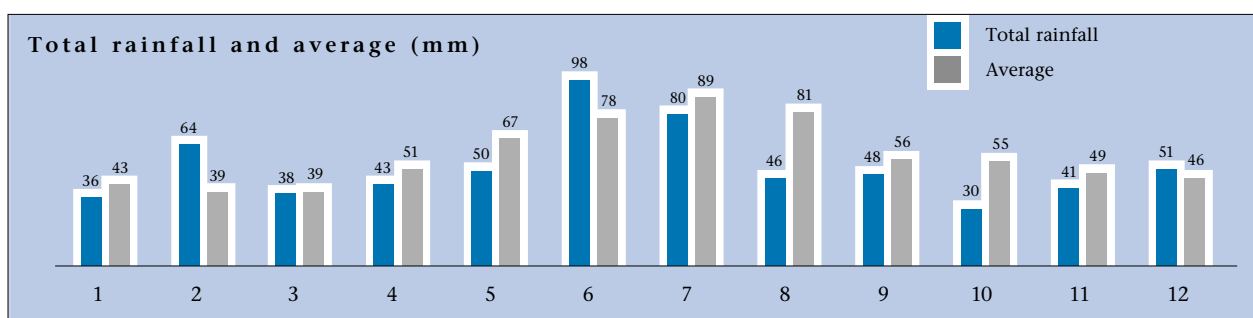
Source: Czech Statistical Office, Czech National Bank (CNB), May 2000



RAINFALL IN THE CZECH REPUBLIC

AVERAGE RAINFALL IN 1999 COMPARED WITH AVERAGE RAINFALL IN 1901 - 1950

Month	1	2	3	4	5	6	7	8	9	10	11	12	1999 total
Total rainfall (mm)	36	64	38	43	50	98	80	46	48	30	41	51	625
Average (mm)	43	39	39	51	67	78	89	81	56	55	49	46	693
% of average	84	164	97	84	75	126	90	57	86	55	84	111	90



Source: Annual report on the hydrometeorological situation in the Czech Republic for 1999, Czech Hydrometeorological Institute

SELECTED MAXIMUM 24-HOUR RAINFALL RECORDS

Weather station	Elevation (meters above sea level)	Area	24-hour rainfall (mm)	Date
Nová Louka	780	Jizerské hory	345.1	29. 7. 1897
Jizerka	970	Jizerské hory	300.0	29. 7. 1897
Pec pod Sněžkou	812	Krkonoše	266.2	29. 7. 1897
Červená Voda	310	Hrubý Jeseník	240.2	9. 7. 1903
Lysá hora	1,317	Moravskoslezské Beskydy	233.8	6. 7. 1997
Ostravice, Šance	445	Moravskoslezské Beskydy	230.2	6. 7. 1997
Rejvíz	757	Hrubý Jeseník	221.0	9. 7. 1903
Jizerka	970	Jizerské hory	220.5	5. 9. 1915
Domašov, Šumná	559	Hrubý Jeseník	217.7	9. 7. 1903
Staré Hamry	428	Moravskoslezské Beskydy	215.3	31. 5. 1940
Radhošť	1,130	Moravskoslezské Beskydy	214.4	9. 7. 1903
Rejvíz	757	Hrubý Jeseník	214.2	6. 7. 1997
Ostravice, Šance	445	Moravskoslezské Beskydy	207.0	8. 7. 1997
Josefův Důl	600	Jizerské hory	206.8	8. 8. 1978
Frenštát pod Radhoštěm	408	Moravskoslezské Beskydy	205.7	6. 7. 1997
Staré Hamry	428	Moravskoslezské Beskydy	205.6	19. 5. 1940

Source: Czech Hydrometeorological Institute

TOTAL RAINFALL IN 1999 (% of 1961 - 1990 average)

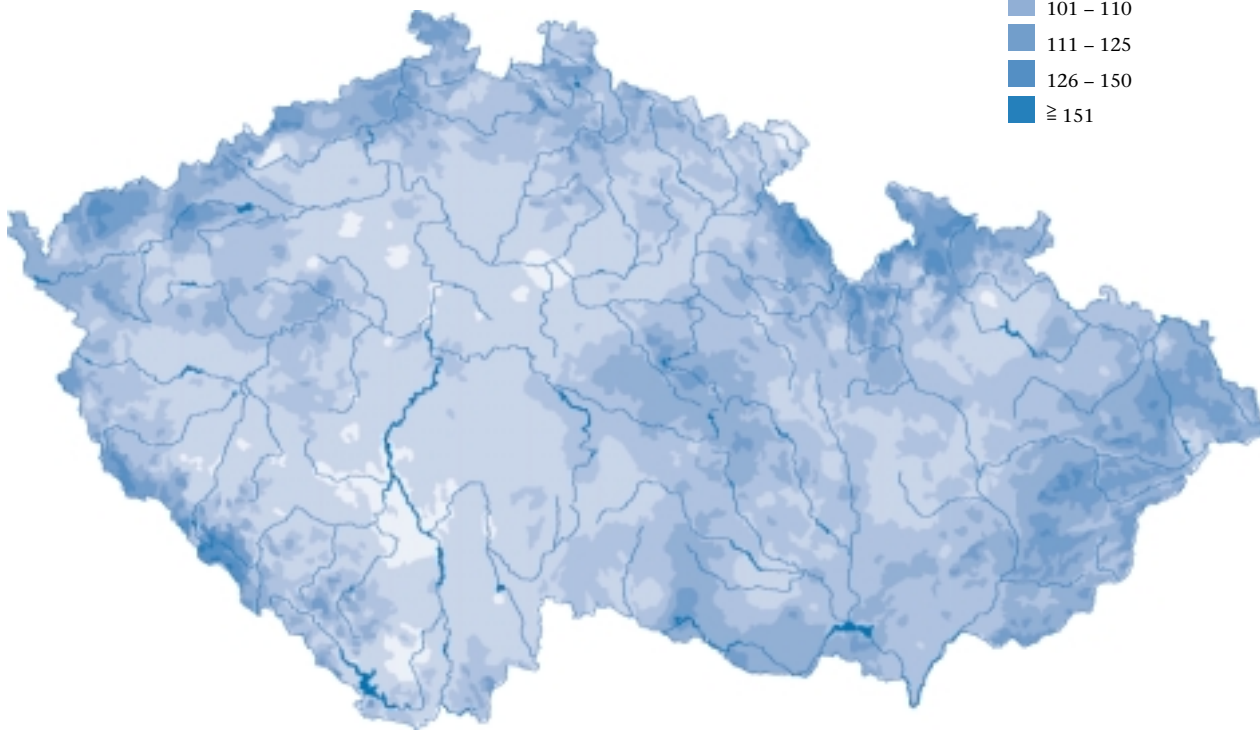
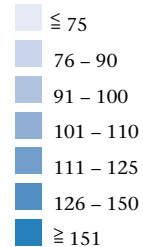
Statistics (%)

Minimum = 60

Maximum = 180

Mean = 93.5

Rainfall (% of average)



Source: Czech Hydrometeorological Institute



F I R E S

1. FIRES BY SECTOR OF ECONOMY

Sector	Number of fires			Direct losses (CZK 'm)		
	1997	1998	1999	1997	1998	1999
1 CZECH REPUBLIC TOTAL	21,540	24,041	20,857	1,229.8	1,902.5	2,088.6
2 • processing industries and energy generation	1,247	1,221	960	277.2	930.9	752.0
3 • construction	219	168	146	23.6	10.1	31.8
4 • transportation and communications	2,648	2,504	2,352	211.2	169.3	234.8
5 • agriculture	1,053	1,140	1,032	114.5	142.0	130.9
6 • forestry	473	989	1,182	35.5	24.0	48.6
7 • residential buildings, households	2,654	2,707	2,569	123.2	178.0	172.2
8 • commerce	335	356	316	93.1	145.2	400.2
9 • non-manufacturing activity	2,776	2,465	2,295	318.1	250.3	203.7
10 • others*	10,144	12,491	10,005	33.4	52.7	114.4

*Others – fires that did not cause damages, injuries or deaths – mainly fires in uninhabited areas and waste fires.

2. FIRES BY CAUSE IN 1999

Cause	Number of fires	Consequences		Direct losses (CZK m)
		Injuries	Deaths	
11 • arson	1,715	96	14	338.6
12 • children at play	714	38	1	35.5
13 • negligence of adults	3,639	298	40	315.6
14 • defective chimney	356	35	1	32.5
15 • defective heating system	176	16	2	8.9
16 • mechanical faults, incorrect operation	3,163	173	9	366.3
17 • spontaneous combustion	245	20	–	33.2
18 • traffic accident	192	97	27	34.1
19 • other	212	32	2	25.6
20 • unknown, under investigation	1,580	129	9	898.3
21 CZECH REPUBLIC TOTAL	20,857	934	105	2,088.6
22 Not further investigated*	8,865	–	–	–

*Not further investigated – fires that did not cause damage, injuries or deaths – mainly fires in uninhabited areas and waste fires.

Source: Ministry of the Interior, Fire and Rescue Service of the Czech Republic Headquarters, May 2000



HEALTH CARE

1. NUMBER OF FACILITIES AND NUMBER OF HOSPITAL BEDS

Facility type	Facilities			Beds		
	1997	1998	1999	1997	1998	1999
1 Hospitals, including out-patient clinics	217	216	203	70,457	69,450	67,365
2 • hospitalization wards	-	-	-	70,457	69,450	67,365
3 Independent out-patient facilities	21,735	21,626	21,980	-	-	-
4 Psychiatric hospitals	21	20	20	10,186	10,059	10,007
5 Spa facilities	51	56	53	19,733	20,157	20,687
6 Sanatoria	17	15	15	1,123	1,008	1,009
7 Adult 24-hour emergency care stations	24	21	20	299	299	258
8 Regional health care facilities	8	8	8	-	-	-
9 District health care facilities	76	76	76	-	-	-
10 Pharmacies (without auxiliary work places)	1,490	1,564	1,626	-	-	-

2. NUMBER OF PHYSICIANS (adjusted as of 31 December)

Facility type	1997	1998	1999	98/97	99/98
1 Hospitals, including out-patient clinics	14,790.0	14,773.0	14,723.0	99.9	99.8
2 • hospitalization wards	8,320.0	7,926.0	7,947.0	95.3	100.3
3 Independent out-patient facilities	19,264.0	19,474.0	19,682.0	101.1	101.1
4 Psychiatric hospitals	442.0	447.0	456.0	101.1	102.0
5 Spa facilities	317.0	325.0	314.0	102.5	96.6
6 Sanatoria	7.5	5.1	5.7	68.9	111.8
7 Adult 24-hour emergency care stations	18.1	20.4	19.6	112.6	96.1
8 Regional health care facilities	160.0	159.0	148.0	99.3	93.1
9 District health care facilities	438.0	442.0	436.0	100.9	98.6
10 Pharmacies (without auxiliary work places)	-	-	-	-	-



3. NUMBER OF PHYSICIANS AND NUMBER OF HOSPITAL BEDS
(adjusted as of 31 December)

Facility type	Physicians per 1,000 population			Beds per physician		
	1997	1998	1999	1997	1998	1999
1 Hospitals, including out-patient clinics	1.43	1.44	1.43	-	-	-
2 • hospitalization wards	0.81	0.77	0.77	8.47	8.89	8.48
3 Independent out-patient facilities	1.87	1.89	1.92	-	-	-
4 Psychiatric hospitals	0.04	0.04	0.04	23.04	22.50	21.95
5 Spa facilities	0.03	0.03	0.03	62.20	62.00	65.88
6 Sanatoria	0.00	0.00	0.00	150.33	195.73	177.02
7 Adult 24-hour emergency care stations	0.00	0.00	0.00	16.54	14.69	13.16
8 Regional health care facilities	0.02	0.02	0.02	-	-	-
9 District health care facilities	0.04	0.04	0.04	-	-	-
10 Pharmacies	-	-	-	-	-	-

4. CZECH REPUBLIC PUBLIC HEALTH EXPENDITURES
(CZK m)

Indicator	1997	1998	1999*	98/97	99/98
1 TOTAL PUBLIC HEALTH EXPENDITURES	108,934	119,651	129,304	110.7	108.1
2 The State budget total	11,459	11,769	13,128	102.7	111.5
3 • non-investment expenditures	7,015	6,408	7,418	91.3	115.8
4 Total health insurance companies	97,475	107,882	116,176	110.7	107.7
5 • health care	92,893	101,950	107,466	121.5	105.4
6 Total consumption of medicaments	30,060	33,258	36,444	110.6	109.6
7 Total public expenditures per person CZK	10,575	11,622	12,578	109.9	108.2

*Data are preliminary as of 30 April 2000 and do not include direct household expenditures for health-care

Source: Czech Health Care Information and Statistics Institute, May 2000



C R I M E

1. CRIMES BY CATEGORY - NUMBER, INDEX

Category	1997	1998	1999	98/97	99/98
CRIMES TOTAL	403,654	425,930	426,626	97.6	100.2
1 Simple theft	181,209	189,926	184,341	104.8	97.0
2 Burglary	94,603	92,029	85,631	97.2	93.0
3 Fraud	13,357	13,890	16,528	104.0	119.0
4 Assault with deliberate injury	7,654	7,943	7,390	103.8	97.4
5 Damage to third party property	13,277	14,599	14,769	109.9	101.2
6 Neglect of lawful support	10,089	11,508	12,550	114.1	108.4
7 Counterfeiting and forgery	978	1,437	1,586	146.9	110.4
8 Bodily harm due to negligence	461	501	425	108.7	84.8
9 Robbery	4,751	4,306	4,817	90.6	119.0
10 Violence against the population	188	223	175	118.6	78.5
11 Disorderly conduct	2,975	3,265	3,332	109.7	102.0
12 Homicide	291	313	265	107.6	84.7

2. CRIMES BY CATEGORY - SHARE (%)

Category	1997	1998	1999
1 Simple theft	45.0	45.0	43.2
2 Burglary	23.0	22.0	20.1
3 Fraud	3.0	3.0	3.9
4 Assault with deliberate injury	2.0	2.0	1.7
5 Damage to third party property	3.0	3.0	3.5
6 Neglect of lawful support	3.0	3.0	2.9
7 Counterfeiting and forgery	0.3	0.3	0.4
8 Bodily harm due to negligence	0.1	0.1	0.1
9 Robbery	1.0	1.0	1.1
10 Violence against the population	0.1	0.1	0.1
11 Disorderly conduct	0.7	0.8	0.8
12 Homicide	0.1	0.1	0.1

Source: Presidium of the Czech Police, May 2000

3. THEFTS BY CATEGORY - NUMBER, INDEX

Category	1997	1998	1999	98/97	99/98
1 TOTAL THEFTS	275,812	281,955	269,972	102.2	95.7
2 Burglary	94,603	92,029	85,631	97.3	93.0
3 • cottages	16,982	16,532	14,785	97.3	89.4
4 • restaurants, kiosks	8,156	7,106	6,907	87.1	97.2
5 • shops, shop windows	8,507	8,119	7,067	95.4	87.0
6 • apartments	13,068	12,752	12,445	97.6	97.6
7 • schools	1,840	1,487	1,335	80.8	89.8
8 Simple theft	181,209	189,926	184,341	104.8	97.1
9 • items from motor vehicles	64,515	70,194	67,060	108.8	95.5
10 • bicycles	17,249	17,086	14,467	99.1	84.7
11 • motor vehicle parts	5,328	6,545	8,146	122.8	124.5
12 • pickpocketing	10,791	10,354	10,234	96.0	98.8
13 • in apartments	6,895	7,023	6,979	101.9	99.4
14 • single-track motor vehicles	1,909	1,890	1,854	99.0	98.1
15 • double-track motor vehicles	29,422	27,589	27,092	94.8	98.2
16 • domestic animals	864	836	586	96.8	70.1

3A. DAMAGE (CZK m)

Category	1997	1998	1999	98/97	99/98
1 TOTAL DAMAGE CAUSED BY CRIME	29,604	33,475	35,653	113.1	106.5
2 • burglary	3,442	3,223	3,349	93.6	103.9
3 • simple theft	6,408	6,498	7,446	101.4	114.6

4. THEFTS BY CATEGORY - SHARE (%)

Category	1997	1998	1999
1 TOTAL THEFTS	100.0	100.0	100.0
2 Burglary	34.3	32.6	31.7
3 • cottages	6.2	5.9	5.5
4 • restaurants, kiosks	3.0	2.5	2.6
5 • shops, shop windows	3.1	2.9	2.6
6 • apartments	4.7	4.5	4.6
7 • schools	0.7	0.5	0.5
8 Simple theft	65.7	67.4	68.3
9 • items from motor vehicles	23.4	24.9	24.8
10 • bicycles	6.3	6.3	5.4
11 • motor vehicle parts	1.9	2.3	3.0
12 • pickpocketing	3.9	3.7	3.8
13 • in apartments	2.5	2.5	2.6
14 • single-track motor vehicles	0.7	0.7	0.7
15 • double-track motor vehicles	10.7	9.9	10.0
16 • domestic animals	0.3	0.3	0.2

4 A. DAMAGE (%)

Category	1997	1998	1999
1 TOTAL DAMAGE CAUSED BY CRIME	100.0	100.0	100.0
2 • burglary	11.6	9.6	9.4
3 • simple theft	21.6	19.4	20.9

Source: Presidium of the Czech Police, May 2000

T R A F F I C A C C I D E N T S

Indicator	Unit	1997	1998	1999	98/97	99/98
1 TOTAL TRAFFIC ACCIDENTS		198,431.0	210,138.0	225,690.0	105.9	107.4
2 Total persons injured		38,198.0	36,581.0	34,840.0	95.8	95.2
3 Estimated damage	CZK m	5,980.0	6,834.0	7,149.0	114.8	104.6
4 Average damage per accident	CZK	30,144.0	32,522.0	31,675.0	107.9	97.4
5 Average number of accidents per day		544.0	576.0	618.0	105.9	107.3
6 Number of accidents per 1,000 population		19.2	20.4	21.96	106.3	107.6

Source: Presidium of the Czech Police, May 2000

Live responsibly
– with insurance



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