



Insurance Commission of Jordan
The Thirteenth Annual Report
2013



His Majesty King Abdullah II ibn Al-Hussein



Crown Prince Al Hussein bin Abdullah II of Jordan



"Challenges are numerous and difficult, but the will and determination of Jordanian men and women are greater and stronger. We are confident that the future will be better and we will overcome all challenges and achieve a lot with our little means. The sacrifices of Jordanians and their patience motivate all institutions to work with strong resolve. You have to honor the responsibility towards present and future generations that was entrusted to you as the Holy Quran says: "Those who faithfully observe their trusts and their covenants." Peace, God's mercy and blessings be upon you. "

Speech from the Throne By His Majesty King Abdullah II Opening the First Ordinary Session of the 17th Parliament, Amman, Jordan. 3 November 2013

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Introduction

Board of Directors of Insurance Commission¹

Chairman

Minister of Industry and Trade and Supply, Minister of Communications
and Information Technology

HE Dr. Hatem Halawani²

Vice Chairman

Director General of the Insurance Commission

HE Ms. Rana Tahboub³

Board Members

HE Mr. Nash'at Al-Masri

HE Dr. Adel Sharkas⁴

HE Dr. Omar Jazi

HE Mr. Burhan Akroush⁵

HE Mr. Nazzal Armouti

¹ By virtue of Restructuring Institutions and Government Departments Law No. (17) of 2014 issued on 30 April 2014, Insurance Commission was abrogated, and the rights and assets of the Commission passed to the Ministry of Industry, Trade and Supply, and the Ministry bears the resultant obligations and is considered the legal and factual successor thereto. In accordance with the decision of Council of Ministers dated 24/4/2014, the powers of the Board of Directors of the Insurance Commission has been transferred to the Minister of Industry, Trade and Supply, and the powers of the Director General of the Insurance Commission has been transferred to His Excellency the Secretary General of the Ministry of Industry, Trade and Supply.

² Held this position as a successor to HE Dr. Shabib Farah Ammari / former Minister of Industry and Trade as of 11 October 2012.

³ Appointed to this position. as of July 1, 2012.

⁴ Held this position as a successor to HE Mrs. Kholoud Saqqaf as of July 5, 2012 for the remainder of her tenure.

⁵ Held this position as a successor to HE Dr. Ma'en Nsour as of January 6, 2013 for the remainder of his tenure.

Vision

The Insurance Commission is striving to be a pioneer in regulating and developing the insurance sector so that Jordan becomes a leading regional insurance center.

Mission

The Insurance Commission is a public institution aiming at protecting the rights of the insured and developing insurance services in the kingdom.

Core Values

- **Objectivity and Transparency:** declaration of the framework regulating the commission activities, objectivity and fairness in the implementation, disclosure of the commission's activities and decisions in a timely manner with the highest degree of professionalism, and in conformity with confidentiality of the information.
- **Promoting Competitiveness:** creating a climate to enable sector institutions and staff to take advantage of its competitive features and improve performance and deepen the spirit of initiative and creativity.
- **Teamwork:** the consolidation of team spirit at work through the exchange and sharing of knowledge to achieve objectives of the Commission.
- **Ongoing training:** providing staff with scientific and professional skills in compliance with the latest international practices to develop their skills and keep abreast of relevant developments.
- **Maintaining confidentiality of information:** maintaining the confidentiality of the data of partners and service recipients.
- **Excellence:** excellence in performance by raising the level of productivity, efficiency and effectiveness.
- **Cooperation:** cooperation with all our partners in order to achieve the national goals.

National Goals the Insurance Commission Contributes in

- Contributing to the development of the Jordanian economy.
- Contributing to the preservation of financial stability.
- Contributing to providing social protection.
- Improving government performance

Table (I-1)

National Goals the Insurance Commission Contributes in, linked to IC's Strategic Objectives

National Goals the Insurance Commission contributes in		Relevant Insurance Commission 's Strategic Objectives
1	Development of the Jordanian economy	- Protecting the rights of the policyholders and regulating and supervising the insurance sector
2	Preservation of financial stability	- Developing insurance sector and enhancing social protection network
3	Providing social protection	Developing insurance sector and enhancing social protection network
4	Improving government performance	Developing institutional performance

Strategic Objectives

First: Protecting the Rights of Policyholders, and Regulating and Supervising the Insurance Sector

Institutional goals:

1. Completing and updating legislative framework regulating the insurance sector in accordance with the international best practices.
2. Promoting, developing and implementing regulatory frameworks on the insurance sector in order to ensure its ability to meet its obligations and strengthen solvency.
3. Raising the efficiency of the insurance sector institutions and promoting positive competition.
4. Activating insurance disputes settlement so as to save time and effort.

Second: Developing the Insurance Sector and Enhancing Social Protection Network

Institutional goals:

1. Raising insurance awareness.
2. Conducting and publishing studies and research related to insurance business.
3. Strengthening social protection network and developing national savings.
4. Promoting benefits of investment in Jordanian insurance sector.
5. Qualifying the workers in the insurance sector.
6. Promoting cooperation with the bodies regulating and overseeing the insurance sector and financial sectors locally, regionally and internationally.

Third: Developing the institutional performance

Institutional goals:

1. Raising the efficiency of IC's strategic planning.
2. Improving and simplifying work procedures.
3. Regulating and the developing IC's financial and administrative management.
4. Developing and updating IC's electronic systems and maintaining the security and confidentiality of computerized information.

Insurance Commission Partners in Achieving National Goals

- Ministry of Industry and Trade and Supply
- Central Bank of Jordan
- Jordan Securities Commission
- Companies Control Department
- Jordan Insurance Federation
- Insurance sector (insurance companies and insurance supporting services providers)
- International regulators
- International Insurance Institutes
- Various government agencies (Audit Bureau, Civil Service Bureau, Ministry of Public Sector Development, Ministry of Planning and International Cooperation, ... etc.)

Insurance Commission Overview¹

The Insurance Commission (IC) is a public institution which aims to protect the rights of the insured and develop insurance services in Jordan. The Commission was established at the end of 1999 by virtue of the Insurance Regulatory Act No. 33 of 1999 to regulate and supervise the insurance sector and strengthen the insurance sector role in the national economy, and to compile, develop and invest national savings to support economic development in the Kingdom, through undertaking the following tasks:

- Protecting the rights of insurance policyholders and the beneficiaries, and monitoring the solvency of insurance companies to ensure adequate insurance coverage to protect these rights.
- Improving the performance and efficiency of insurance companies and enforcing Professional Code of Conduct and Ethics to increase the ability to provide better services to insurance beneficiaries and achieve positive competition among insurance companies.
- Capacity Building: Training and qualifying human resources to enable them to transact insurance business,, including the establishment of an Institute for this purpose.
- Raising insurance awareness and conducting studies and research related to insurance business.
- Promoting cooperation and integration with the insurance sector regulatory bodies in the Arab world and worldwide.
- Any other tasks relating to the regulation of the insurance sector determined by the Board.

The Insurance Commission's Board of Directors consists of the Minister of Industry and Trade and Supply, as the Chairman, the Director-General as the Vice-Chairman, and five Jordanians who are experienced and competent in the financial and economic sector, especially in the insurance business, two of whom are from the public sector and three from the private sector, one of them is nominated by the

¹ The Commission was abolished on April 30, 2014 and merged with the Ministry of Industry and Trade and Supply. The organizational structure of the Insurance Department has been approved within the Ministry of Industry and Trade and Supply, and the powers of the Board of Directors of the Commission have been transferred to the Minister of Industry and Trade and Supply. The powers of the Director General of the Commission have been transferred to His Excellency the Secretary General of the Ministry of Industry and Trade and Supply.

Jordan Insurance Federation, of non-workers in the insurance industry. Those are appointed by the Council of Ministers upon the recommendation of the Chairman for a term of four years, subject to renewal.

The Board assumes the functions and powers set forth in the Insurance Regulatory Act No. 33 of 1999 and its amendments, as well as the regulations and instructions issued pursuant thereto, including: -

- Setting the IC's general policy and approving plans and programs necessary to implement such policy.
- Approving the draft legislations related to insurance business and submitting them to the Council of Ministers.
- Issuing required instructions necessary to implement the provisions of this Act and the regulations issued pursuant thereto.
- Approving the IC's draft annual budget and submitting it to the Council of Ministers for ratification.
- Approving the IC's annual report and Annual Statement of Accounts and submitting them to the Council of Ministers.
- Appointing a certified auditor for the Commission and determining his/her remuneration.
- Any other tasks relating to the IC's affairs and objectives.

Jordanian Insurance Sector

The insurance sector consists of (25) insurance companies¹ licensed to practice insurance business in Jordan, including one company licensed to practice life insurance business, (9) companies licensed to practice general insurance business and (15) companies licensed to practice both types of insurance (general insurance and life insurance - composite companies). Additionally, two foreign insurance companies that are not working in the Kingdom (Regional Company / representation office) are also subject to the supervision of the Commission.

¹ Gerasa Insurance Company was voluntarily liquidated with effect as of the date of June 18, 2013.

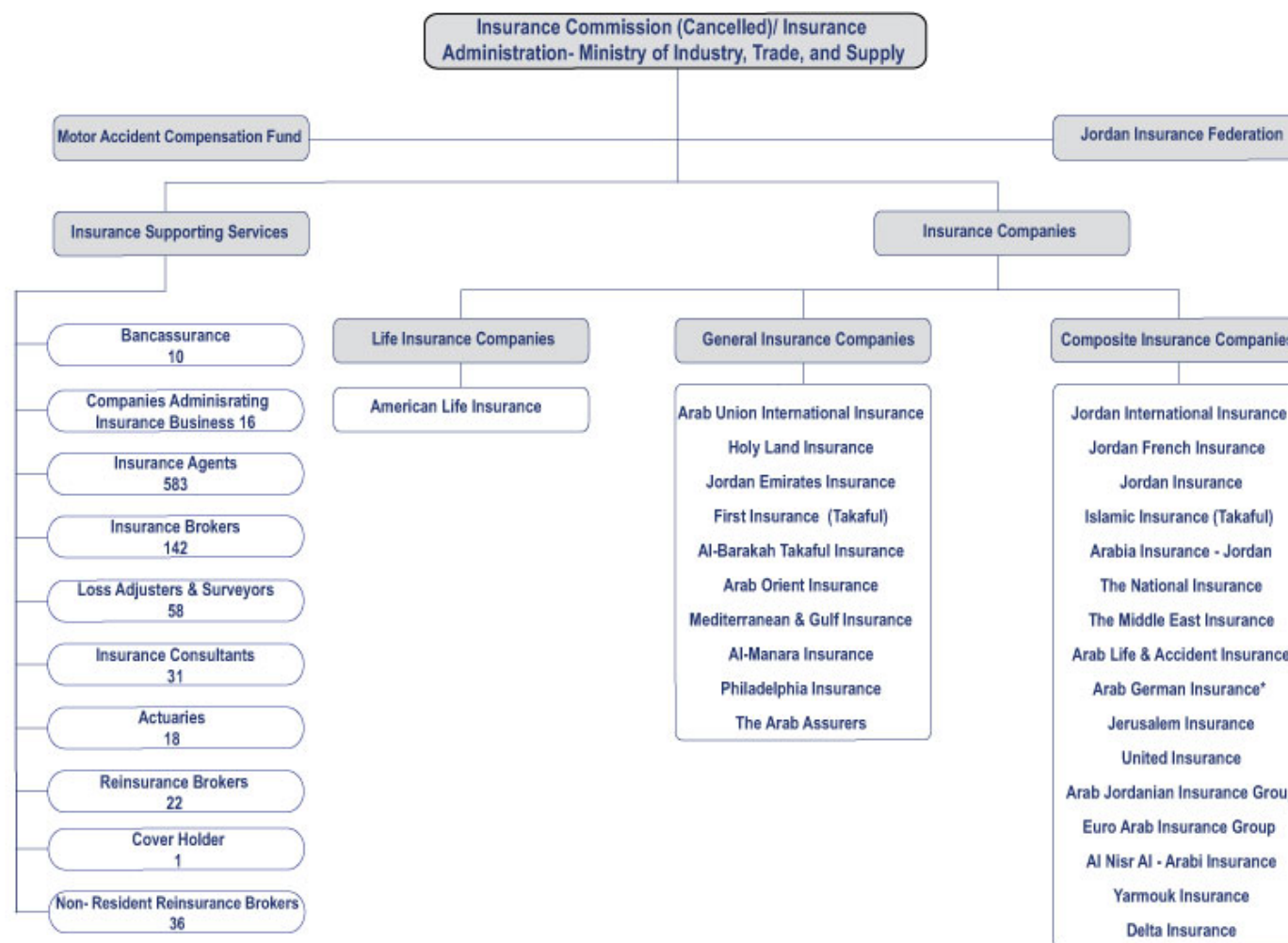
Al-Barakah Takaful Insurance Company was compulsorily liquidated with effect as of the date of January 8, 2014, in addition to the compulsory liquidation of the Arab German Insurance Company with effect as of the date of March 1, 2014.

It is noteworthy in this regard that there are two companies practicing Takaful insurance business; one licensed to practice general insurance business and the other licensed to practice both types of insurance together (general insurance and life insurance). The Jordanian insurance sector includes branch for a foreign company licensed to practice life insurance business, and the percentage ownership of the Arabs and foreigners in Jordanian insurance companies has reached about (30%) at the end of 2013.

The insurance sector also includes insurance supporting services providers totaling (917), as at the end of 2013, distributed as follows: (583) insurance agents, (142) insurance brokers, (22) reinsurance brokers, (58) loss adjusters and surveyors, (31) insurance consultants, (18) actuaries, (1) Cover Holder, (16) Companies Administrators Insurance Business, and (10) banks licensed to practice Bancassurance, in addition to the approval that has been granted to practice of reinsurance business broker within the Kingdom for (36) re-insurance brokers residing outside the Kingdom.

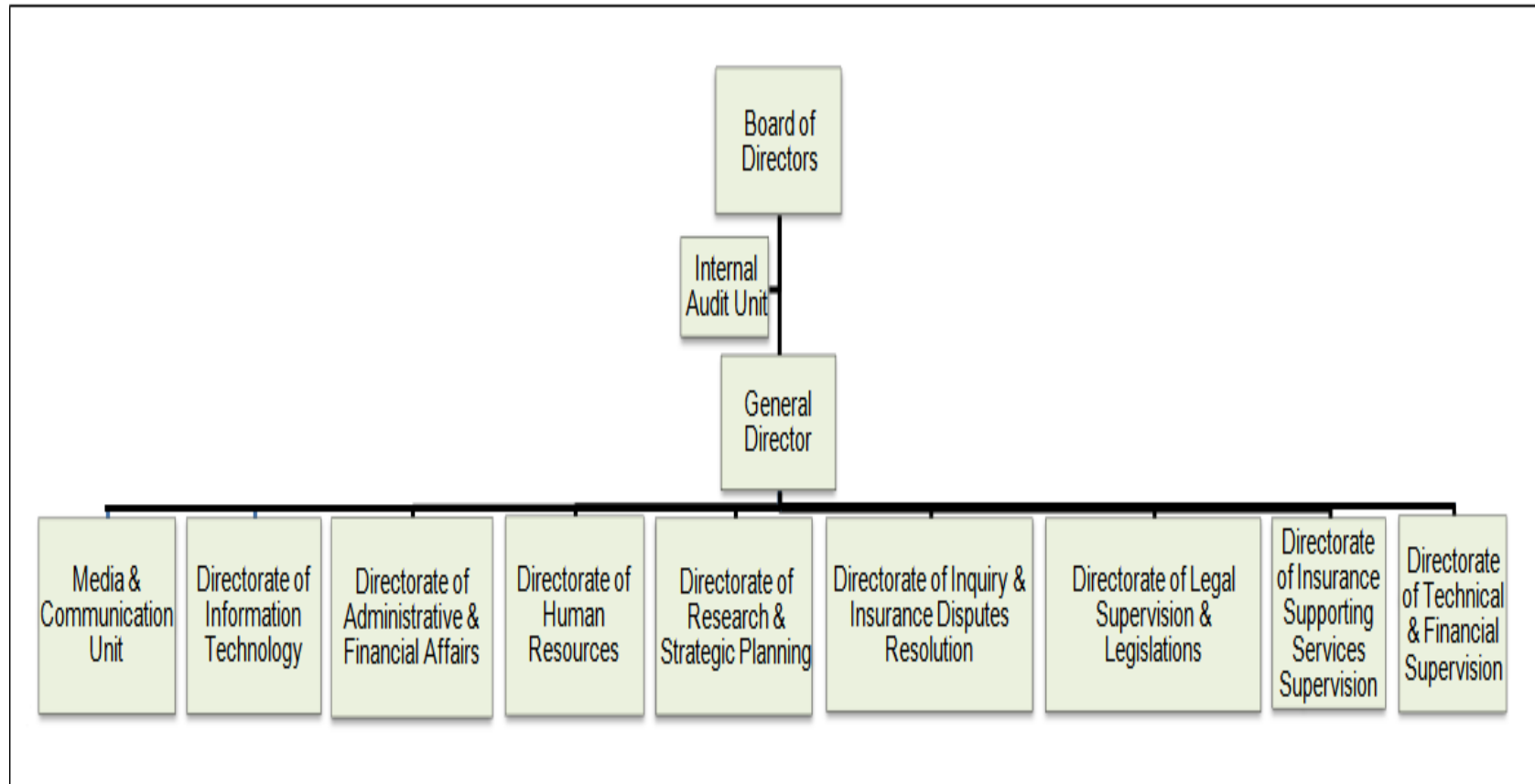
The total number of employees in insurance companies has reached (2569) employees and the total number of insurance supporting providers employees has reached (642) employees, as at the end of 2013.

Jordanian Insurance Sector Structure



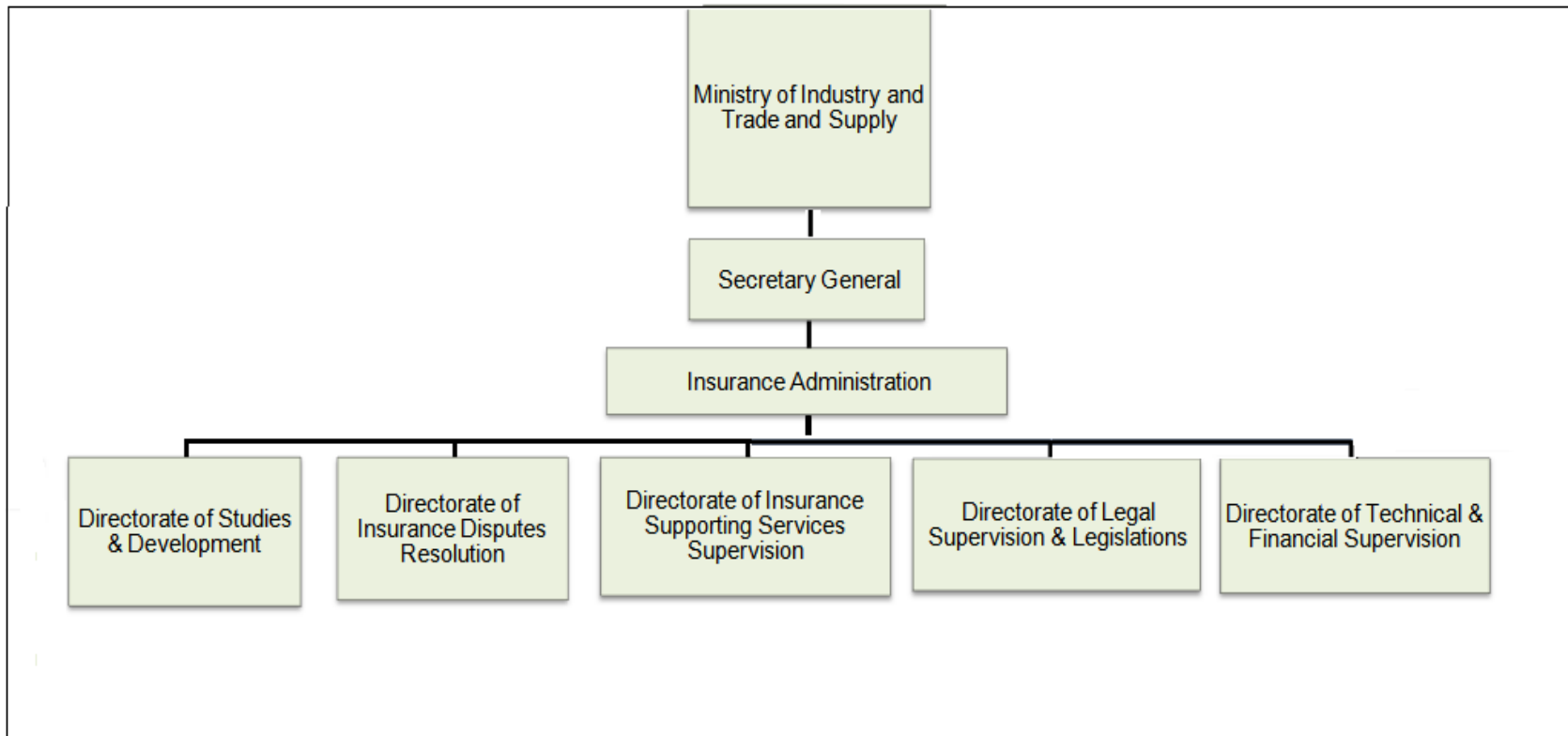
- Gerasa Insurance Company was voluntarily liquidated with effect as of the date of June 18, 2013.
- Al-Barakah Takaful Insurance Company was compulsorily liquidated with effect as of the date of January 8, 2014, in addition to the compulsory liquidation of the Arab German Insurance Company with effect as of the date of March 1, 2014.

Insurance Commission's Organizational Structure¹



¹ Insurance Commission was abolished on April 30, 2014 and merged with the Ministry of Industry and Trade and Supply.

Insurance Administrative Organizational Structure¹



¹ Insurance Commission was abolished on April 30, 2014 and merged with the Ministry of Industry and Trade and Supply.

Preface by Chairman

The insurance sector is an important element of the financial sector to which the government has given considerable attention and support to ensure its efficiency and effectiveness as part of our national economy. Therefore, the government made efforts to maximize the role of the insurance sector and its contribution to the economic growth since it constitutes an important factor in protecting investments and maintaining and developing savings. For many years, The government supported efforts of organizing and developing this sector, in addition to balancing the relationship between insurance parties. In order to achieve this end, the Insurance Commission focused on the development of the sector's regulatory and supervision system in line with best international practices and standards and thereby providing the appropriate environment for developing this sector and enhancing its economic and social role. This is what the Insurance Commission has worked to achieve since its inception.

The insurance sector has made great strides in recent decades, driven by the steady growth of the population and the improvement of the standard of living and the multi-faceted economic prosperity. It also was based on the development of a strong legislative environment supporting for the stability of the sector and motivating it to improve existing services and offer new insurance products. Today, through 25 insurance companies, the sector is keeping pace with social and economic mobility in the Kingdom represented in the increase in population growth coupled with the evolution of insurance awareness and thus increasing the demand for different kinds of Insurance, as well as obtaining insurance coverage in many commercial and industrial projects with huge investments in the fields of mining, transport, infrastructure, textile, pharmaceuticals and tourism.

the efforts made by the Commission so far, have formed a step towards achieving the goals pursued by the Insurance Commission / Insurance Administration, and therefore there will always be an area for improvement and development, making those goals constantly subject to review and re-examination whenever necessary, bearing in mind that insurance is considered financial and international trade services, largely influenced by the practices prevailing regional and international insurance sectors.

As a result of its efforts in the field of business development, the Commission got the "Seal of Excellence", which is obtained by institutions that achieve outstanding performance, as part of its participation in the sixth session of the King Abdullah II Award for Excellence in Government Performance and Transparency.

In light of the integration of the Insurance Commission with the Ministry of Industry and Trade and Supply, the Ministry will continue, through the Insurance Administration, to implement the tasks of regulating and developing the insurance sector and will build on the achievements of the Insurance Commission since its inception in 1999. This report highlights the most important achievements of the Commission and the achievements for 2013, in addition to the most important precautionary and corrective measures during 2013 in the field of supervision and control over the insurance sector. In order to enhance transparency, this report contains a summary of the results of the Jordanian insurance sector business and the complaints index of motor insurance on the insurance companies.

Moreover, the Ministry will focus through the Insurance Department on upgrading and developing this sector as well as enhancing its contribution to the national economy through raising insurance awareness and expanding social protection network by creating new insurance products with a social dimension and establishing a fund to secure the rights of insurers in the event of bankruptcy of the insurance company in addition to developing savings, insuring life payments (pension insurance), qualifying the insurance workers, publicizing the benefits of investing in the Jordanian insurance sector, strengthening cooperation with the bodies regulating and supervising the insurance sector as well as the financial sectors, regionally and internationally.

We recognize that the development achieved by the insurance sector will be a motive to seek additional efforts in several areas, the most important of which is taking preventive measures to fortify the insurance sector of Jordan from the consequences of any economic or financial crises and adopting prudent underwriting policies as well as investment diversification and better risk management. Furthermore, more diversified insurance products that are suitable for different needs and community potential should be offered.

D. Hatem Halawani
Minister of Industry, Trade and Supply

Achievements of the Insurance Commission 1999- 2013

Within the march of the Commission since its inception in 1999 up to the end of 2013, the Commission has worked to achieve a set of goals through strategies and annual work plans for the regulation and development of the insurance sector. The most important characteristic of the organizational side in the Commission's strategy is the quest for completing the legal, technical and financial framework to ensure the regulation of the insurance companies business and insurance supporting services providers in line with modern international standards, and in compliance with the qualitative development in the global insurance sector. The following is a review of the areas that formed the most important features of the Commission's work:

1. Protecting the Rights of Policyholders and Regulating and Supervising the Insurance Sector

1-1 Frameworks Regulating Insurance Sector: -

1.1.1 Technical and Financial Frameworks: -

In order to strengthen the financial positions of policyholders and to ensure its ability to meet its financial and technical obligations, the Commission has worked to provide legislative and regulatory environment appropriate for regulating and developing the insurance sector in Jordan and stimulating investment in it, which qualifies the sector to be the center of a regional insurance, where the Commission worked on the following: -

- Determining a scientific standard for measuring the minimum margin of solvency of insurance companies, which measures the extent of the company's ability to meet its future obligations and reflects the adequacy of capital available to the company to meet the risks it faces (assets risk, underwriting risk, reinsurance risk, life insurance risk).
- Laying the foundations necessary to verify the existence of sufficient technical provisions corresponding to the insurance companies' obligations

towards the insurance contracts, and determining the methods used to calculate some of the technical provisions, which leads to the improvement in the performance of insurance companies and the development of monitoring methods and maintaining the rights of the insured.

- Ensuring the safety and durability of the financial and administrative positions of reinsurance companies with which local insurance companies deal, by verifying that the reinsurer with whom the local insurers are dealing gains a minimum credit rating according to the requirements of the Commission, in addition to defining the role of the company's Board of Directors in re-insurance through approved re-insurance policy and setting conditions on the agreements concluded between insurers and reinsurers,, and ensuring the availability of adequate reinsurance coverage for insurance companies so as to contribute to the distribution of risks underwritten by those companies.
- Regulating the investment instruments acceptable to employ insurance companies funds, with the aim of promoting and emphasizing on corporate governance appropriate for insurance companies with regard to investments and the role of the Board of Directors in this regard as well as implementing international standards and international best practices for management of insurance companies investments, selection of the appropriate investment tools, diversification of investment and reduction of concentration with either body in order to reduce risk, as well as setting some restrictions on certain types of high risk or inappropriate investments (not listed, real estate, foreign low rating, complexes and low rating investment funds, or unsecured high rating), and stating the need for disclosure of such operations due to the high risks associated with them and also in order to protect the rights of policyholders represented in technical provisions through the identification of investments that can be matched.
- Raising the level of transparency at the insurance companies, achieving disclosure requirements, and keeping abreast of developments in accounting policies at the local, regional and international level. Accounting policies to be followed have been approved and identified by the insurance companies. It has also been verified that such accounting policies implemented by insurance companies when preparing their financial statements, as well as

the financial forms used by insurance companies to prepare financial reports and statements, are appropriate, adequate and in line with international accounting standards and the international standards for the preparation of financial reports.

- Enhancing the performance of the insurance sector and its effectiveness through the implementation of standards and rules of corporate governance by the issuance of corporate governance instructions that aim to improve corporate performance among insurance companies, which is a continuous and consecutive process that aims to reach the principle of rational management in insurance companies through defining the powers and responsibilities of boards of directors of insurance companies, activating the role of the internal audit committee and the internal auditor, and pursuing a clear and written risk management policy.
- Controlling and monitoring any suspicious insurance business and verifying that the insurance activities in Jordan are in line with the rules and principles issued by the Commission which oversees the implementation thereof along with the relevant international legislations, as well as monitoring the implementation of the principles, policies, procedures and instructions that should be available to combat money-laundering operations, and also maintaining the integrity and stability of the financial system and averting the adverse effects associated with such crimes. The regulations for combating money laundering in insurance activities have been approved, which contained many provisions that seek to lay the foundations and preventive controls that help insurance companies in combating, discovery and notification of money laundering operations in insurance activities, and also help reduce suspicious financial transactions that could be done through insurance companies.

1.1.2 Regulating the Sector: -

As the Commission believes in the need for protecting the rights of the insured and beneficiaries of insurance, and the need for providing confidence coupled with the professionalism necessary to enter the insurance sector and the compliance with insurance business principles and standards, to preserve the ability of the insurance

sector to fulfill its obligations within a sound competitive environment, the Commission has worked on: -

- Identifying the basic requirements necessary for the exercise of the insurance business in the Kingdom according to the latest international technical, financial and administrative standards and foundations.
- Defining the rules of practice of the profession and its ethics for insurance companies and insurance supporting services providers.
- Regulating, developing and monitoring all matters related to the insurance business through the Commission's issuance of Instructions of Licensing and Supervising the Business of Non-Operating Foreign Insurance Company in the Kingdom (Regional Company/ Representative Office) No. (2) of 2008, and issuance of Instructions of Licensing and Regulating the Business and Responsibility of the Coverholder No. (4) of 2010. The issuance of these regulations came within the Commission's strategy to attract international insurance companies to open regional offices or representative offices in Jordan.
- Issuing Instructions of Licensing Reinsurance Company and Reinsurance Off Shore Company No. (3) of 2008, in order to provide the appropriate regulatory environment for the establishment of such companies in the Kingdom, due to the lack of reinsurance companies licensed in the Jordanian insurance sector.
- Issuing Instruction for Takaful insurance No. (1) of 2011, which set the legal frameworks regulating the insurance companies licensed to practice Takaful insurance business that complies with the provisions and principles of Islamic law in all their transactions, including their insurance and investment activities. These regulations stipulated that the insurance policy includes the main principles of Takaful Insurance approved by Takaful insurance company. The regulations also contained a set of provisions for the Sharia Supervisory Commission and addressed a series of provisions that reflect the nature of the Takaful insurance company such as those relating to accounts and re-insurance, in addition to the formation of a Controls Committee in Takaful insurance company.
- Allocating special provisions for the business of the banks selling and marketing insurance products to its customers on behalf of insurance

companies (Bancassurance), in order to distinguish their business which enjoys the privacy that differ from those relating to the business of insurance agent, leading to the development of Bancassurance business in the Kingdom. Regulations have been issued relating to the bancassurance business (Instructions of Licensing, Regulating and Supervising the Business of Bancassurance No. (1) of 2008 and the Amendments Thereof).

- Regulating the business of the groups working in the field of insurance supporting services represented in agents, brokers, insurance consultants, reinsurance brokers, actuaries, loss adjusters and surveyors, companies administrating insurance business, and cover holders as well as raising their efficiency in the provision of services and enhancing their competitiveness, where regulations for insurance services providers have been issued for this purpose.
- Preparing insurance bill in order to protect the rights of the insurance contract parties, in addition to develop and promote the insurance sector in Jordan.

1.1.3 Compulsory Motor Insurance:

- The Commission has worked to issue the regulation for compulsory insurance of the civil liability of motor use in 2001 with the following most important features: -
 1. Expanding the area of protection to private and public vehicle passengers to include all passenger of the private and public vehicle causing accident (vehicle passengers in addition to the family members of the driver).
 2. Expanding insurance coverage by adding moral damages to become: (Death + physical injuries + moral damages + physical damage).
 3. Raising the size of the compensation payable to the affected people.
 4. Speeding up the compensation of affected people by approving a standardized format for the compulsory insurance policy.

In order to clarify some of the provisions of the current regulation and to avoid interpretations of its texts, and in order to cover all the damage caused by vehicle accidents and cover the driver of the vehicle that caused the accident as well as the owner, for social and humanitarian purposes, the Compulsory Motor Insurance Regulation No. (12) of 2010 has been issued during 2010, which included restructuring the applications of compulsory insurance for vehicles as follows:

1. Activating the principle of reward and punishment, where a method was developed to increase the insurance premium on the vehicle that causes traffic accidents. By contrast, the insurance premium on the vehicle that did not commit any traffic violation has been reduced.
2. Increasing the limits of the compensation amounts that the insurance company undertakes to pay, where the limit of liability of the insurance company has increased in case of death and total disability from (12) thousand dinars to (20) thousand dinars including moral damage allowance, and in case of partial disability it has risen to (20) thousand dinars multiplied by the percentage of disability, in addition to the increase in the limits of liability of insurance company in compensation for the medical treatment expenses allowance to become (7.5) thousand dinars instead of (5) thousands dinars.
3. Protecting the rights of citizens and ensuring their compensation in the event a foreign vehicle has caused physical or material damaged to a citizen within the kingdom, and developing a method to ensure that foreign vehicles are insured by judgment at the insurance company issuing the policy even if expired, provided that the difference in the premium shall be fulfilled when the vehicle leaves the Jordanian territories.
4. Modifying coverage to include coverage of the driver and the owner of the vehicle that caused the accident against an additional premium not exceeding (10) dinars.
5. Regulating the method of settlement and payment of claims for motor insurance in order to ensure that the insured and beneficiaries of motor insurance policies obtain their rights quickly.

6. Determining the size of the work of compulsory insurance underwritten at the insurance company so as to be linked to the availability of sufficient capital base to face the risks of this kind of insurance, due to the increased risk of compulsory insurance business, which the insurance companies may be exposed to as a result of focusing its insurance portfolio in this type of insurance.

The Commission has also regulated the technical aspects relating to compensation for motor compulsory insurance through approving the Basis of the Settlement of Compensation of vehicle damages Decision No. (6) of 2011, where controls have been set to regulate compensation for the “loss of value” resulting from exposure of vehicle to accident leading to a decrease in the value of the vehicle, and to determine the liability of the insurance company to compensate for the decrease in value by 10% of the actual value of the vehicle at the time of the accident. Legislations have also been set regarding specifying "Loss of use /benefit loss", which is the amount paid to the victim of a motor accident caused by a vehicle covered with compulsory motor insurance in order to make up for the time required to repair the vehicle as a result of this accident, so as to estimate the loss of use in case of cash payment of the value of the damage to the vehicle for the period that the vehicle needs to be repaired and returned to its status before the accident, while in case the damages have been repaired by the insurance company, the loss of use period shall be counted from the period the victim of a motor accident has contacted the insurance company until the repair of the vehicle. The liability of the insurance company has also been identified for the loss of use for damaged vehicles, according to their various categories.

Based on the decision of the Board of Directors of the Insurance Commission to grant insurance companies the ability for proper technical underwriting in compulsory insurance policies, the Board has authorized the Insurance Commission to set the necessary conditions and controls, based on correct technical studies. To achieve this, the Commission during 2012 has worked on the following: -

- To ensure the optimal implementation, which takes into account the interests of all parties, the Commission requested the World Bank as a specialist to conduct necessary technical studies for the purposes of

enabling insurance companies to make the proper technical underwriting in motor compulsory insurance policies, and in turn, the World Bank team has met with representatives of the relevant parties at the insurance sector to discuss the problems they face in the motor compulsory insurance , where the World Bank team has prepared a special study of this subject concluded with several recommendations.

- Holding a workshop entitled "Applications of compulsory insurance" on November 9, 2012, to look at international experiences in the liberalization of motor compulsory insurance premiums and clarification of the results of the World Bank study.
 - Holding a workshop entitled "Review of applications of motor compulsory insurance" during October 2013 with the participation of experts from the World Bank who presented their final recommendations on this subject in the presence of representatives of the insurance companies.
- For the purposes of enabling insurers to underwrite insurance risk in accordance with sound technical principles and encouraging companies to compete to provide distinguished insurance products and services, the Insurance Commission has prepared a draft instruction for the issuance of motor compulsory insurance policies and a draft instruction for motor compulsory insurance premiums. These draft instructions have included clear provisions to enable companies of free underwriting of insurance risk according to sound technical principles and also included clear provisions for the method of issuing motor compulsory insurance policies.
 - For the purposes of addressing remarks about medical committees' reports and ensuring the existence of a regulation for medical committees that achieve justice and fairness for the insurance companies and citizens, the Commission has prepared a draft "Regulation of medical committees for insurance business." However, a draft "Regulation of medical committees" was later prepared by the Committee, which was formed by the Ministry of Health to re-examine the regulation of medical committees No. (58) of 1977, and its amendments, where the Legal Consultant in the Jordan Insurance Federation was among the members of the formed committee.

1-2 Regulating and Supervising Insurance Sector: -

The Commission has worked on strengthening the financial positions of insurers and ensuring its ability to meet their financial and technical obligations, through:

1. Providing the appropriate legislative and regulatory environment consistent with international standards.
2. Defining a scientific standard to measure the minimum margin of solvency of insurance companies, which measures the extent of the company's ability to meet its future obligations and reflects the adequacy of capital available to the company to meet the risks it faces.
3. Working through methods of office supervision and field visits:

The Commission continued to work through the methods of office supervision and field visits to insurance companies and insurance supporting services providers based on regulatory framework certified by the Commission and within the legal frameworks regulating the insurance business, in order to verify the solvency of these entities and to ensure its ability to meet their financial obligations and in compliance with the codes of conduct and ethics for the profession and principles of corporate governance and their compliance with related regulations and instructions, where the Commission implement the (Supervisory Ladder) as a criterion for assessing the risks.

1-3 Raising the Efficiency of Insurance Sector Institutions and Promoting Positive Competition: -

The Insurance Commission has worked to strengthen the financial positions of insurers and ensure the ability to meet their financial obligations. The Commission also worked on the following: -

- Enhancing the performance and effectiveness of the insurance sector through the application of standards and rules of corporate governance through the

issuance of regulations of corporate governance of insurance companies and reinsurance companies.

- Regulating the relationship between insurance companies and companies administrating insurance business with medical service providers, as the regulations issued by the Commission in this regard has dealt with the compliance of all related parties with approved medical wages and contracting principles and discounts specified or agreed upon in accordance with the decisions issued by the concerned authorities and based on the related legislations in force, in addition to addressing the issue of approvals for the inclusion of the medical condition or medical treatment and identifying the principles of settlement and payment of claims.
- Regulating the method of settlement and payment of claims for motor insurance in order to ensure that the insured and beneficiaries of motor insurance policies get their rights quickly.

Publishing different statistical data about the insurance sector, in order to enhance transparency and provide accurate information to users inside and outside the Kingdom to help them make decisions that meet their needs as well as to urge the insurance sector to improve its performance and upgrade its services, where the Commission publishes monthly and annual statistics about the core indicators of insurance sector which include: gross premiums, gross claims paid , number of complaints submitted to the Commission and settled complaints , number of claims submitted to Motor Accidents Compensation Fund and total claims that have been settled, total insurance supporting service providers, in addition to other economic indicators on the insurance sector. The Commission also publishes the percentage solvency margin of insurance companies on an annual basis within the annual report of the Commission.

1.4 Activating Tools of Insurance Disputes Settlement: -

In order to deliver the appropriate compensation to those who deserve it quickly and efficiently with high professionalism, due to the benefit this tools bring back to all the dispute parties in terms of frugality in effort, time and expenses as well as

the provision of appropriate insurance expertise in resolving disputes, the means of deciding on insurance disputes have been improved through: -

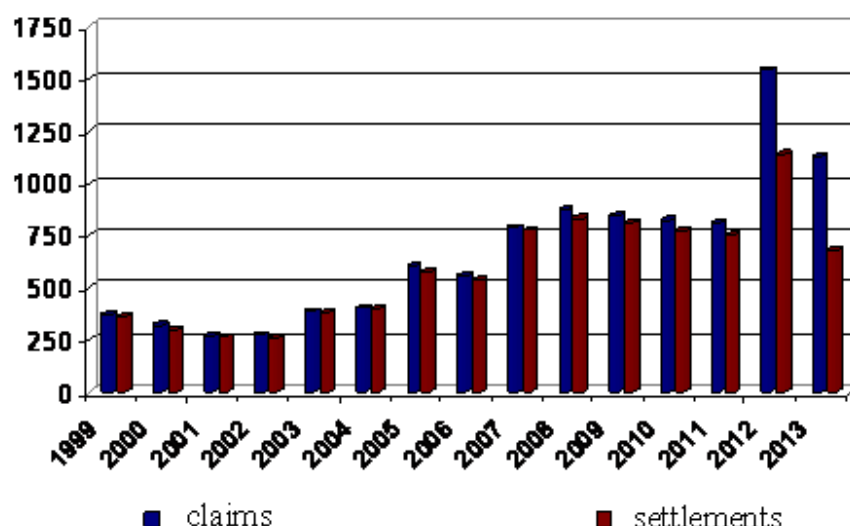
1. Conducting settlement amicably between the insured and the insurance company, through the presence of a competent directorate concerned with resolving such disputes by amicable means and ensuring the delivery of appropriate compensation to those who deserve it rapidly, efficiently and with high professionalism.

The following is a comparison table which shows the numbers of Complaints and settlements made during the years 1999-2013.

Table (I-2) Comparison between Number of Complaints and Settlements in 1999 and 2013

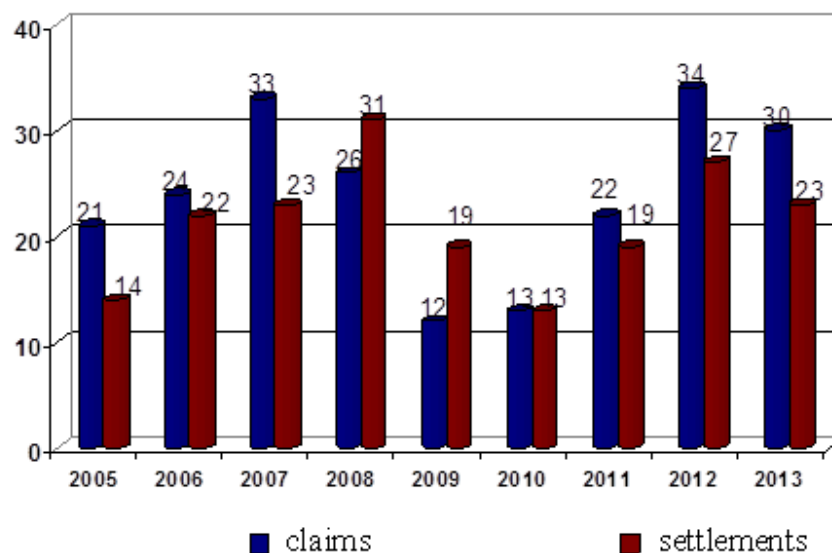
Year	1999	2013
Complaints	374	1130
Settlements	360	680

Figure (I-1): Evolution of Number of Complaints and Settlements for the years 1999-2013



2. Enabling the insured and beneficiaries of insurance to resolve their disputes with insurance companies after exhausting friendly ways, Instructions of the insurance disputes resolving committee No. (5) for the year 2004 and the amendments thereof have been issued, where the committee issues binding decisions toward insurance companies after considering the complaints submitted to it objectively and impartially in accordance with related legislations, laws and regulations so as to guarantee the rights of all insurance dispute parties.

Figure (I-2): Progression of Number of Complaints and Settlements Presented to the Insurance Disputes Resolution Committee for the years 2005-2013

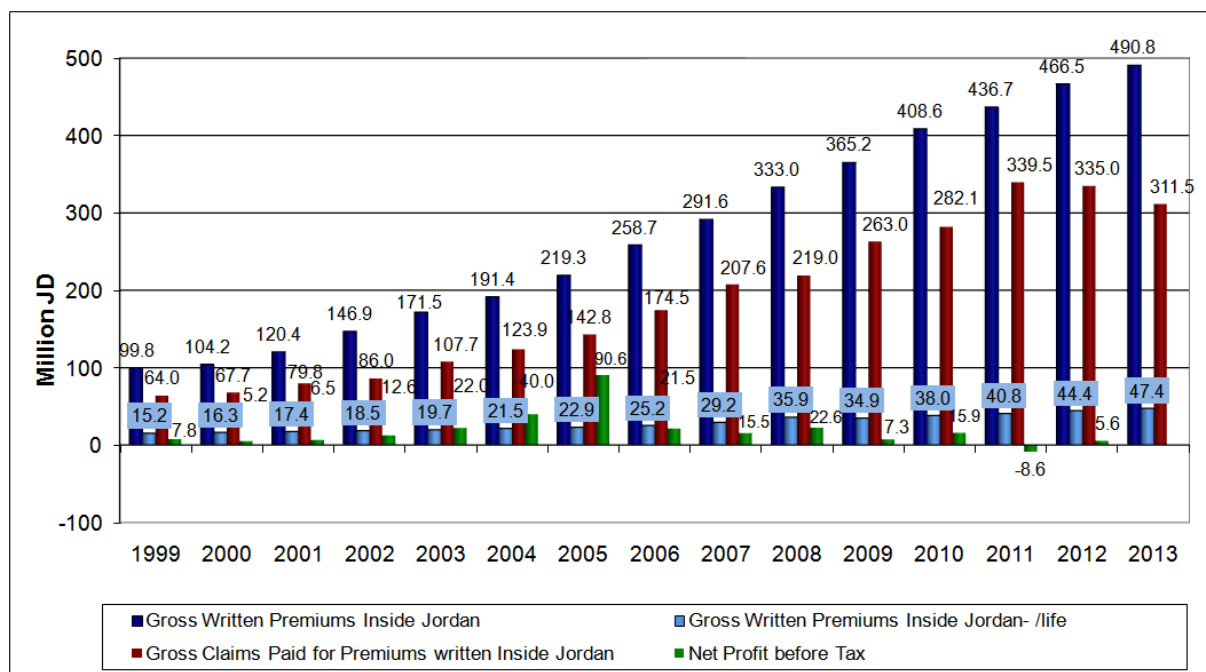


2. Developing the insurance sector and strengthening social protection network:-

The total underwritten premiums have grown by approximately 5-fold during the period from 1999 to 2013, from (99.8) million dinars in 1999 to (490.8) million dinars in 2013, with an annual growth rate of (12%).

Insurance penetration ratio¹ is still less than world levels, amounting to about 7%, where it has reached (2.1%) in Jordan, noting that it is one of the highest rates in the Middle East and North Africa, which have a rate of (1.5%).

Figure (I-3): Progression of the Insurance Sector for the years 1999-2013



2-1 Insurance awareness: -

In order to raise insurance awareness and awareness of insurance benefits and products, in addition to identify Insurance Commission and its services, the Commission launched a comprehensive strategy to raise awareness of insurance which has been implemented in several stages. The insurance awareness campaign included the following: -

1. Publishing awareness messages to define the role of Insurance Commission, motor accidents compensation fund, and insurance disputes resolution committee in all daily newspapers and via SMS messages in collaboration with

¹ Ratio of underwritten premiums to GDP.

the Ministry of Communications and Information Technology through the e-government portal.

2. In the field of printed media, the Commission issued awareness bulletins regarding motor comprehensive and compulsory insurance and Insurance Dispute Resolution Committee, and also issued, in collaboration with Public Security Directorate, an informative bulletin (brochure) on how to deal with motor accidents and distributed it through different departments of Public Security Directorate.
3. In the field of audio-visual media, the Commission carried out many television and radio interviews to explain the functions and services of the Commission and display the new legislations and answer questions of citizens concerning various aspects of insurance.
4. Holding tens of awareness lectures in a wide range of public and private institutions, universities and schools in various regions of the Kingdom to define insurance and its products and benefits and the role of the Commission in regulating the insurance sector as well as developing and protecting the rights of the insured.
5. Launching a public competition to raise insurance awareness among all community sectors in collaboration with local insurance companies.
6. Conducting a study to measure insurance awareness on extensive samples of individuals and companies in order to ensure the proper guidance for the implications of insurance awareness campaign in the coming years and identifying information tools through which the campaign is implemented.

2-2 Qualifying the workers in the insurance sector: -

With the aim of raising the level of employees in the insurance sector professionally and technically, in cooperation and coordination with the specialized regional and international insurance institutes in the field of insurance, and as recognition for the importance of improving the performance of employees in the insurance sector and the extent of its positive reflection on their institutions

through attending training programs and vocational qualification, and in line with this trend, the Commission since its inception has embarked on implementing programs for qualifying insurance sector employees in insurance disciplines, which have been expanded to include a number of technical and vocational qualification programs for the staff of the Commission and the sector which qualify the participant to obtain professional certification specializing in the science of insurance and under the supervision of specialized international insurance institutes, where the number of graduates until the end of 2013 has reached (461) graduates.

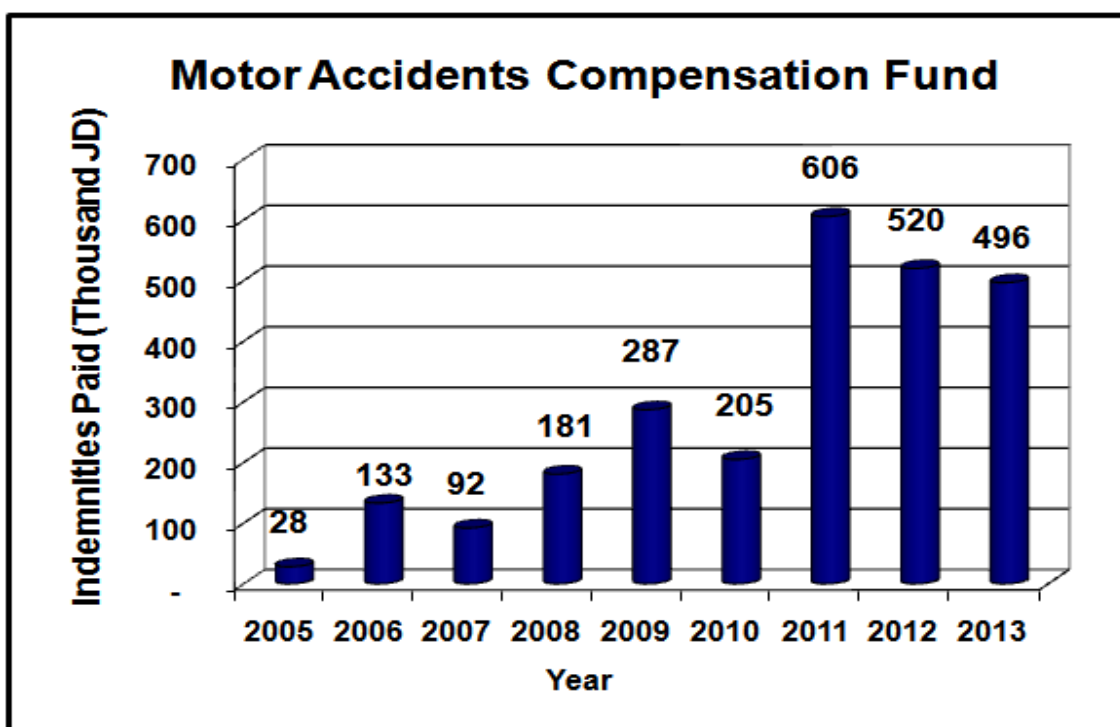
In order to achieve integration in the training services provided to include various aspects of the subject of insurance and related sciences, and in light of the pursuit of the Commission since its inception to pay attention to qualifying the human elements and developing their skills in various insurance areas, and in order to raise the efficiency of the insurance sector and its employees, the Commission has worked on preparing a study to establish the Jordanian insurance Institute in order to develop and train workers in the sector by offering multiple training programs and studies specializing in insurance.

2-3 Motor Accident Compensation Fund:

In order to provide compensation for those affected by motor accidents in cases where there is no insurance coverage due to the expiry of the insurance policy or lack of knowledge of the driver or owner of the vehicle that caused the damage, regulations for motor accidents compensation fund have been issued, where the fund aims to compensate the victims of motor accidents for death, physical injuries, moral damages and medical treatment expenses arising from motor accidents in the above two cases.

(578) claims were submitted to the fund since its inception up to the end of 2013, and the total compensations paid by the Fund have reached (2.6) million Jordanian Dinar since its inception in 2004 until the end of 2013.

Figure (I- 4): Indemnities Paid by Motor Accidents Compensation Fund



3-4 Introducing National Insurance Programs and Motivating the Sector to Develop New Insurance Products with a Social Dimension:

The provision of social protection and stimulation of sector to develop new insurance products with a social dimension which contribute to the development of the insurance sector and enhance its growth and its role in social protection occupies a high rank in the priorities of the Commission. Therefore, the Commission has launched several initiatives that include: -

1. Preparing the legislative framework regulating the compulsory insurance business against the risks of fire and earthquakes for commercial establishments in order to provide economic stability in the kingdom and protect owners and operators of establishments from the risks they may face which exceed their expectations, and their losses are greater than what they can

afford. The Compulsory Insurance against Fire and Earthquakes Regulation No. (65) of 2013 was issued to replace the Compulsory Insurance against Fire and Earthquake Regulation No. (21) of 2011 which has obliged any commercial facility that keeps regular audited accounts and the value of its assets is more than five hundred thousand Jordanian Dinars, whether owned by the public or private sector to comply with the insurance against fire and earthquake risks that may affect the assets of this property and the actual value of these assets at the conclusion of the insurance contract, due to the advantages of this type of insurance as this insurance, like other types of insurance, depends on the theory of transferring risk of damage to institutions to a body specialized to bear that risk and distributing it through the processes of insurance and reinsurance against a cost of insurance premiums paid by the insured.

The work with this regulation will be made according to the date determined by the Council of Ministers. The Commission is currently preparing the operational instructions of the regulation in coordination and consultation with all stakeholders to verify the development of appropriate legislation frameworks and to ensure optimal implementation of the provisions of the regulation.

2. Project for the insurance against the risks of earthquakes for the housing units, which aims to ensure the existence of entity able to compensate for the citizens of the risks that their property could be exposed to in the event of risk of earthquakes.
- 3 Project for expanding the umbrella of private medical insurance through insurance companies to cover workers in the private sector institutions that are subject to Social Security, which was submitted to the prime minister in 2010.
4. Project for the provision of medical insurance coverage for non-Jordanians workers.
5. Project for the provision of medical insurance coverage for visitors to the Kingdom.

6. Providing insurance protection for the less fortunate segments of society and low-income people through the study of the potential of providing micro-insurance products.
7. Professional liability insurance, where the Commission worked to conduct a study on professional liability and global applications on different professions and their applicability in Jordan. The Commission works to continue coordination with the concerned authorities regarding the provision of appropriate compensation to those affected by medical and professional errors and the provision of protection against civil liability arising from these errors through studying professional liability insurance and holding meetings with stakeholders to raise awareness of this issue and its importance and discuss the methods of its implementation.
8. Stimulating life insurance and private pension insurance in the Kingdom. Since life insurance and private pension insurance are of the most important tributaries of saving and medium and long term investment, the Insurance Commission has proposed the following:
 - Granting tax exemptions to life insurance products, including private pension insurance by deferring taxation until the maturity of the pension as a kind of stimulus to the demand for this type of insurance, noting that Income Tax Law for the year 2009 was not taken in the proposals.
 - Reconsidering the composition of the current retirement system in line with the global trends based on 3 Pillar approach, provided by the Social Security Corporation and life insurance companies, where the Insurance Commission presented recommendations for the purpose of determining the method of submission to Social Security and the setting upper limits on salary amount for social security retirement calculations, these recommendations were considered and implemented.
 - Commission issued the instructions regulating annuities and management of pension funds.
 - Issuing legal frameworks to regulate the private pension insurance business, where the Commission issued Instructions Regulating life Annuities No. (4) of 2011 and Instructions Regulating Management of life Annuities and Pension funds No. (5) of 2011. These instructions addressed many

provisions that ensure the provision of appropriate control over insurance companies that offer this kind of policies in a way that preserves the rights of the insured and beneficiaries. The Instructions Regulating Management of life Annuities and Pension funds addressed a set of provisions for licensing the insurance company that wishes to practice life annuity management business, either for itself or for other insurance company or financial institution or investment fund that provides life annuity product and contracts with the company so that the company does the management business for this product. These instructions have also addressed the provisions for regulating and controlling insurance companies that practice life annuity management business.

9. Project for agricultural insurance in the Kingdom, in order to transfer a large portion of the risks to which this sector is exposed and distribute them technically and accurately in a way that provides financial protection for farmers and encourages investment in this sector, where a national program of agricultural insurance was prepared, and the subject has been transferred to the Ministry of Agriculture to establish a fund for agricultural risks in 2007.

3-5 Strengthen international, regional and local relations: -

The Commission coordinates and communicates with the bodies that regulate and oversee the financial sector locally as well as the bodies that regulate the insurance sector regionally and internationally, where the Insurance Commission is linked to a number of international organizations that deal with the insurance sector in order to take all the developments in the international arena, and those organizations are:-

- International Association of Insurance Supervisors
- International Organization of Pension Supervisors
- International Association of Insurance Fraud Agencies
- International Insurance Society
- Islamic Financial Services Board (IFSB)
- Arab Forum of Insurance Regulatory Commissions (AFIRC)

- Insurance Commission is a member of the Technical Committee of the International Association of Insurance Supervision (IAIS) as a representative of the Middle East and North Africa, in addition to presiding over the regional coordinators of the Committee in the Association.
- The Insurance Commission chaired the Arab Forum of Insurance Regulatory Commissions (AFIRC) during the period from 2006-2009, where it had the primary role in the formulation and preparation of the rules of procedure of the forum and the signing of a memorandum of understanding among the members which aims to enhance cooperation between the Arab bodies to oversee and control insurance business and exchange information, experiences and joint programs. The forum includes within its membership (16) Arab state.
- Participating in the meetings of the working group on the development of a standard for institutional control in the Takaful operations, which have been formed by the Islamic Financial Services Board (IFSB) for the purposes of setting global standards for the technical and legal aspects of the Islamic financial services.
- Insurance Commission has signed a number of memorandums of understanding locally, regionally and internationally with a number of bodies of financial control and / or the insurance business control in order to exchange information and experiences and coordinate the work with each other.
- Giving lectures on insurance in general and compulsory insurance in particular for a number of ministries and public and private institutions.
- Organizing conferences and workshops, most important of which is the forty-fifth annual conference of the insurance International Society.



Chapter One

Achievements of the Insurance Commission during 2013

First: Protecting the Rights of the Policyholders , Regulating and Supervising the Insurance Sector

1-1 Completing and Developing the Legislative Framework Regulating the Insurance Sector in Accordance with the International Best Practices

In order to regulate the insurance sector, the Insurance Commission strives to develop and update the legal frameworks regulating the insurance business from the legal, technical and financial regulating the work of insurance companies and of insurance supporting services providers, as the Commission has issued and amended a set of legislations during 2013 as follows: -

1.1.1 Regulating the Issuance of Complementary Motor Insurance Policies and Various Insurance Policies

In order to regulate the process of issuing motor insurance policies and ensure that citizens only obtain insurance policies from authorized parties, namely; insurance companies and insurance agents who are licensed by IC and approved by insurance companies, IC recently issued the “Amended instructions for the Issuance of Complementary Motor Insurance Policies” No. (2) of 2013 and the “Amended instructions for Codes of Conduct and Ethics for Insurance Companies” No. (3) of 2013; in line with applicable legislations which require professionalism and transparency when dealing with the insured.

The amendments included requiring insurance companies to state the insured amount, price/value of the insurance policy and deductible amount in the policy schedule or in a clearly visible part of the first page of the policy. This applies to complementary insurance policies and all types of insurance

policies as of February 2, 2014. The Regulations also require insurance companies, as of July 1, 2014, to issue insurance policies electronically through a computerized electronic system connected to companies' head offices and to state the insured amount, price/value of the insurance policy and deductible amount in the policy schedule or in a clearly visible part of the first page of the policy. This would help determine the parties authorized to issue complementary motor insurance policies and compel insurance companies to get electronically connected with their branches and approved insurance agents throughout the Kingdom, which would help control the electronic issuance of insurance policies by companies and their branches and approved agents and prevent manual issuance of policies.

The amended instructions will also protect the rights of citizens and address certain adverse practices of insurance brokers, such as selling motor insurance policies for values higher than those stated in companies' records or issuing total loss insurance setting insured amounts that are not commensurate with the actual values (market value) of vehicle, which constitutes an explicit violation of the provisions of the law and insurance principles whereas the policy loses its intended purpose which is to indemnify the insured for the loss incurred thereby due to the risks insured against thus, contravening the principle of compensation which is the basis of motor insurance contracts.

It is worth mentioning that IC has issued the Instructions for the Issuance of Complementary Motor Insurance Policies in 2012 in order to enable insurance companies to underwrite insurance risks in line with sound technical bases and encourage companies to compete in offering outstanding insurance products and services.

1.1.2 Amended Instructions of Determining the Volume of Underwriting in Compulsory Motor Insurance

Practical applications have shown the need to amend the Instructions of Determining the Volume of Underwriting in Compulsory Motor Insurance No. (27) of 2010, for the purpose of setting an upper limit for the

concentration of compulsory motor insurance premiums within the premium portfolio of insurance companies in light of weakness of the financial position (net equity). Furthermore, the similarity of technical risks for compulsory motor insurance for both Jordanian and foreign vehicles makes it necessary to amend instructions so as to apply the upper and lower limits to the total insurance premiums allowed to be underwritten on the Jordanian and foreign vehicles.

1.1.3 Compulsory Fire and Earthquakes Insurance Regulation

The Compulsory Insurance against Fire and Earthquakes Regulation No. (65) of 2013 was issued to replace the Compulsory Insurance against Fire and Earthquakes Regulation No. (21) of 2011, the application of which proved to be faced by several obstacles affecting the Jordanian Society, particularly under the government's approach to alleviate the financial burdens carried by citizens.

Under said regulation, every public or private business establishment maintaining audited statutory accounts and having assets the value of which exceeds five hundred Jordanian dinars, is required to obtain fire and earthquake insurance for said assets for the actual value of the same at the time of concluding the insurance contract.

The requirement to obtain fire and earthquake insurance as provided for in said regulation reflects IC's belief in the importance of this type of insurance in protecting the owners and operators of establishments from unanticipated perils they may encounter entailing more loss than they can afford, and protecting public establishments from perils they may encounter due to fire or earthquakes. It therefore protects the owners of business establishments from overlooked surprises and losses by transferring risk to a solvent party that is capable of indemnifying the insured.

Under the regulation, insurance company indemnifies the insured for material loss arising directly from fire and earthquakes up to the insured amount stated in the insurance policy. The occurrence of fire or earthquakes

is verified by referring to the reports issued by official authorities responsible for detecting earthquakes, the Public Security Directorate and Civil Defense Directorate, with said reports being binding to both the insurance company and the insured.

It is worth mentioning that where an establishment is operated by anyone other than its owner, the regulation requires said operator to obtain fire and earthquake insurance for the assets of said establishments. The regulation prevents Greater Amman Municipality and other municipalities from issuing or renewing professional licenses to establishments without furnishing proof of purchasing fire and earthquake insurance policies.

The Insurance Commission will review and approve the forms of insurance policies and the annexes relating to insurance coverage, and will enforce and verify compliance with the technical and administrative controls relating to this type of insurance.

While this regulation limits the requirement to insure against fire and earthquakes to establishments with assets the value of which exceeds five hundred thousand Jordanian dinars, it allows for extending insurance coverage to industrial and commercial establishments with assets the value of which is less than five hundred thousand dinars as may be deemed fit by the Council of Ministers in order to protect public interest and expand the social protection network. The current regulation also provides companies with greater flexibility in the issuance of insurance policies to meet the various needs of the insured. In addition, the terms of insurance policies, coverage, exclusions and deductible amounts will be specified. On the other hand, the regulation requires insurance companies to provide the necessary technical and administrative staff to provide the required insurance coverage, and to explain the implementation mechanism between owners and lessees of establishments.

This regulation will enter into force on the date specified by the Council of Ministers and the Commission is currently preparing the operational instructions of the regulation in coordination and consultation with all

relevant parties in order to ensure the development of appropriate legislative frameworks and optimal implementation of the provisions of the regulation.

1-2 Promoting, Developing and Implementing Regulatory Frameworks on the Insurance Sector in order to Ensure its Ability to Meet its Obligations and Strengthen Solvency

1-2-1 Regulating and Supervising Insurance Companies

The Insurance Commission continued to work by methods of office supervision and field visits to insurance companies in order to verify the solvency of these companies and ensure the ability to meet their financial obligations and compliance with the codes of conduct and ethics and corporate governance principles and the preventive measures for avoiding money laundering operations in insurance activities and their compliance with the provisions of law, regulations and related instructions, and to take precautionary and corrective measures based on the results of the office supervision and field inspections, and follow-up of involved companies to correct the irregularities and take necessary actions.

1. Office Supervision of Insurance Companies

The Commission continued the implementation of Supervisory ladder Project during 2013 as a standard for assessing the risk, which depends on capital adequacy, asset quality, technical provisions adequacy, management, earnings quality, liquidity and subsidiary and affiliate companies, as it concentrates the control over the areas of risk in the company (Risk Based Approach), which a successful and more effective means to achieve a higher level of control over the insurance companies. The Commission followed this approach of control through the analysis of insurance companies data received in each quarter of the fiscal year as a means for the continuity and more reliance on this project.

The Commission has monitored the status of insurance companies on an ongoing basis and implemented special methods to be able to obtain faster indicators about their conditions, and in particular the Commission has made the following:

- Verifying the compliance of the insurance companies with the capital adequacy standard (solvency margin) in order to verify the solvency of these companies and ensure the ability to meet their financial obligations and taking the necessary legal procedures against non-compliant companies, as described in the article “Commission’s Precautionary and Corrective Actions.”
- Examining reinsurance arrangements at the insurance companies, and verifying the safety and durability of the financial and administrative centers of the reinsurance companies with which the local insurance companies deal and verifying compliance with the regulations issued in this regard so as to ensure the rights of the insured.
- Observing the investment policy for insurance companies to determine the extent of their compliance with the regulations issued by the Commission, and comparing it with the company's actual investments to make sure that the company implements it on the ground, in addition to monitoring companies investment and making sure not to violate the regulations issued by the Commission as well as monitoring the offending companies in order to correct their situations.
- Strengthening the institutional governance of insurance companies: the Commission has monitored the extent of harmony of institutional performance of the insurance companies with these principles in order to improve institutional performance of these companies, as the Commission has reviewed the regulations and policies adopted and required by insurance companies under the regulations of the Insurance Commission with respect to the board of directors of insurance companies and the executive management and regulations of internal control, risk management, Audit Committee and Internal Audit.
- Renewing the insurance companies’ licenses annually after studying requests for renewal of insurance companies’ license and verifying the

availability of the necessary conditions and requirements in accordance with the legislations issued by the Commission.

- Monitoring the size of underwriting in compulsory motor insurance for Jordanian vehicles: The Commission monitors the size of underwriting in compulsory motor insurance on monthly basis, in order to identify the extent of their compliance with the instruction of determining the volume of underwriting in compulsory motor insurance No. (27) of 2010 and their amendments, which regulated the size of underwriting motor compulsory insurance in order to ensure the ability of insurance companies to meet their financial obligations and prevent the concentration in the insurance business, so that the total premiums of compulsory motor insurance for Jordanian vehicles ¹are no less than (5%) and do not exceed (75%) of the total equity of the company's business in the Kingdom. Accordingly, the Commission during the 2013 has suspended (7) insurance companies from underwriting in motor compulsory insurance branch because they have exceeded the maximum allowed limit, namely:

Table (1-1): Insurance Companies that Exceeded the Upper Limit of Total Compulsory Motor Insurance Premiums During 2013

	Company	Date of exceeding the upper limit
1	Holy Land Insurance	May 21, 2013
2	Jordan Emirates Insurance	July 25, 2013
3	Philadelphia Insurance	Sept. 04, 2013
4	Arab Assurers Insurance	Sept. 04, 2013
5	Arab Jordanian Insurance Group	Sept. 12, 2013
6	Jordan French Insurance	Oct. 22, 2013
7	Arab Union International Insurance	Nov. 17, 2013

¹ Application of the upper limit on the Jordanian and foreign vehicles with effect from 1/9/2013 in accordance with Amended regulations of the regulations for the principles of specifying the underwriting size in motor compulsory insurance, while previously the upper limit was applied to the Jordanian vehicles only.

2. Field Inspection on Insurance Companies

The Commission continued to conduct field visits to assess the status of companies relying on the financial statements submitted by the companies and to make sure of the extent to harmony of companies business with legal and regulatory frameworks governing such business and try to focus on areas of risk and find solutions to these problems, according to a schedule approved by the Commission.

Table (1-2): Number of Inspection Visits to Insurance Companies

No. of Inspection Visits to Insurance Companies		2012	2013
1) inspection visits			
A	According to the inspection plan	10	6
B	Unscheduled	4	-
2) short visits related to a specific topic		4	1

The Commission, through field inspection tours, has also monitored the actual implementation of the procedures carried out by the insurance companies to get to know the customers and ensure the availability of preventive controls to prevent violation of these procedures. The Commission has requested a certificate from the insurance companies' external auditors to assess the extent of the compliance of companies with the implementation of the Regulations for Anti-Money Laundering.

3. Approvals for Key Staff of Insurance Companies

In order to check the availability of adequate competence and experience in the insurance business with the key personnel of insurance companies, the Commission is examining the qualifications and experience of key staff in order to be appointed to the insurance companies, where the body during the 2013 has approved (115) employees at these major companies.

Table (1-3): Number of Employees in Insurance Companies at the End of 2013

Company Name	Number of Employees	Number of Key Employees
Arab Union International Insurance	58	13
Holy Land Insurance	69	15
Jordan International Insurance	74	23
Jordan French Insurance	110	22
American Life Insurance	84	16
Al-Manara Insurance	55	13
Jordan Insurance	223	19
Islamic Insurance	94	15
Arab Insurance – Jordan	69	13
National Insurance	64	11
Middle East Insurance	147	27
Arab Orient Insurance	264	26
Arab Assurers	76	16
Arab Life and Accidents Insurance	173	20
Arab German Insurance ¹	Suspended due to restructuring	Suspended due to restructuring
Al Barakah Takaful ²	Suspended due to restructuring	Suspended due to restructuring
Jerusalem Insurance	115	8
United Insurance	54	12
MEDGULF Insurance	63	11
Arab Jordanian Insurance Group	73	14
Euro Arab Insurance Group	101	22
Al-Nisr Al- Arabi Insurance	268	13
Jordan Emirates Insurance	91	12
Al Yarmouk Insurance	43	14
Gerasa Insurance	Voluntary liquidation	Voluntary liquidation
Delta Insurance	62	12
Philadelphia Insurance	50	8
First Insurance	89	12
Total	2569	400

¹ Compulsory Liquidation of Arab German Insurance Company as of the date 1/3/2014.

² Compulsory Liquidation of Al Barakah Takaful Company as of the date 8/1/2014.

4- Approvals for new insurance products

the Insurance Commission examines new insurance products and approves their issuance in order to verify the clarity of the terms and conditions of insurance policies and not to include conditions contrary to the Insurance Regulatory Act and regulations, instructions and decisions issued pursuant thereto, as well as to verify the principles of underwriting these products and the methods for determining the premiums in order to be identified according to the correct actuarial principles, as the Commission during 2013 has approved (17) new products for different insurance companies.

Table (1-4): Number of Approved New Products Introduced by Insurance Companies During 2013

Company	Number of New Products per Insurance License During the Year 2013				
	Total	Fire and other Damage s to Property	Medical Insurance	Other General Insurance	Life Insurance
Holy Land Insurance	1			1	
American Life Insurance	2				2
Al-Manara Insurance	1			1	
Arab Insurance -Jordan	1			1	
National Insurance	2			2	
Arab Orient Insurance	4	1	1	2	
Arab Life and Accidents Insurance	4		1	1	2
United Insurance	2		1	1	
Total	17	1	3	9	4

5. Granting and Revoking Insurance Licenses

On June 18, 2013 the Insurance Commission Board of Directors decided to approve the decision of the Extraordinary General Commission of Gerasa Insurance Company to liquidate the company voluntary liquidation pursuant to the provisions of Clause (a) of Article (51) and Article (64) of the Insurance Regulatory Act No. 33 of 1999 and its amendments. Accordingly,

it has been decided to liquidate Gerasa Insurance company voluntary liquidation, and Mr. Mazen Elayyan has been appointed as liquidator of the company.

6. Commission's Precautionary and Corrective Measures

Based on results of the office supervision and field inspection, locations that lack compliance has been identified, and fines have been imposed on offensive insurance companies, based on the provisions of the Insurance Regulatory Act No. 33 of 1999 and its amendments and the regulations and instructions issued pursuant thereto. The Commission has worked to follow up on the companies involved to correct these irregularities and take action.

Table (1-5): The Nature of the Most important Insurance Companies' Violations During 2013

	Type of Violation	Number of violations	Description of the most important violations
1	Violating the Insurance Regulatory Act No. 33 of 1999 and its amended	2	1. Paying commissions 2-Selling insurance policies without obtaining IC approval.
2	Violating of Compulsory Motor Insurance Regulation No. (12) of 2010	1	Obtaining the exemption amount from the affected person.
3	Violating Professional Codes of Conduct and Ethics for Insurance Companies Instructions No. (9) of 2004 and their amendments	4	1. Dealing with non-licensed people and paying them commissions. 2. Delays in processing claims during the legal limit. 3. Failure to provide the client with a copy of the insurance policy and annexes. 4. Failure to deal with the utmost good faith, justice and efficiency.
4	Violating Corporate Governance for Insurance Company Instructions No. (2) of 2006 and its amendments	1	Registration of collected premiums
5	Violating Licensing and Regulating the Business and Responsibilities of an Insurance Agent and instruction No. (1) of 2005 and Amendments Thereof	3	Paying commissions to non-licensed people to practice the insurance agency business.

	Type of Violation	Number of violations	Description of the most important violations
6	Violating the Regulation of Reinsurance Standards No. (4) of 2002 and its amendments	1	Assigning shares and dealing with unclassified reinsurers.
7	Violating the Regulation of Compulsory Motor Insurance Premiums No. (23) of 2010 and its amendments	1	Obtaining the exemption amount from the affected person.
8	Violating the Regulation of the Solvency Margin No. (3) for the year 2002	4	Correcting the financial situation of the companies.
	Total	17	

Insurance Regulatory Act No. 33 of 1999 and its amendments has identified actions to be taken against the defaulting companies to give these companies the opportunity to correct their situation in line with the protection of rights of the insured and the company's creditors. In accordance with the provisions of abovementioned law, the Insurance Commission has taken actions against the following companies:

▪ **Actions taken towards Al Baraka Takaful Company:**

On 07/01/2013, and pursuant to the provisions of subsection (1) of clause (a) of Article (60) of the abovementioned Act, the Board of Directors decided to restructure Al Barakah Takaful insurance company for a period of three months as of the abovementioned date, and to resolve the company's Board of Directors and form a neutral committee to restructure the mentioned company.

On April 18, 2013, and pursuant to the provisions of subsection (1) of clause (a) of Article (60) of the abovementioned Act, the Board of Directors decided to extend the restructuring period of Al Barakah Takaful insurance company until the date of May 31, 2013. On May 30, 2013, the Board of Directors decided to extend the restructuring period of Al Barakah Takaful insurance company until the date of July 31, 2013, and on July 31, 2013 the Board of Directors decided to extend the restructuring period of Al Barakah Takaful insurance company until the date of Sept. 30, 2013. On Sept. 30, 2013 the Board of Directors decided to extend the

restructuring period of Al Barakah Takaful insurance company until the date of Dec. 30, 2013, and on Dec. 30, 2013, the Board of Directors decided to extend the restructuring period of Al Barakah Takaful insurance company to the date of January 7, 2014.

Noting that the Board of Directors of the Insurance Commission decided to liquidate Al Barakah Takaful insurance company as of January 8, 2014 and appoint the Lawyer Mr. Mazen Irshaidat as a liquidator for the company to assume liquidation, supervise the work and maintain its funds, assets and rights and represent the company until the completion of the liquidation process in accordance with the provisions of the Insurance Regulatory Act No. 33 of 1999 and its amendments, after Al Baraka Takaful has undergone the restructuring process in order to have a chance to correct its situation to ensure payment of its obligations to the insured and overcome the financial failure it has faced, but it has been shown clearly that the actions taken within the restructuring process were not feasible and the company was unable to overcome this failure which resulted in the decision of liquidation.

▪ **Actions taken towards Arab German Insurance Company:**

On January 13, 2013, and pursuant to the provisions of subsection (9) of clause (b) of Article (41) of the Insurance Regulatory Act No. 33 of 1999 and its amendments, the Board of Directors of the Insurance Commission decided to extend the suspension of license of the Arab German Insurance Company for another three months, thereby prohibiting the company from concluding new insurance contracts from the date of suspension, as well as considering all the rights and obligations arising from the contracts concluded prior to the suspension to be correct and valid and the company remains liable for them, pursuant to the provisions of clause (b) of Article (49) of the said Act. On April 14, 2013 and May 13, 2013, the Board of Directors of the Insurance Commission decided to extend the suspension of license of Arab German Insurance Company for another month and another two weeks, respectively.

On May 27, 2013, and pursuant to the provisions of subsection (1) of clause (a) of Article (60) of the said Act, the Board of Directors of the Insurance Commission

decided to restructure the Arab German Insurance Company for a period of six months, and to resolve the company's Board of Directors and form a neutral committee to restructure the company. On Nov. 27, 2013, the Board of Directors of the Insurance Commission decided to extend the restructuring period of the Arab German Insurance Company for further three months.

Noting that the Board of Directors of the Insurance Commission decided to liquidate the company of Arab German Insurance Company as of 1/3/2014 and appoint Lawyer Mr. Nabil Abu-Ghazaleh as a liquidator of the company to assume the liquidation process, supervise the work and maintain its funds, assets, rights and representation until the completion of the liquidation process, in accordance with the provisions of the Insurance Regulatory Act No. (33) of 1999 and its amendments. The decision was taken to liquidate the Arab German Insurance Company after the Commission has taken a series of follow-ups with the company and then has taken appropriate action against it as a result of the negative administrative practices of the company and serious violation of the provisions of Insurance Regulatory Act No. 33 of 1999 and its amendments as well as the instructions issued pursuant thereof, which harmed the interests of the company and led to its financial failure. The last action the company has been subject to before resorting to liquidation decision was the restructuring which has been granted in order to give the company an opportunity to correct its situation to ensure payment of its obligations and overcome the financial failure it has faced, but it turned out clearly that the company was unable to overcome this failure which resulted in the issuance of the liquidation decision.

The Legal Framework Regulating the Commission's Corrective Measures - Article (41) of Insurance Regulatory Act No. 33 of 1999 and its amendments

As a result of the implementation of the supervisory and regulatory frameworks at the Commission, in the event of the occurrence of any of the following cases:

1. If the Company did not or may not fulfill its obligations or where the Company fails to continue its business.
2. If the Company committed a violation to the provisions of this Act, Regulation, Instructions or Decisions issued by virtue thereof.

3. If the necessary arrangements of the Company to reinsure risks are not enough, or that such arrangements are not taken.
4. If the Company has a gross violation of the business plan submitted to the Director General, according to which the License was granted.
5. If the company's losses exceed (50%) of its paid-up capital.
6. If the Company is not transacting business for a period not less than one year, without justified or legitimate reason.

Then, the following corrective actions shall be taken by the Board of Directors of Insurance Commission:

1. Prohibit the company from entering into additional insurance contracts, or prevent it from conducting activities in one or more branches of insurance.
2. Impose a limit on the total premiums collected by the company in return for insurance policies.
3. Maintain within Jordan assets whose value is equal to the net liabilities arising from its activities in Jordan or a certain percentage of the amount.
4. Restrict the company's investing activities related to solvency margin or enforce the company to liquidate its investments in any investing activities to this end.
5. Request from the company or the head quarters of a foreign insurance company, as the case maybe, to take the necessary measures to rectify its administrative situation, which may include the removal of the director general, acting director, or any senior employees.
6. Remove the chairman of the board of directors of the company or any member of the board if it is proved that he/she is responsible for the violation.
7. Dissolve the company's board of directors, appoint a temporary, impartial technocratic, administrative committee, name a new chairman and vice-chairman, and assign the committee's tasks and powers for a period not exceeding six months, renewable for a period not exceeding one year, if necessary. The company must pay the committees' salaries as determined by the Commission's Board. And when the committee is done, a new board of directors will be elected in accordance with the provisions of the companies Law.
8. Upon their approval, take the required measures to merge companies.
9. Suspend or revoke the company's license.
10. Restructure the company.
11. Liquidate the company.

1.2.2 Regulating and Supervising the Insurance Supporting Service Providers

The Commission continued to receive and examine license applications and license renewal for insurance supporting services providers in addition to the requests for suspension and cancellation of a number of licenses and re-entry in the records of the Commission and the follow-up to the approval of the staff at the insurance supporting service providers, where the Commission has ensured the availability of the necessary conditions and requirements in accordance with the regulations issued by the Commission . The table below shows the evolution of the number of insurance supporting services providers, noting that the number of insurance supporting services providers and their staff has reached (1599) at the end of 2012.

Table (1- 6): Number of Insurance Supporting Services Providers for the years 2009 - 2013

Statement	2009	2010	2011	2012	2013	Growth rate for 2013 compared with 2012
Insurance Agents	٥٠٥	٥١٤	٥٨٣	٥٨٩	٥٨٣	-1%
Insurance Brokers	٨٢	٩٨	١١٤	١٢٧	١٤٢	12%
Reinsurance Brokers (local)	٩	١١	١٥	٢٢	٢٢	0%
Loss Adjusters and Surveyors	٤٦	٥٠	٥٦	٥٩	٥٨	-2%
Cover holders	٠	١	١	١	١	0%
Actuaries	١٣	١٣	١٥	١٦	١٨	13%
Insurance Consultants	١٦	٢٢	٢٩	٣٠	٣١	3%
Companies administrating insurance business	١٣	١٥	١٥	١٦	١٦	0%
Banks licensed to practice insurance business banking	١١	٩	١٠	١٠	١٠	0%
Non-resident Reinsurance Brokers *	—	٣٨	٣٢	٣٤	٣٦	6%
Total	٦٩٥	٧٧١	٨٧٠	٩٠٤	٩١٧	1.4%

* The inclusion of a number of reinsurance brokers residing abroad who are approved by the Commission to conduct their business inside the kingdom has started in 2010.

In this regard, it is noteworthy that the number of active insurance agents at insurance companies has reached (327) agents at the end of 2013, while the number of suspended insurance agents has reached (225) agents, as shown in the following table: -

Table (1-7): Number of Active and Suspended Insurance Agents at the end of 2013

Insurance Company	No. of active Agents	No. of Suspended Agents*
American Life Insurance	١١٣	225
Middle East Insurance	٣٧	
Arab German Insurance	٢٣	
Jerusalem Insurance	١٢	
Arab Orient Insurance	١٧	
Jordan French Insurance	٧	
Arab Assurers	١٢	
Arab Union International Insurance	١١	
United Insurance	١٠	
Jordan Insurance	٨	
National Insurance	٧	
Arab Life and Accidents Insurance	٨	
Arab Insurance -Jordan	٨	
Philadelphia Insurance	٧	
Al-Manara Insurance	٦	
Jordan Emirates Insurance	٥	
Al Yarmouk Insurance	٥	
Arab Jordanian Insurance Group	٦	
Holy Land Insurance	٣	
Delta Insurance	٤	
Al Barakah Takaful	٠	
Jordan International Insurance	٣	
Euro Arab Insurance Group	٤	
Islamic Insurance	٣	
First Insurance	٥	
MEDGULF Insurance	٢	
Al-Nisr Al- Arabi Insurance	١	
Gerasa Insurance	٠	
Total	٣٢٧	225

* Licensing of agent shall be suspended in the following cases: 1) at the request of the agent and after obtaining the approval of the insurance company which he practices the insurance business on its behalf. 2) In the event of cancellation of the agency agreement entered into between the agent and the insurance company which he practices the insurance business on its behalf.

The Commission also conducts office and field oversight to insurance supporting services providers to verify their compliance with the regulations issued by the Commission and the codes of conduct and ethics, through the following: -

- Conducting field visits to different categories of insurance supporting services providers to audit them and take the necessary measures regarding the violations that arise, where (137) inspection visits have been conducted during the year 2013, as shown in the table below.
- Monitoring the insurance activity of the insurance supporting services providers and auditing the financial statements and various financial regulatory statements submitted thereby and verifying that there are no violations for the provisions of the relevant regulations, which is a complementary role to the role of field visits.

Table (1-8): Number of Inspection Visits to Insurance Supporting Services Providers (2012-2013)

Insurance supporting services providers	No. of inspection visits during 2012	No. of inspection visits during 2013
Insurance Agents	100 visits to motor licensing areas	88 visits to insurance agents at motor licensing centers and arrivals centers
Insurance Brokers	11	35
Loss Adjusters and surveyors	17	12
companies administrating insurance business	3	2
Total	131	137

Table (1-9): The Nature of the Most Important Violations of Insurance Supporting Services Providers During 2013

	Type of violation	No. of violations	Insurance supporting services provider	Description of the most important violations
1	Correcting situations	26	18 insurance brokers	Violation of the provisions of the regulations issued by the Commission
			8 loss adjusters and surveyors	
2	Suspending license and correcting situations	4	3 insurance brokers	Violation of the provisions of the regulations issued by the Commission
			1 loss adjuster and examiner	
3	cancelling license	1	1 loss adjuster	Violation of the provisions of the regulations issued by the Commission represented in the failure of practicing loss settlement through a special office

1.3 Raising the Efficiency of Insurance Sector Institutions and Promoting Positive Competition

1.3.1 Partnership with Insurance Sector

Developing the insurance sector is achieved through concerted efforts of both the Commission and the insurance sector, thus the Commission has held periodic meetings with the insurance companies to listen to their suggestions and opinions in this regard and display the most important results of field inspections carried out by the Commission to the insurance companies in order to address them and explain the most important matters required to be implemented by insurance companies, in addition to discuss the Commission's annual plans and the studies and projects undertaken by the Insurance Commission.

Table (1-10): Periodic Meetings with Insurance Companies' Compliance Officers During 2013

Subject of the Meeting	Main Topics Raised at the Meeting	Date of Meeting
Results of field inspection: pros and cons	<ul style="list-style-type: none"> • field inspection of companies • situations of resorting to litigation directly by some customers to resolve insurance disputes • payment of compensation for claims • Incurred But Not Reported (IBNR) claims • Dealing with unclassified reinsurance companies • receivables for companies 	Feb. 25, 2013
Results of raising insurance awareness in partnership with us	<p>A presentation about insurance awareness:</p> <ul style="list-style-type: none"> • objectives of the Commission from the insurance awareness • Partnership of Commission and insurance companies in raising awareness of the importance of insurance • method of official statements issued by the Insurance Commission • the Commission's assistance in raising awareness regarding floating the price of motor compulsory insurance • raising insurance awareness through commercials 	March 17, 2013

Subject of the Meeting	Main Topics Raised at the Meeting	Date of Meeting
method of dealing with claims by adhering to the Regulation of Codes of Conduct and Ethics of the Profession	<ul style="list-style-type: none"> • explaining the means of resolving insurance disputes through Directorate of Queries and Insurance Dispute Resolution • the optimal way of dealing with claims submitted to insurance companies • The importance of training and qualifying workers in the insurance sector • Insurance Commission makes sure that the complaint submitted by citizen are legal • Fraud in claims 	April 29, 2013
Risk management, internal control regulations and anti-money laundering procedures	<ul style="list-style-type: none"> • the concept of risk • The nature of the work of re-insurance companies and their ability to cope with various risks • Terms of dealing with external unclassified reinsurers • foundations for the accreditation of reinsurance companies • Recent developments on the Natural Disasters Fund Project • method of dealing with the risk in the insurance companies through a risk management system to manage risk • Regulations for reinsurance standards and amendments No. (4) for the year 2002 • Anti-Money Laundering 	May 20, 2013

Subject of the Meeting	Main Topics Raised at the Meeting	Date of Meeting
Institutional governance	The concept and characteristics of the most important themes of Institutional governance regulations, causes of collapse in companies and their control by institutional governance, the importance of having a financial system that can be relied upon, actions taken by the Commission to limit the exploitation of the company and the role of Institutional governance regulations in preventing such cases, the discrepancy between the policies set by the Board of Directors and the decisions taken, the benefit of certain companies from the audits carried out by the Commission.	June 24, 2013

The Commission also met with insurance brokers on June 17, 2013 to discuss topics related to the work of insurance brokers and their role in the Jordanian insurance sector as well as the organization of their relationship with the insurance companies.



Side of the attendees of the meeting held by the Insurance Commission with insurance brokers on June 17, 2013

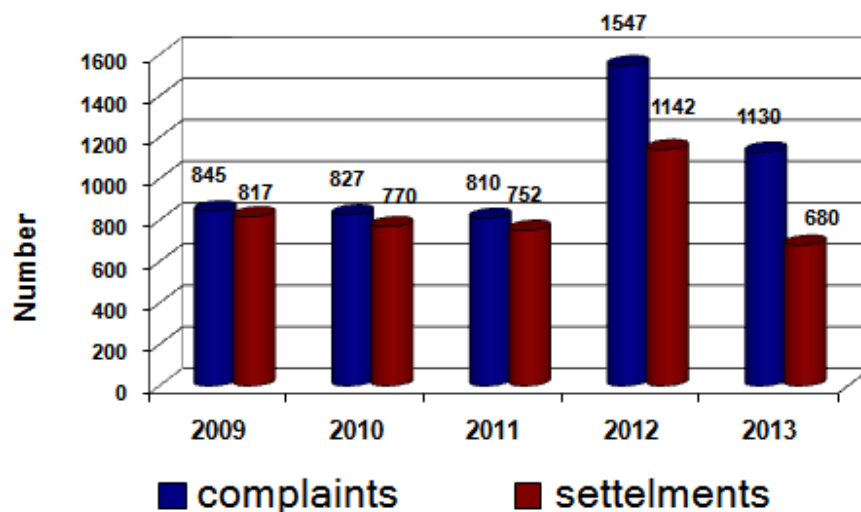
1.4 Activating Insurance Disputes Settlement so as to Reduce Time and Effort

The Commission constantly seeks to maintain a balance among the parties to the insurance contract, represented in its interest in providing the means and methods for addressing and resolving insurance disputes through the following: -

1.4.1 Inquiry and Insurance Dispute Resolution Department

The Commission works to receive citizens' complaints and try to reach a friendly settlement between the insured or beneficiaries of the insurance policy and the insurance company, where (1130) complaints were received during 2013. Such complaints were concentrated in motor insurance licensing by a rate of (98%), and the Commission's efforts resulted in the settlements of (680) of those complaints.

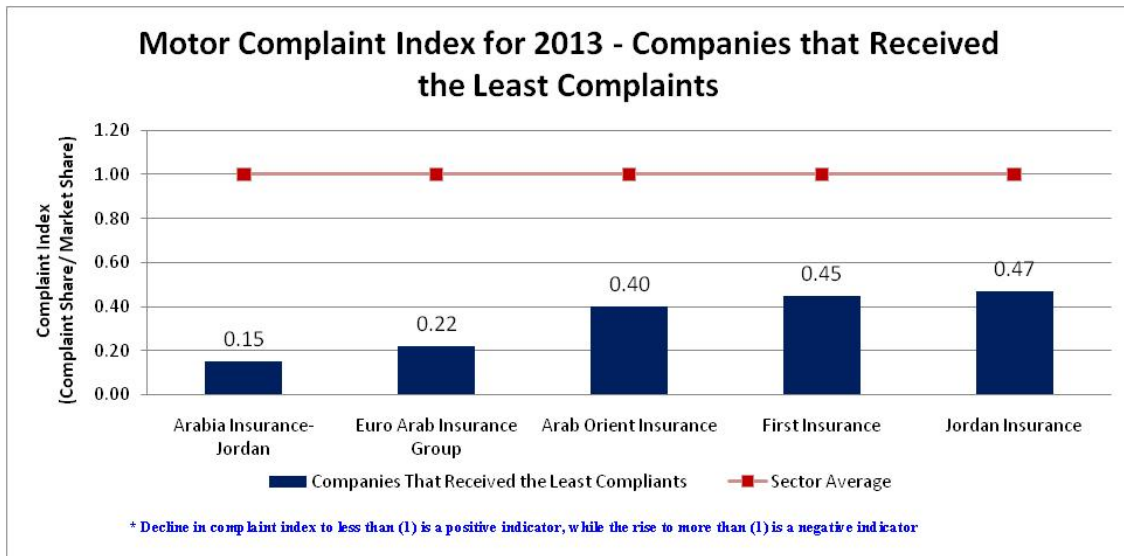
Figure (1-1): Number of Complaints and Settlements for the years 2009 – 2013



The Commission also calculates the complaints index of motor insurance, which is the company's share of the total number of complaints to its market share of gross premiums. Figure (1-2) below shows the complaints index of motor insurance for the best (5) insurance companies during 2013 in terms of the lowest number of complaints received by the Commission against

these companies. Figure (1-4) also shows the complaints index of motor insurance for 2013 for all the companies that have motor insurance license¹.

Figure (1-2): Motor Insurance Complaints Index for 2013- Companies that Received the Least Complaints

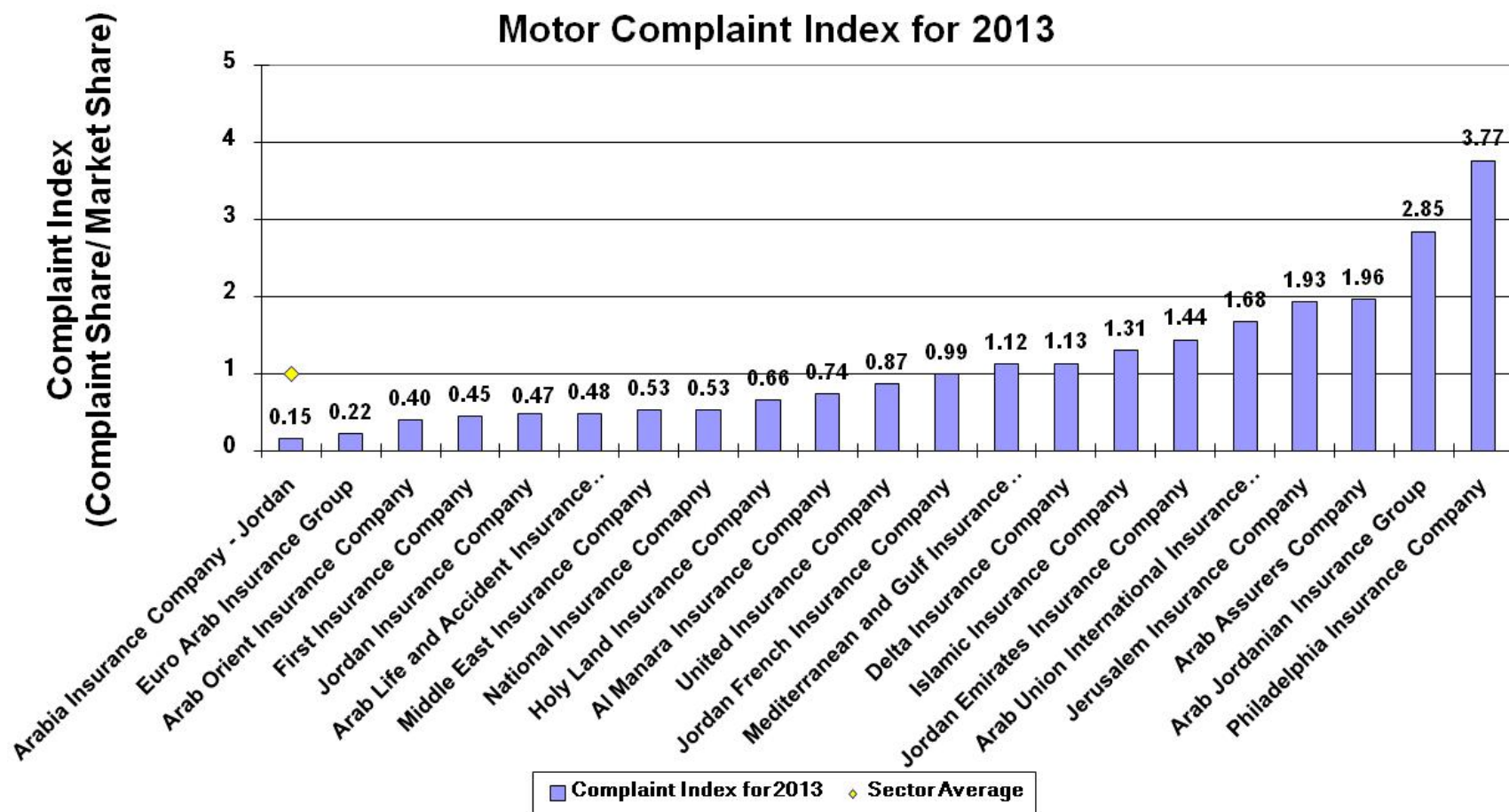


1.4.2 Insurance Disputes Resolution Committee

The Insurance Disputes Resolution Committee has examined the complaints submitted to it by a number of the insured and beneficiaries of insurance policies after it has been shown that they have used up the friendly means to settle their disputes with insurance companies, where the decisions issued by the committee are considered binding to the insurance company, as the committee when reviewing submitted complaints considers objectivity and impartiality as well as relevant regulations to guarantee the rights of all insurance dispute parties. The Committee has settled (23) complaints during 2013, compared to (27) complaints during 2012, noting that the committee has received (30) complaints during 2013 concentrated by (100%) in motor insurance licensing.

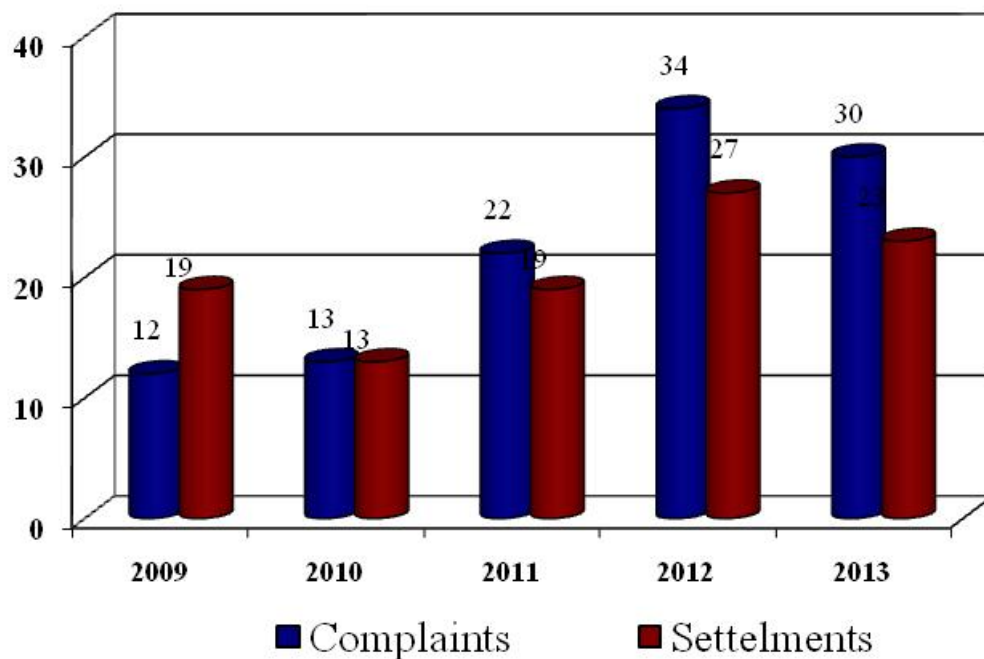
¹ With the exception of insurance companies whose licenses have been suspended (Arab German Insurance Company and Al Barakah Takaful Company).

Figure (1-3): Motor Complaints Index for 2013- all insurance companies



* Decline in complaint index to less than (1) is a positive indicator, while the rise to more than (1) is a negative indicator

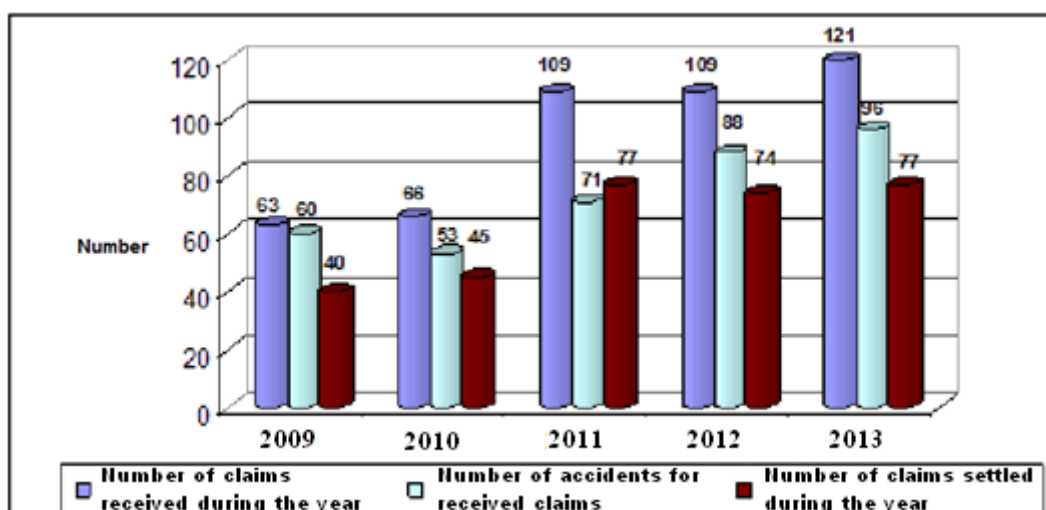
Figure (1-4): Evolution of Number of Complaints and Settlements at the Insurance Disputes Resolution Committee for the years 2009-2013



1.4.3 Motor Accidents Compensation Fund

In order to provide compensation for those affected by motor accidents in cases where there is no insurance coverage, the Commission has established the motor accidents compensation fund in accordance with the instructions issued during 2004, where the Fund Management Committee has settled (77) claims during 2013, compared to (74) claims during 2012, noting that the fund has received (125) claims during 2013 linked to (96) accidents. Chapter four of this report will address in detail the functions and achievements of the Fund for 2013.

Figure (1-5): Progression of Number of Claims Received and Settlements -Motor Accident Compensation Fund for the years 2009-2013



Second:Developing Insurance Sector and Strengthening Social Protection Network

2.1 Raising Insurance Awareness

2.1.1 Insurance Awareness Campaign

The Commission continued its efforts during 2013 to raise awareness of insurance products and insurance regulations issued by the Commission in addition to Commission's services, whether to the insurance sector or to citizens in general. These efforts have included the press releases and participation in television and radio interviews about insurance important issues and answer queries raised about these issues, whether directly to citizens or through the media.

The activities of the Commission also included sending short text messages (SMS) to hundreds of thousands of citizens through e-government portal powered by the Ministry of Communications and Information Technology to educate citizens about their insurance rights. Furthermore, the Commission began to work on the preparation for illustrated guide, directed to different classes of society and includes the most important principles and types of insurance and provides guidance to citizens about their insurance rights and obligations. The guide will be issued in early 2014.

2.1.2 Insurance Commission's Website

The Insurance Commission through its website www.irc.gov.jo works on defining its objectives, functions and services, and the strategic and annual plans, in addition to the regulations, data and information issued by the Insurance Commission. The site includes application forms to request access to the Commission's services, whether relating to insurance companies or those relating to insurance supporting services providers. It is also possible through the website to lodge complaints and queries electronically, which will be answered by the concerned employee.

The number of visits to the website of the Commission during 2013 reached (107,620) visits with a daily average of (295) visits.

2.2 Preparing and Publishing Studies and research related to insurance business

2.2.1 Status of the Insurance Sector and Development Possibilities Study

During 2013, the Insurance Commission prepared a comprehensive study on status of Jordanian insurance sector and development possibilities. The study reviews the most important opportunities and challenges facing the Jordanian insurance sector of interest to potential investors, and the factors that must be taken into account regarding insurance products that is expected to have significant growth opportunities, particularly life insurance, which includes life annuities insurance (pension), health insurance, medical insurance and micro insurance.

The study pointed out that the low penetration of life insurance in Jordan indicates the presence of growth opportunities that can be exploited through promotional efforts and offering new insurance products that meet the needs of the community. Moreover, the growth opportunities for life insurance will be affected positively if the proposals of Insurance Commission were considered regarding the grant of tax exemptions for life insurance products, including private pension insurance by deferring taxation until the maturity of the pension. In addition, specifying a ceiling for the retirement salary within the Social Security Act is expected to contribute to the activation of private retirement (life annuities insurance) over the long term by creating a demand for retirement

products complementary to the public retirement to maintain the standard of living of individuals after retirement.

It is expected to find a market for the provision of permanent health insurance coverage for retired employees or those who have left their jobs in the private sector in return for premiums paid during the previous years (during the working life of the employee) due to the lack of health insurance coverage for this category¹, in addition to the presence of a gap with regard to the constant medical coverage in the event of chronic disease and / or critical illness, which can be covered by permanent health insurance so that to state the continuation of medical insurance coverage for a specified period or until retirement age (and to obtain the insurance premiums for such coverage).

Regarding medical insurance, the estimates indicate that the number of non-medically covered by any agency is about 20-30% of Jordan's population (some of the workers in the private sector, workers in the unorganized sector, self-employed, the poor), in addition to the additional demand expected in case of the start of applying the Insurance Commission initiatives to provide medical insurance coverage for non-Jordanian workers and the workers in the private sector and visitors to the Kingdom.

The microinsurance is known as a protection for low-income people against specific risks, for the payment of regular insurance premiums commensurate with the likelihood of these risks and costs. It is also possible to provide various insurance products, such as life insurance, accident insurance and life annuity (pension) as microinsurance products, noting that the availability of distribution channels to reach target audiences smoothly and with lowest cost is of the most important requirements for the success of microinsurance.

In conclusion, the study has shown availability of opportunities for the growth of the insurance sector through meeting the insurance needs of citizens, and thus there is a real opportunity for the company that exploits these opportunities to design and market the appropriate insurance products. The entry of new investors to the Jordanian insurance sector is supposed to lead to the improvement of the quality of insurance services provided to customers and promotion of positive competition. The existence of a leading company in the field of life insurance and medical insurance which enjoys safety and stability of the financial position as well as strong risk management system will contribute greatly to encouraging positive competition between such company and other

¹ With the exception of those who have had prior service in the civil or military agency as they enjoy good insurance and reasonable health.

companies in terms of quality of service and price, particularly if combined with the existence of a strategic partner of international experience in insurance products and methods of development and marketing.

2.2.2 Monthly and Annual Statistical Bulletins

The Insurance Commission publishes data and indicators related to the Jordanian insurance sector through statistical bulletins of the key indicators in the performance of the insurance sector such as gross premiums, gross paid claims, and percentage of gross premiums to GDP (insurance penetration). These bulletins also included the growth in the number of insurance supporting services providers, and the number of complaints submitted to each of the Directorate of inquiry and Insurance Disputes Resolution and Insurance Disputes Resolution Committee and what has been settled of these complaints, as well as the number of claims submitted to the Motor Accidents Compensation Fund and what has been settled of them. These data are published in various local, regional and international newspapers relevant to insurance in addition to the IC website, so as to provide the necessary data to insurance companies, researchers and investors in insurance sector and enhance transparency.

2.2.3 Publishing Solvency Margin Ratio and Complaints Index among Insurance Companies

In order to enhance transparency and provide accurate information to citizens to help them choose a company that meets their needs as well as to urge insurance companies to improve their performance and upgrade their services, insurance companies are required to publish the solvency margin ratio within their annual reports, which reflects the company's ability to meet its future obligations and the adequacy of capital available to the company to face the risks. The insurance commission also disclose the solvency margin ratio for all insurance companies within its annual report.

The Commission calculates the complaints index of motor insurance, which is the company's share of the total number of complaints to its market share of gross premiums, and publishes it on an annual basis within the annual report of the Commission, where it has published the index of the best (5) insurance companies as of the annual report for the year 2010, and published the index of all insurance companies licensed for motor insurance business with effect from

the annual report of 2013, set forth under the section "Protecting the rights of policyholders and beneficiaries" of this report.

2.2.4 Providing Researchers and Various Parties with Data of Insurance Sector

The Commission works to provide various statistical data relating to the Jordanian insurance sector and provide researchers, planners, decision-makers as well as local and international organizations with the required data through the publication of this data by the available means.

2.3 Promoting Benefits of Investing in the Jordanian Insurance Sector

In response to the Royal vision, the Commission continued its efforts in the promotion of Jordan as a regional hub for insurance by seeking to attract global insurance and reinsurance companies to offer their services to regional neighboring markets starting from the Kingdom. To achieve this, the IC launched a campaign to promote the benefits of investment which included the publication of numerous articles and press releases in the global insurance magazines.

The Commission also continued its quest to develop and raise the level of the Jordanian insurance sector to increase the efficiency and eligibility to attract foreign investment insurance. In this context, the Commission organized the "Regional Workshop for Supervisory Bodies in the Middle East and North Africa on the Implementation of Basic Selected Principles of Insurance" in April 2013, with the participation of a wide range of insurance institutions in Arab countries. In the same month, with the participation of the World Bank, the Commission held meeting on the "Capital Adequacy" attended by representatives of all the insurance companies in Jordan. In June, the Commission organized an open meeting with insurance brokers to discussed issues of concern to this group of insurance supporting services providers. In the context of IC's plan to restructure motor compulsory insurance, the Commission held a workshop entitled "Review of Motor Compulsory Insurance Applications" in October, with the participation of experts from the World Bank, who introduced their final recommendations on this subject in the presence of representatives of the insurance companies.

2.4 Qualifying the workers in the insurance sector

In order to interpret the role of the Insurance Commission to the upgrading and advancement of the Jordanian insurance sector and its employees, the Commission continued to hold professional qualification programs and training programs specialized in insurance for qualifying workers in the insurance sector, in collaboration with specialized international insurance institutes, namely: the Chartered Insurance Institute of London (CII), the Bahrain Institute of Banking and Finance (BIBF) and the Life Office Management Association (LOMA) in the United States of America.

The number of graduates in various professional certifications powered by the Commission since 2009 has reached (178), and the number of graduates during 2013 was (13), noting that the number of participants in various professional certifications was (56) participants during 2013.

Table (1-11): Number of graduates and certificates granted for the years (2009-2013)

Name of Certificate	2009	2010	2011	2012	2013	Total
Certificate of Professional Diploma in Insurance (BIBF)	٣٢	٣٧	٢٢	١٦	٠	١٠٧
Certificate of Advanced Professional Diploma in Insurance (Advance BIBF)	١٣	٠	٠	٠	٠	١٣
Professional Insurance Certificate (PIC)	٢	٥	٥	٢	٢	١٦
Diploma in Insurance (CII)	٢	٢	١	٠	١	٦
Professional Certificate (ACII)	٠	١	٢	٠	٢	٥
Associate Degree (Life and Health Insurance) (LOMA)	١	١	٣	٢	١	٨
LOMA certificate (Arabic)	٠	٦	٠	٢	٥	١٣
Other certificates	٦	١	٠	١	٢	١٠
Total	٥٦	٥٣	٣٣	٢٣	١٣	١٧٨

Table (1-12): Participants in the Professional Qualification Program from insurance Sector and IC's Employees During 2013

Name of Certificate	2013
Diploma in Insurance (CII)	19
Professional Insurance Certificate (PIC)	18
LOMA certificate (Arabic)	5
Associate Degree (Life and Health Insurance) (LOMA)	14
Total	56

2-5 Strengthening cooperation with the bodies regulating and supervising the insurance sector and financial sectors locally, regionally and internationally

2.5.1 International and regional organizations

The Commission coordinates and communicates with the bodies that regulate and oversee the financial sector locally, as well as the bodies that oversee the insurance sector regionally and internationally. The Insurance Commission is linked to a number of international organizations that deal with the insurance sector, in order to take all the developments in the international arena. These organizations are: -

- International Association of Insurance Supervisors
- International Organization of Pension Supervisors
- International Association of Insurance Fraud Agencies
- International Insurance Society
- Islamic Financial Services Board (IFSB)
- Arab Forum of Insurance Regulatory Commissions (AFIRC)

2.5.2 Regional Workshop for Insurance Sector Supervisory Committees held in Amman

In collaboration with the International Association of Insurance Supervisors and the Financial Stability Institute, the Insurance Commission Organized the Eleventh Regional Seminar for Insurance Supervisory **committees** in the Middle East and North Africa on the application of selected fundamental insurance principles during the period 23-25 / 4/2013 with the participation of about forty participants from various supervisory **committees** in 13 countries in the Middle East and North Africa.

A number of international experts lectured in the seminar which discussed the new insurance fundamental principles developed by the International Association of Insurance Supervisors. The elements covered by these principles include objectives, powers, responsibilities of the supervisory body and its operational independence. Supervisory models in the region were presented in addition to roundtable discussions on important supervisory issues in the Arab region.

The importance of such seminars lies in qualifying officials of insurance committees in Arab countries so that they can keep pace with global developments in technical standards to oversee the insurance business and access to the optimal application for these principles so as to achieve stability and security for the insurance sector, and thus leads to the protection of the rights of policyholders and the insured and contributes to the stability of the financial system as a whole.

The Insurance Commission is a member of the International Association of Insurance Supervisors. Through this membership, the Commission takes advantage of the latest international standards in the field of supervision and control over the insurance business to implement the suitable ones on the Jordanian insurance sector.



The Eleventh Regional Seminar for Insurance Supervisory Committees in the Middle East and North Africa on the Application of Selected Fundamental Insurance Principles, Amman, 23-25 /4/2013

2-5-3 Follow- up Committees for matters relating to contracts of insurance company and Medical Service Providers Insurance Business Management Company

In order to follow up matters relating to contracts of insurance company and medical providers insurance business management company, and to improve and raise the level of those services, from the belief of the Insurance Commission of the important role of medical insurance which came in the second order after motor

insurance in terms of total underwritten premiums, the following committees have been formed by the Insurance Commission to continue their functions during 2013:

- Joint committee of contracts with the Jordanian Medical Association
- Joint committee of contracts with the Jordanian Dental Association
- Joint committee of contracts with Pharmacists Association
- Joint committee of contracts with the Jordanian Society for Medical Laboratory Science
- Joint committee of contracts with Private Hospitals Association

These committees are chaired by representative of the Insurance Commission with a member for each of the Social Security Corporation, the Jordanian Insurance Federation, the National Association for Consumer Protection, the Jordanian Society for Health Insurance, companies administrating insurance business in addition to the chairman of concerned professional association.

During 2013, the Joint committee of contracts with the Jordanian Dental Association held a meeting which included a representative of the Commission and a representative of the Dental Association to discuss matters relating to applications of contracts of insurance companies and companies administrating insurance business such as: selling dental prepaid discount cards by some companies that are not licensed by the Commission to practice the work of companies administrating insurance business, deducting reinsurance fees by some insurance companies, and proposing the unification of the discount rate for all doctors, noting that the Commission follows up all matters related to such applications and any disputes related thereto and takes the appropriate action.

Third: Developing the institutional performance

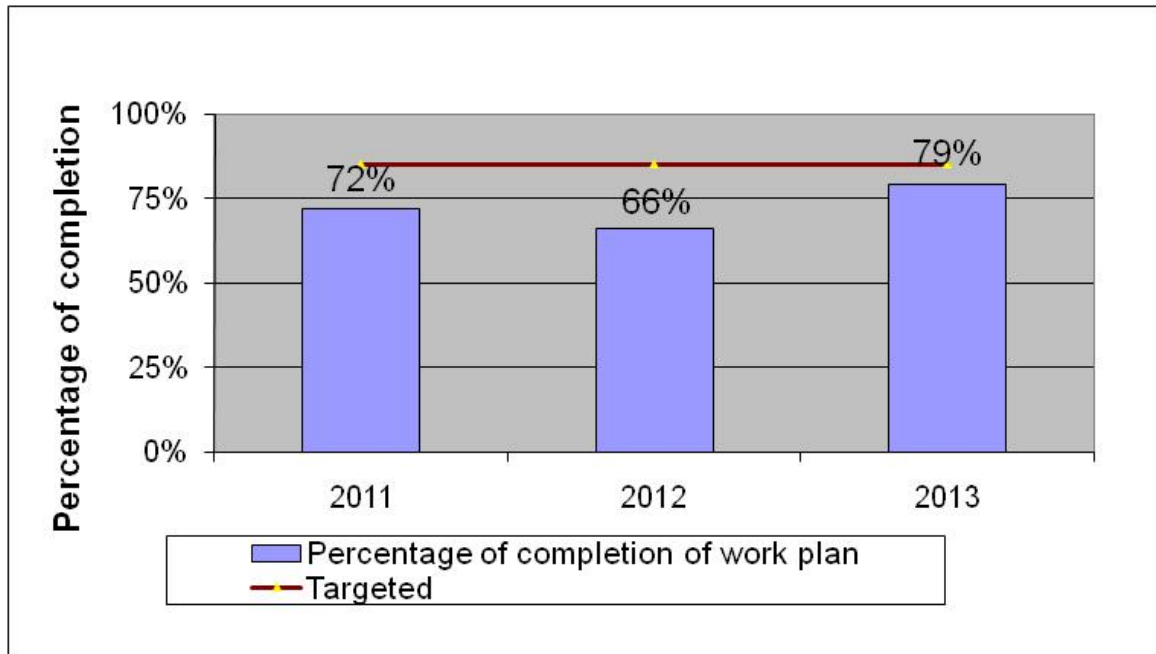
3-1 Raising efficiency of strategic planning at the Commission

3.1.1 Preparing annual work plans

The Commission has worked to prepare annual work plans derived from its strategic plan. Projects that will be pursued during the year were identified and linked to national, strategic and institutional goals according to the "Methodology for the preparation of annual work plans". The Commission also followed up implementation of these projects on a monthly basis and prepared a

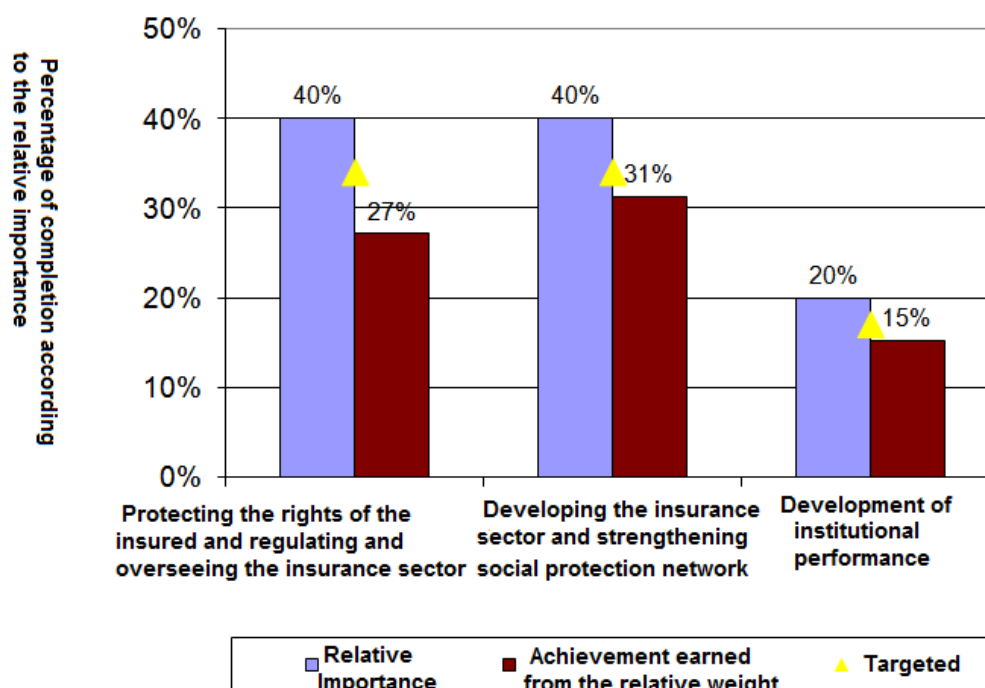
quarterly report according to the "systematic follow-up and evaluation" and addressed deviations.

Figure (1-6): Completion of the work plan of the Insurance Commission for the years 2011-2013



Regarding the percentage of completion of projects and the achievement and assessment of performance indicators according to their importance in achieving the strategic plan, about (73.5%) of them has been completed.

Figure (1-7): Percentage of completion of plans related to strategic goals of the Insurance Commission for 2013



The Commission also provides the unit of monitoring the implementation of the government's plan at the prime ministry with its projects to be included within the government's program and update Commission's projects completion rates on the website on a monthly basis, in addition to including major projects within the national agenda and the executive development program and continue updating them periodically or on demand.

The Commission participated with the institutions of monetary and financial sector in reviewing the national agenda - monetary and financial services sector segment, as well as monitoring the implementation of projects of the executive development program for the years 2011-2013 and performance indicators of the objectives relating to the Commission.

3.1.2 Risk Management

The Commission has identified major (institutional) risks that can prevent the achievement of its objectives and the national goals it supports which were included in the Commission's strategy for risk management which includes

strategic risks, occupational risks, operations risks, human resources risks, electronic risks and physical risks.

In order to keep the risk management plan updated, changes to the risk assessment are reversed (affected asset, impact, probability) and / or changes in relevant controls to mitigate these risks on an ongoing basis. The Commission also monitors the implementation of identified controls with responsible entities (directorates, offices and administrative units) periodically according to the priority of the danger, and a report is submitted to senior management for conducting necessary actions.

3.2 Improving and simplifying work procedures

3.2.1 The Insurance Commission obtains the "Seal of Excellence" from the Center of King Abdullah II Award for Excellence in Government Performance and Transparency- Sixth Session

In light of the participation of Insurance Commission at the sixth session of the King Abdullah II Award for Excellence in Government Performance and Transparency, the Insurance Commission has got the "Seal of Excellence", obtained by the institutions that achieve outstanding performance, which authorizes the Commission to put the award slogan determined by the Center, on its documents, publications, website and in advertising campaigns.

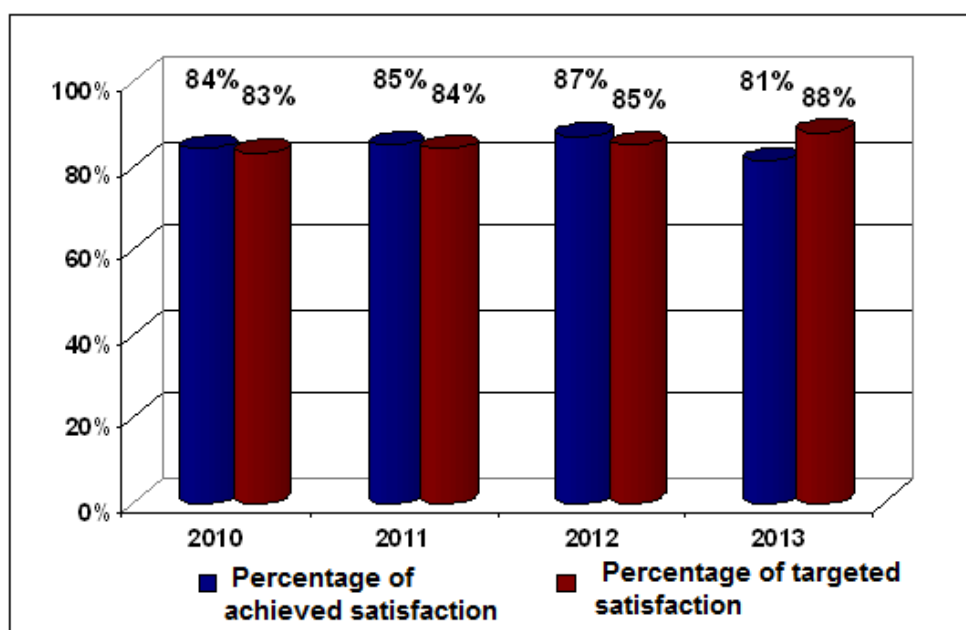
About (68) institutions participated in the sixth session of the King Abdullah II Award for Excellence in Government Performance and Transparency; (7) institutions have got the first, second and third positions within the silver and bronze stage, while (8) institutions got the Seal of Excellence, including the Insurance Commission, which are the institutions that competed to get the excellence awards and achieved a remarkable performance.

3.2.2 Study of Service Recipients' Satisfaction

From the keenness of the Insurance Commission to raise the level of services it provides, and in order to communicate with service recipients from various categories, and in order to stand on the level of services provided and to provide exceptional and quality service leading to the achievement of customer satisfaction and the advancement, development and improvement of such services on an ongoing basis, the Commission conducted a study to measure the

service recipients' satisfaction to find out the strengths in the level of services provided and rely upon them and address the weaknesses and shortcomings and work to address them, where the percentage of overall satisfaction of service recipients reached (87%) during 2012 compared with (85%) and (84%) during 2011 and 2010, respectively.

Figure (1-8): Satisfaction of Service Recipients for the years 2010-2013



3.2.3 Renewal of Certification of Quality Management (ISO: 9001)

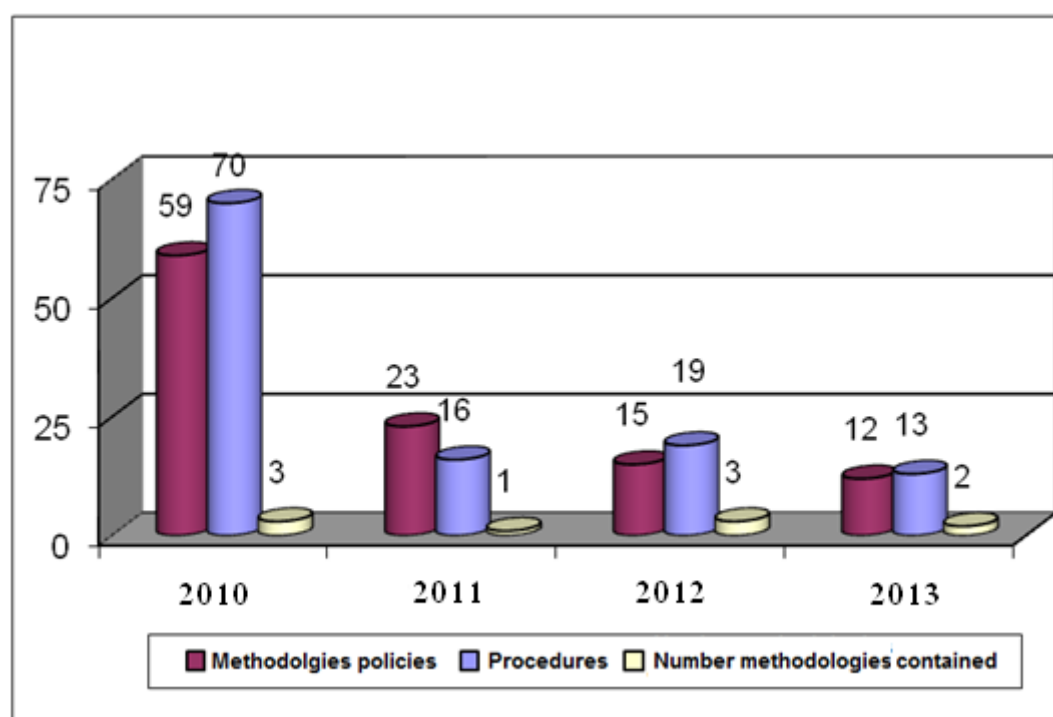
Based on the audit process carried out by the SGS (a global company that award quality management certification) in 2011 and the periodic audit process conducted in November 2013 on the working procedures of the Insurance Commission to verify their compliance with the requirements to obtain a certificate of quality management (ISO: 9001), this certificate has been renewed up to October 23, 2014, which the insurance Commission has obtained for the first time in 2005.

3.2.4 Review of Quality Documents

From the keenness of the Commission to develop and implement operations management methodologies, the Commission reviews the quality documents (procedures, methodologies and policies) periodically, in order to make sure of their effectiveness, thus improving the quality and leading to achieve a high degree of satisfaction of service recipients, internally and externally. The

existing processes were assessed and areas for improvement that can be applied were examined so as to improve the service provided through raising operations efficiency, reducing the internal cost or reducing the time it takes to provide services and clarify the steps and requirements and measure the impact of application.

Figure (1-9): Number of Quality Documents Reviewed and Approved for 2010-2013



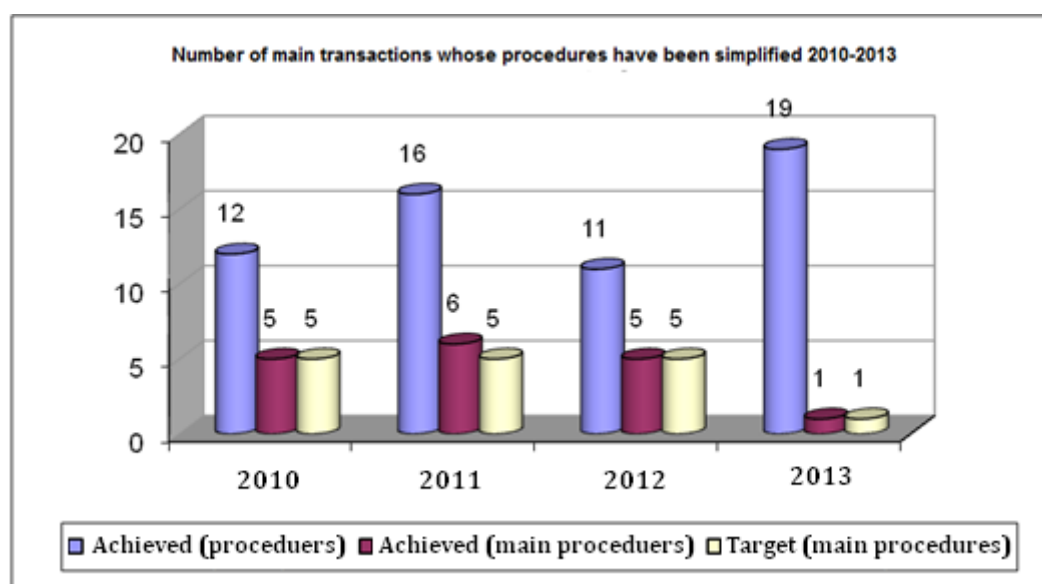
In 2013 amendment of (25) quality documents has been approved; which included (12) methodologies / policies and (13) work procedures, in addition to the review of quality assurance of (28) quality documents where the related entities (directorates, offices and administrative units) were provided with QA comments during 2013 as a step towards completion of review and approving these quality documents. The Commission also keeps the operations manual published on the website of the Commission and updated according to relevant changes.

The Commission also audits the compliance of directorates, offices and administrative units with approved methodologies and work procedures and follows up the implementation of corrective actions and proposals for improving and simplifying processes.

3.2.5 Process Simplifying

Based on the performance indicators and goals that have been planned for 2013, the Commission was determined to simplify (1) main process, as the Commission worked to simplify two main work procedures during 2013 (audit and control of insurance supporting services providers, field control over insurance companies) in addition to simplify and improve 19 non-main procedures. The following figure shows the number of processes and procedures that have been simplified during the years 2010 to 2013, noting that the work is underway to apply (11) proposals to simplify and improve the various procedures at the Commission.

Figure (1-10): Number of Simplified Processes for the years 2010-2013



3.3 Developing and Enhancing Human Resources

3.3.1 Developing Human Resources Management

The Commission develops the competencies of its employees and enhances their capabilities through the Department of Human Resources, as it continued to improve and develop methodologies and work procedures of the human resources according to the results of continuous measurement of their effectiveness, in line with the civil service system and its amendments and regulations issued pursuant thereto, as well as the regulations and methodologies constantly issued by the Ministry of Public Sector Development.

3.3.2 Equal Opportunities

Based on the major values of the Commission, "objectivity and transparency", the Commission applies justice and equal opportunities and take them into account in the process of recruitment and promotion to leadership positions at the Commission as well as in education, training, qualifying and travelling on official business, regardless of gender, as it is observed when comparing the ratio of females to the total number of employees at the Insurance Commission with the rest of the economic sectors in the Kingdom that it lies within the highest ratios. The convergence of ratios of female to total employees is also noted across all job categories.

Figure (1-11): Equal Opportunities- Ratio of Females to Total Employees for 2013

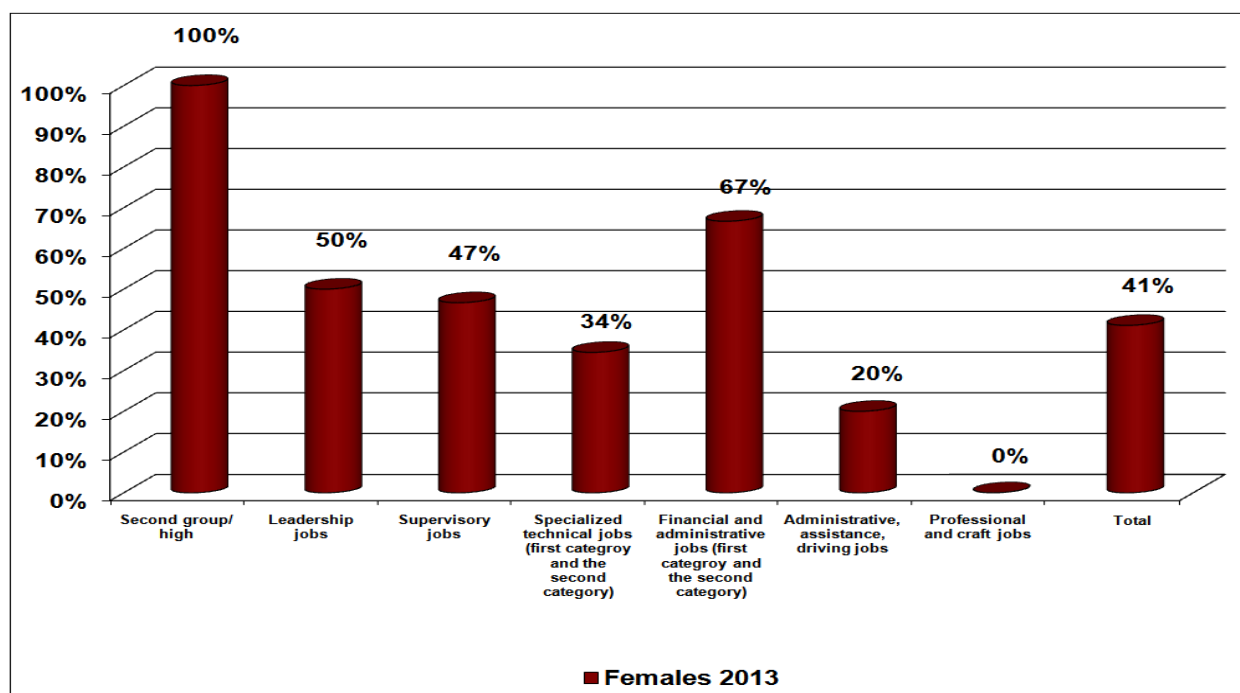


Table (1-13): Number of Commission Staff and their Classification at the end of the years 2012 - 2013

	2012		2013	
	Male	Female	Male	Female
Second group / high positions	-	-	-	1
Leadership positions	5	5	4	4
Supervisory positions	8	7	8	7
Specialized technical jobs (Category I and Category II)	21	11	19	10

	2012		2013	
	Male	Female	Male	Female
Administrative and financial jobs (Category I and Category II)	3	7	3	6
Administrative, assistance and driving jobs	9	2	8	2
Professional and craft jobs	1	-	1	-
Total	47	32	43	30
Overall	79		73	

3.3.3 Rewards and incentives

Excellence is one of the core values of the Insurance Commission. For this, the Commission has worked hard within its powers to reward the performance of their outstanding employees in order to motivate them to continuation of giving and raising the level of their performance constantly, in addition to raising their morale and strengthening their affiliation to the Commission and promoting positive competition among staff. The following are the names of outstanding employees for each category during the year 2013: -

- ☐ Mr. Wael Mahadin for the category of leading officer / outstanding supervisory
- ☐ Mr. Mu'tasim Jaloudy for the category of Technical and Specialist employee / Administrative and Financial Excellence
- ☐ Mr. Ahmed Abed Hassan for the category of professional and vocational employee / outstanding subsidiary administrative services and driving works

3.3.4 Developing and strengthening the capacity of staff

In order to develop management and technical skills of the Commission staff, the Commission sent a group of its employees to participate in many training programs and specialized workshops in the field of technical and financial skills, as well as to support their participation for specialized professional certification, which had an obvious impact on upgrading the skills and competencies of staff.

Table (1-14): Training Programs for Insurance Commission Employees During 2013

Category / nature of the training activity	Leadership programs	Management programs	Fundamental programs	Total
Leadership positions	٥	٣	١	٩
Supervisory positions	٣	٢	١٠	١٥
Core jobs	١	٧	١٣	٢١
Subsidiary jobs	٠	٤	٠	٤
Total	٩	١٦	٢٤	٤٩

Table (1-15): Qualifications of Insurance Commission Employees at the end of 2013

Qualification	MA	BA	Diploma	High School	Less than High School	Total	%
Males	12	19	3	3	6	43	59%
Females	11	16	1	2	-	30	41%
Total	23	35	4	5	6	73	100%
%	32%	48%	5%	7%	8%	100%	

Table (1-16): Number of Insurance Commission Employees Holding Professional Certification

	Advanced Diploma in Insurance (ACII)	Diploma in Insurance (CII)	Advanced Professional Diploma in Insurance (Adv. BIBF)	Certificate of Professional Diploma in Insurance (BIBF)	Associate Degree (FLMI Diploma)	Diploma of Life and Health Insurance (DLHI)	Professional Insurance Certificate (PIC)	Other certificates *	Total
Number of employees Holding certificate	1	2	12	31	0	8	9	13	76
Number of employees currently participating in the program	2	4	Certificate has not been offered during 2013		1	1	9	1	18

* Includes ICCIE, CFA- Level 1, PMP, MCAD, MCSD, CORE, Certified Corporate Banker, PHR, HR Diploma, Certified Manager, Diploma in Banking Credit & Diploma in Financial Analysis, Diploma in Social Insurance, JCPA

3.3.5 Library

In order to provide a database that meets the needs of the staff of the Commission and to keep them abreast of developments related to the insurance sector both regionally and globally, the Commission participates in specialized magazines, in addition to the role of the library staff in strengthening the general culture of staff. The following are some related statistics:

- The number of books added to the library during 2013 amounted to (102) office materials.
- The number of books borrowed in 2013 amounted to (51) books.
- The number of non-daily periodicals borrowed for 2013 amounted to (137) periodicals.

3-3 Organizing and Developing Financial and Administrative Management at Insurance Commission / Raising the Percentage of Transparency and Accountability

The Internal Audit Unit has prepared and implemented the annual work plan in line with the periodical risk assessment of the Commission so as to ensure that all departments that are audited operate in accordance with applicable public regulations. During 2013, the Internal Audit Unit has also prepared a report on the results of the internal audit work for the previous year 2012, which was submitted to the Minister of Finance as implementation for legislations.

3-4 Developing and Updating the Electronic Systems of the Commission and Maintaining the Security and Confidentiality of Computerized Information

3.4.1 Developing and Updating the Electronic Systems of the Commission

1. Developing archiving and documents trading systems

In order to automate processes at Commission and make it easier for employees of the Commission, the Commission began to develop archiving and documents

trading systems during the year 2013 so that updating will be completed during the year 2014:

- DocuWare (Ver. 6.0): a new version of the archiving system which gives much greater storage capacity to archive documents on the new server. It also enables staff to use the web interface, which features easy management and use.
- DocuTrak (Ver. 3.0): a new version of the documents flow system (Ver. 3.0) which enables the user to link documents with the archiving system and includes new functions such as issuance and management of circulars.

2. Financial Analysis System (In-Reg)

The financial analysis system of the insurance sector (In-reg) aims to facilitate access to information in order to strengthen oversight of insurance companies and read the preliminary indicators of early warning. The Commission has contracted with Pfizer Company to develop financial forms and make necessary amendments to the control forms to be activated during the year 2014. The Commission also continued to receive and follow up monthly forms as well as "solvency margin form "and " insurance sector survey form for international transactions" which the insurance companies provide to the Commission through the information system for controlling the insurance business.

3.4.2 Maintaining the security and confidentiality of computerized information

The Commission was keen to renew software licenses that ensure maintaining the security and confidentiality of information, as the Commission activated the following programs:

- Symantec Endpoint antivirus software: This program is used for protection from viruses.
- SOPHOS protection and filtering software: This program is used mainly for filtering and blocking websites that the Commission wants to prevent, as well as for issuing reports on the size of the staff use of the Internet.
- Backup Exec software: which makes backup copies of databases and shared files on a regular basis (daily, weekly, monthly), where monthly copies are kept in a locker rented in one of the banks.

Fourth: Social Responsibility

Activities of social responsibility carried out by the Commission were numerous during 2013 in an effort to contribute to the lifting of some of the burdens of life for different categories of the Jordanian society and rationalization of consumption. In addition to continue to take the necessary actions to save on electricity and water at the Commission and contribute to the process of paper recycling, the Commission has conducted a range of social responsibility activities. The most important of these activities are:

- ✓ Blood donation campaign for the benefit of King Hussein Cancer Center patients with the participation of many of the staff of the Commission.
- ✓ Volunteering with INJAZ institution to create economic opportunities.
- ✓ Staff of the Commission donated amounts of cash for orphans of one of their own institutions at the end of the holy month of Ramadan.



Chapter Two

The Jordanian Insurance Sector Results for the fiscal year 2013

First: Economic Indicators

The results of the annual estimates of GDP indicators have shown growth of GDP at fixed market prices in 2013¹ by (2.82%) compared to the year 2012, as the total GDP amounted to (10,812) billion dinars at fixed prices in 2013 compared to (10,515) billion dinars in 2012, noting that growth the GDP at fixed prices during 2012 amounted to approximately (2.7%).

The results also showed the growth of the GDP at current prices last year by (8.58%) compared to the year 2012, as the total GDP for 2013 amounted to about (23,851.6) billion dinars compared to (21,965.5) billion dinars in 2012.

Table (2-1 1): Selected Economic Indicators

	2009	2010	2011	2012	2013
Population ¹ (million)*	5.98	6.11	6.25	6.39	6.53
Rate of Inflation ¹ %	-0.7	5	4.4	4.8	5.6
Unemployment rate ¹ %	12.9	12.5	12.9	12.2	12.6
GDP at current prices ¹ (million dinars)	16,912.20	18,762	20,476.60	21,965.50	23,851.60
GDP Per capita ¹ (JD)	2,828.10	3,069.20	3,276.80	3,438.60	3652.60
Foreign direct investment ³ (MTD)	1,276.9	1,063.1	1,046.2	1,172.1	1,713.3
Number of new building permits ¹	11,739	9,410	9,783	9,960	10,713
Motor Indicators and motor accidents⁴					
Number of licensed vehicles (thousand)	994.8	1,075.5	1,147.3	1,213.9	1,261
Number of road accidents (thousand)	122.8	139.4	142.6	112.8	107.9
Number of deaths due to accidents	676	670	694	816	768
Number of injured due to road accidents	15662	17403	18122	17143	15,954
Rate of road accidents (per thousand of the population)	20.5	22.8	22.8	17.7	16.5
Number of road accidents per licensed vehicle	12.3%	13.0%	12.4%	9.3%	8.6%

¹ Source: Department of Statistics.

³ Source: Monthly Statistical Bulletin / Central Bank

⁴ Source: Traffic Department - Public Security Directorate.

	2009	2010	2011	2012	2013
Rate of seriousness of road accidents (number of injuries and deaths to the number of accidents)	13%	13%	13%	16%	16%
Foreign Trade Indicators:					
Imports ¹ (million dinars)	8,975.10	9,813.90	11,946.20	13,047.50	15,523.50
Exports ¹ (million dinars)	4,526.30	4,990.10	5,684.50	5,599.50	5,615.60
Some indicators relating to social security²:					
Number of effective establishments covered by the provisions of the Social Security	17,856	27,905	46,250	45,465	NA
Number of effective insured	835, 110	880, 995	955, 566	994, 711	NA
Number of optionally effective insured	30,656	38,239	57,978	60,602	NA
Number of retirees from Social Security	100, 979	128, 130	135, 101	144, 025	NA
Number of beneficiaries of unemployment insurance	-	-	-	4,231	NA

* Estimated population does not include the number of Syrian refugees

The ratio of total insurance premiums to GDP at current prices amounted to (2.06%) for 2013, compared to (2.12%) for 2012, and the insurance premiums per capita for 2013 amounted to (75.4) dinars, compared to (73.3) dinars for 2012. The following figure shows total insurance premiums to GDP at current prices for the years (2009-2013).

¹ Source: Department of Statistics.

² Source: Social Security Corporation.

Figure (2-1-1): Insurance Penetration: Total Insurance Premiums to Nominal GDP Ratio 2009-2013

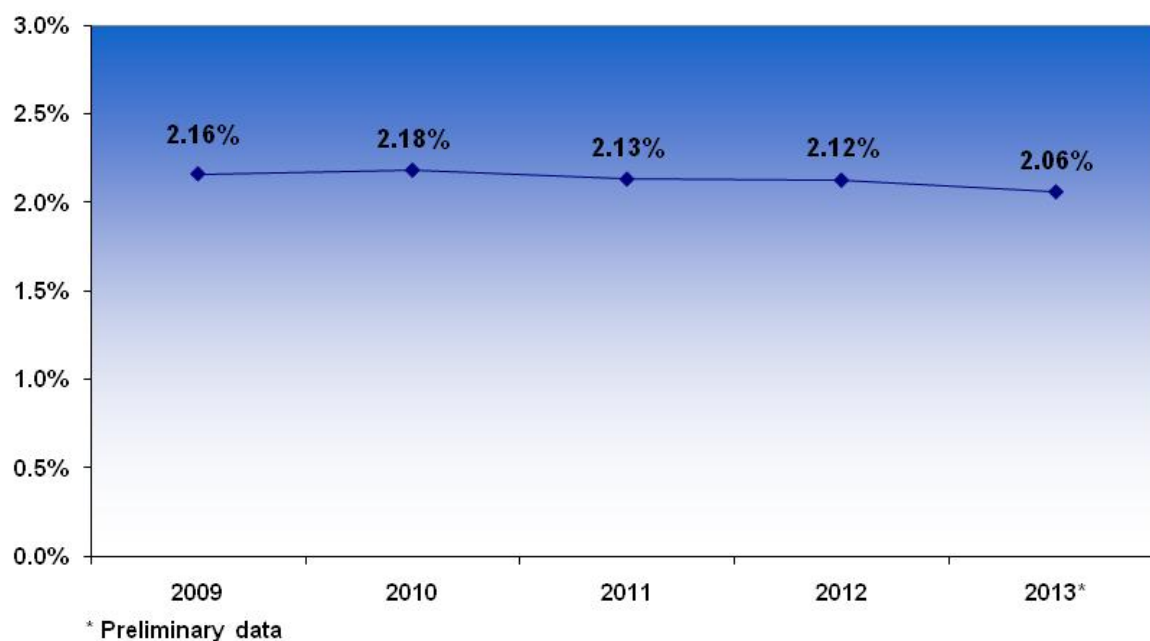


Table (2-1-2): Total Insurance Premiums to GDP (Penetration Ratio) and Premiums per Capita (Insurance Density) in 2013

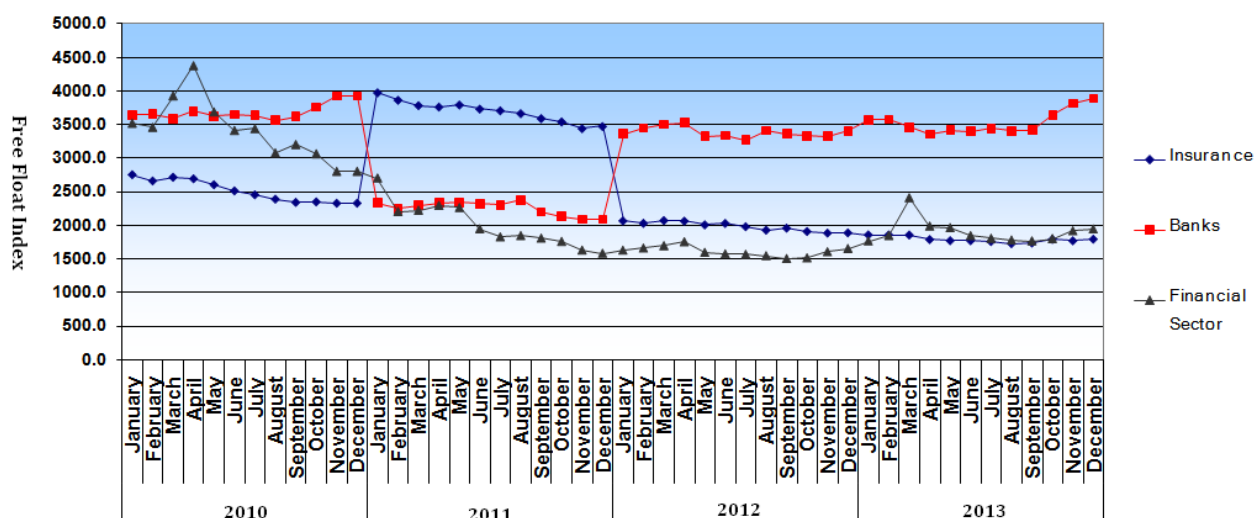
Statement	Total Insurance	Penetration Ratio	Insurance Density (JOD)
	(million JOD)	%	
Total Insurance Premiums	490.8	2.06%	75.2
Total General Insurance Premiums	443.3	1.86%	67.9
Motor Insurance	200.4	0.84%	30.7
Marine and Transportation Insurance	24.6	0.10%	3.8
Aviation Insurance	3.7	0.02%	0.6
Fire and Other Damages to Property Insurance	68.1	0.29%	10.4
Liability Insurance	6.6	0.03%	1
Credit Insurance	0.4	0.00%	0.1
Other General Classes Insurance	11.3	0.05%	1.7
Medical Insurance	128.3	0.54%	19.7
Total Life Insurance Premiums	47.4	0.20%	7.3

Table (2-1-3): Total Insurance Premiums to GDP Ratio (Penetration Ratio) for Selected Countries in 2012 & 2013

Country	Penetration Ratio in 2013			Penetration Ratio in 2012		
	General Insurance	Life Insurance	Total Insurance Premiums	General Insurance	Life Insurance	Total Insurance Premiums
Morocco	2.10%	1%	3%	1.99%	0.96%	2.95%
Lebanon	2.20%	1%	3.20%	2.02%	0.83%	2.85%
Jordan**	1.86%	0.20%	2.06%	1.92%	0.20%	2.12%
United Arab Emirates	1.50%	0.50%	2%	1.58%	0.40%	1.98%
Bahrain	1.60%	0.50%	2.10%	1.52%	0.45%	1.97%
Tunisia	1.50%	0.30%	1.80%	1.53%	0.27%	1.80%
Oman	1%	0.10%	1.10%	0.84%	0.17%	1.01%
Saudi Arabia	1%	0.00%	1.10%	0.72%	0.30%	0.75%
Egypt	0.40%	0.30%	0.70%	0.41%	0.31%	0.73%
Algeria	0.80%	0.10%	0.80%	0.62%	0.05%	0.67%
Kuwait	0.40%	0.10%	0.50%	0.40%	0.09	0.50%
MENA	1.13%	0.38%	1.51%	1.02%	0.33%	1.35%
Africa	1.09%	2.42%	3.50%	1.12%	2.53%	3.65%
World	2.75%	3.53%	6.30%	2.81%	3.69%	6.50%

We note that the percentage contribution of the insurance sector to the trading volume at Amman Stock Exchange amounted to (0.57%) of the total trading volume for 2013, while the Free Float Index of the shares of the insurance sector amounted to (1793) points at the end of 2013, compared to (1887) points at the end of 2012.

Figure (2-1-2): Monthly share prices of insurance companies compared to banks and financial sector (Free Float index) for the years 2009-2013



With respect to foreign investment in the Jordanian insurance sector, the latter includes a branch for a foreign company licensed to practice life insurance business, while the percentage of Arabs and foreigners ownership in Jordanian insurance companies amounted to about (30%) at the end of 2013, as shown below.

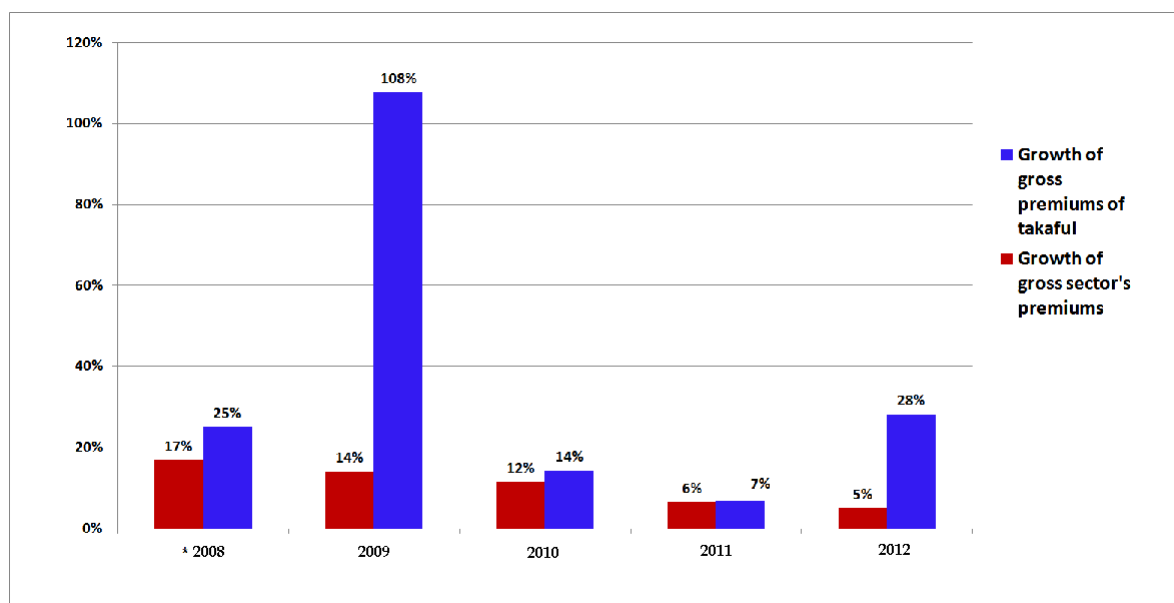
Table (2-1-4): Percentage of ownership of Jordanians, Arabs and Foreigners in insurance companies at the end of 2013

Economic sector	Classification of nationality	Securities		Total value	
		Number	%	Amount (Dinars)	%
Insurance	Jordanians	٢٠٥,١٥٨,٣٩١	٦٩,٦٢	٢١٦,٦٨٧,٥٠٥	٧٢,٣٧
	Arabs	٧٦,٨٥٠,٨٠٣	٢٦,٠٨	٦٢,٧٩٠,٦٨١	٢٠,٩٧
	Foreigners	١٢,٦٧٧,٢٣٦	٤,٣٠	١٩,٩٥٦,٦٧٢	٦,٦٧
Total		٢٩٤,٦٨٦,٤٢٠	١٠٠	٢٩٩,٤٣٤,٨٥٨	100

* Source: Securities Depository Center

The Jordanian insurance sector also includes two companies licensed to practice Takaful insurance business; one licensed to practice general takaful insurance business and the other licensed to practice both types of insurance together (general takaful insurance and life/ family insurance). In general, high rates of growth of the Takaful Insurance can be observed with rates outweighing the growth of Jordanian insurance sector.

Figure (2-1-3): Growth of gross Takaful insurance premiums in Jordan for the years 2007-2013



* Granting license for practicing Takaful insurance to a new company in 2008.

Second: Results of Jordanian Insurance Companies in 2013¹

The insurance sector in Jordan consists of (25)² insurance companies, whereof one is licensed as a life insurance company, (9) are licensed to undertake general insurance business and (15) are licensed to undertake life and general insurance business (composite companies).

In 2013, gross written premiums inside Jordan reached JOD (492.5) million, showing growth of (5.6%) over last year. The growth is attributed to the growth in written premiums in some insurance licenses, mainly growth of fire and other damages to property insurance by (11.7%), medical insurance business by (9.3%), life insurance by (6.9%), and motor insurance by (3.1%).

In 2013, gross paid claims decreased by (5.3%) from 2012 figures to reach JOD (317.1) million. Gross paid claims decreased by (46.7%) in marine insurance and by (9.4%) in motor insurance, while gross paid claims increased by (5.1%) in medical insurance and by (31.2%) in liability insurance.

On the other hand, total insurance companies' investments increased in 2013 by (3.3%) from 2012, amounting to JOD (504.9) million. The sector's investment in deposits grew by (5.3%) over last year, amounting to JOD (205.8) million by the end of 2013. Financial assets in the other comprehensive income statement reached JOD (90.6) million, registering a growth of (12.7%), while financial assets at amortized cost grew by (18.5%), or JOD (77.8) million. While financial assets at fair value through the Income Statement decreased by (21.7%) amounting JOD (35.3) million by the end of 2013, and investments in real estate decreased by (7.5%) amounting to JOD (87.7) million by year end.

In 2013, the sector earned JOD (25.1) million in net profit before tax, compared to JOD (5.6) million in 2012. Whereas Jordanian insurance companies earned JOD (21.7) million in net technical profits compared to a technical profits of JOD (3.6) million in Jordan last year, which is attributed to achieving technical profit in the motor insurance business of JOD (0.1) million in 2013 compared to losses of JOD (8.9) million in 2012, and to achieving technical profits in most other insurance business, noting that the

¹ The 2013 financial statements do not include Al Barakah Takaful Insurance Company and the Arab German Insurance Company's financial statements.

² In 2013, Gerasa Insurance Company's request to liquidate the company by choice was approved.

profits before tax of highest ten earning companies in the sector amounted to JOD (24.7) million by the end of 2013.

The insurance sector's returns on financial assets and investments reached JOD (8.4) million, compared to JOD (10.1) million in 2012, which are mainly attributed to the decrease in the fair value of shares owned by some companies. Interest income on deposits and financial assets at amortized cost reached JOD (15.5) million compared to JOD (11.7) million in 2012, registering a slight increase due to the increasing value of bank deposits.

In 2013, the Insurance Commission performed the necessary analysis about the results of insurance companies and the losses suffered. several procedures were adopted with some insurance companies according to the nature, the reason behind the loss, and the special circumstances related to each company. Among these procedures: applying underwriting limits for compulsory motor insurance based on the companies' owners' equity in order to ensure their ability to meet financial obligations as well as to contribute in reducing the accumulated risks in any individual insurance class within a group of insurance companies, pursue conducting onsite inspection visits to insurance companies, and imposing fine on companies breaching the provisions of Insurance Regulatory Act No. (33) of 1999 and any regulations issued pursuant thereto. Furthermore, encouraging insurance companies to strengthen their financial positions and motivating them to merge and promote proper administrative practices, especially the adoption of corporate governance principles, proper technical underwriting and effective claim management. In addition to encouraging insurance companies to introduce new insurance products that meet society's needs and further fosters financial services in Jordan.

Total technical provisions increased to reached JOD (328.0) million in 2013, a (12%) increase over last year, which is attributed to increases in most technical provisions, especially net outstanding claim provision which increased by (19%), net unearned premium provision which increased by (8%) and mathematical provision which increased by (8%).

Paid-up capital reached JOD (281.3) million in 2013; a slight decrease of (4.4%) over last year. Whereas shareholders' equity increased by (3.7%) compared to last year, reaching JOD (317.7) million.

It is noted that the loss ratio¹ for general (non life) business for the Jordanian insurance sector marked (84.4%) and the operational profit margin² was (4.4%).

¹ Loss Ratio = Net Claims Expense / Net Earned Premium.

² Operating Profit Margin = Net Technical Profit/Total Underwritten Premium.

The insurance sector's net underwritten premiums to total underwritten premiums (retention ratio) was (61.9%), (1.3%) growth over last year.

Insurance companies realized a (3.1%) return on assets and a (7.9%) return on shareholders' equity.

Results of Insurance Companies in 2013 – Abroad Branches

In 2013, total underwritten premiums outside Jordan increased by (8.4%) compared to last year to reach JOD (8.4) million, and total indemnity paid by insurance companies' branches abroad totaled JOD (4.4) million, registering an increase of (15.9%) compared to last year.

It should be noted that insurance companies' branches provide motor, marine, fire, liability, medical, life and other insurance.

Abroad branches earned JOD (582) thousand in profits, compared to profits of JOD (912) thousand last year; whereas as the highest rates of profit were in motor and other insurance, JOD (331) thousand and JOD (89) thousand respectively.

Table (2-2-1): Balance Sheet for the Jordanian Insurance Sector as of 31/12/2013

	2013	2012
Assets		
<u>Investments</u>		
Deposits at Banks	205,825,656	195,395,909
Financial Assets at Fair value Through Profit or loss	35,300,665	45,081,881
Financial Assets at Fair value Through Other Comprehensive Income	90,615,322	80,387,747
Financial Assets at Amortized Cost	77,846,315	65,687,620
Investments in Subsidiaries & Associates	802,479	663,278
Property Investments	87,687,494	94,754,560
Loans	6,783,868	6,655,984
Other Investments	11,186	11,186
Total Investments	504,872,985	488,638,164
Cash on Hand & at Banks	29,590,297	20,034,089
Receivable Notes & Post-Dated Cheques	23,299,446	21,060,019
Accounts Receivable - Net	122,181,150	111,200,511
Due from Other Reinsurers	21,755,850	30,597,707
Deferred Tax Assets	13,715,511	12,005,801
Property & Equipment - Net	62,833,447	63,089,961
Intangible Assets	1,532,829	1,385,039
Other Assets	18,253,792	16,037,863
Total Assets	798,035,307	764,049,154

*Gerasa Insurance Company was voluntarily liquidated voluntarily with effect as of the date of 18/6/2013.

*Financial Statements for 2013 do not include Al-Barakah Takaful Insurance Company & The Arab German Insurance Company which both were compulsorily liquidated in 2014.

	2013	2012
Liabilities and Shareholders' Equity		
Liabilities		
Net Unearned Premium Provision	120,385,872	111,472,936
Net Outstanding Claims Provision	130,976,985	110,038,296
Net Mathematical Provision	76,307,975	70,654,495
Other Technical Provisions	318,672	813,552
Total Technical Provisions	327,989,504	292,979,279
Bank Loans	5,510,174	10,305,605
Accounts Payable	32,352,231	35,580,242
Accrued Expenses	1,521,925	1,138,813
Due to Other Reinsurers	57,061,222	58,622,337
Provisions	4,969,406	4,719,707
Income Tax Provision	7,479,890	5,509,384
Loans	11,991,279	17,344,387
Deferred Tax Liability	2,806,131	1,682,958
Other Liabilities	28,674,242	29,771,590
Total Liabilities	480,356,004	457,654,302
Shareholders' Equity		
Authorized capital	285,226,659	298,466,589
Paid up Capital	281,285,750	294,375,680
Treasury Stocks	1,223,486	1,238,133
Net Premiums on Paid up Capital	-1,536,037	1,554,728
Statutory Reserve	37,882,151	36,666,760
Voluntary Reserve	5,036,616	4,839,717
Other Reserves	2,225	109,983
Accumulated Change in Fair Value	3,817,907	-1,996,739
Retained Earnings (Accumulated Losses)	-12,494,817	-36,871,229
Others	3,407,607	8,025,970
Total Shareholders' Equity	316,177,916	305,466,737
Minority Interest	1,501,387	928,115
Total Shareholders' Equity	317,679,303	306,394,852
Total Liabilities & Shareholders' Equity	798,035,307	764,049,154

Table (2-2-2): Income Statement for Jordanian Insurance Sector for the Period Ended 31/12/2013

Statement	2013	2012
Revenues		
Total Written Premiums	500,914,495	473,559,792
Deduct: Reinsurance Share	184,842,103	179,266,137
Net Written Premiums	316,072,392	294,293,655
Net change In Unearned Premium Provision	10,552,309-	13,420,145-
Net change in Premium Deficiency Provision	440,329	496,124
Net change in Mathematical Provision	6,278,842-	5,016,328-
Net Earned Premium Income	299,681,570	276,353,306
Commissions Received	24,559,340	24,190,544
Issuance Fees	17,195,483	17,088,138
Interests Revenues	15,536,834	11,718,839
Gain (losses) from Financial Assets & Investments	8,368,869	10,058,936
Other Revenues	10,800,222	10,103,078
Total Revenues	376,142,318	349,512,840
Cost of Claims		
Claims Paid	315,300,169	332,331,447
Maturity & Surrender of Policies	6,260,033	6,565,791
Deduct: Recoveries	30,075,923	33,088,661
Deduct: Reinsurance Share	79,787,863	91,777,281
Net Claims Paid	211,696,416	214,031,297
Net change in Outstanding Claims Provision	27,252,953	20,741,363
Allocated Administrative Expenses	52,518,691	50,076,660
Excess of loss	5,487,123	6,229,721
Acquisition policies fees	20,888,625	19,165,158
Other expenses	7,531,135	7,690,650
Underwriting Profit (Loss)	325,374,943	317,934,850
Employees Expenses	10,149,015	9,742,855
Depreciation	3,506,939	3,730,333
Administrative Expenses	5,252,653	4,837,339
Doubtful Debts Expense	3,226,705	3,498,441
Doubtful debt Expenses (amortized cost)	587,600	375,000
Other provisions	57,000	538,939
Impairment of Property & Equipment	414-	888,041
Other Expenses	2,895,486	2,330,101
Total Expenses	25,674,984	25,941,049
Share of Profit of Subsidiaries & Associates	0	0
Net Profit (Loss) Before Tax	25,092,391	5,636,942
Tax	7,007,613	4,077,293
Profit after Tax	18,084,778	1,559,649

*Gerasa Insurance Company was voluntarily liquidated voluntarily with effect as of the date of 18/6/2013.

Table (2-2-3): Underwriting Profit (Loss) Account / Total Non- Life (Inside Branches) For Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	408,962,360		389,739,572
Reinsurance Accepted	36,090,741		32,366,378
Total Written Premiums		445,053,101	422,105,951
Deduct:			
Local Reinsurance Share	29,628,427		28,583,221
Foreign reinsurance share	140,391,906		139,351,145
Net Written Premiums		275,032,768	254,171,584
Add :			
Unearned Premium Provision 1/1	162,643,374		151,531,228
Deduct : Reinsurance Share	55,946,128		56,616,487
Net Unearned Premium Provision 1/1		106,697,246	94,914,741
Deduct :			
Unearned Premium Provision 31/12	181,173,006		162,312,931
Deduct : Reinsurance Share	64,110,869		54,146,418
Net Unearned Premium Provision		117,062,137	108,166,513
Changes in Premium Deficiency reserve	440,329-		496,124-
Net Earned Premium Income		265,108,206	241,415,936
Cost of Claims			
Claims Paid	292,592,472		310,319,001
Deduct :			
Recoveries	29,367,733		32,397,776
Local Reinsurance Share	4,322,690		5,099,793
Foreign Reinsurance Share	61,884,576		74,157,374
Net Claims Paid		197,017,473	198,664,059
Add :			
Outstanding Claims Provision 31/12	289,541,975		215,530,331
Deduct : Reinsurance Share	149,583,733		96,507,333
Deduct : Recoveries	15,336,772		15,077,588
Net Outstanding Claims Provision 31/12		124,621,470	103,945,410
Deduct :			
Outstanding Claims Provision 1/1	202,341,188		190,119,272
Deduct : Reinsurer Share	93,856,514		96,172,290
Deduct : Recoveries	10,670,466		10,457,087
Net Outstanding Claims Provision		97,814,208	83,489,895
Cost of Claims Incurred		223,824,735	219,119,574
Underwriting Profit (Loss)			
Add :			
Commissions Received	23,529,726		23,275,676
Issuance Fees	16,345,662		16,531,858
Investment Income Attributable to U/W	447,610		360,534
Other Revenues	2,394,125		2,266,448
Total Revenues		42,717,123	42,434,516
Deduct :			
Commissions Paid	17,249,630		15,538,598
Allocated Administrative Expenses	44,476,885		42,966,334
Other expenses	6,576,646		6,878,746
Total Expenses		68,303,161	65,383,679
Underwriting Profit (Loss)		15,697,433	652,801-

*Gerasa Insurance Company was liquidated voluntarily in 2013.

**Table (2-2-4): Underwriting Profit (Loss) Account - Motor
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013		2012
Written Premiums			
Direct Insurance	185,917,675		179,780,223
Reinsurance Accepted	16,014,779		16,091,795
Total Written Premiums		201,932,454	195,872,018
Deduct:			
Local Reinsurance Share	12,717,518		12,505,720
Foreign reinsurance share	4,005,415		4,842,315
Net Written Premiums		185,209,521	178,523,983
Add :			
Unearned Premium Provision 1/1	81,966,638		75,601,132
Deduct : Reinsurance Share	3,699,452		3,322,545
Net Unearned Premium Provision 1/1		78,267,186	72,278,587
Deduct :			
Unearned Premium Provision 31/12	88,669,433		83,221,730
Deduct : Reinsurance Share	4,054,679		3,706,147
Net Unearned Premium Provision		84,614,754	79,515,583
Changes in Premium Deficiency reserve	-130,000		-640,222
Net Earned Premium Income		178,991,953	171,927,209
Cost of Claims			
Claims Paid	160,458,883		177,141,511
Deduct :			
Recoveries	25,754,971		28,995,103
Local Reinsurance Share	3,170,399		2,997,996
Foreign Reinsurance Share	3,377,474		4,472,390
Net Claims Paid		128,156,039	140,676,022
Add :			
Outstanding Claims Provision 31/12	141,255,503		120,102,003
Deduct : Reinsurance Share	19,892,694		19,469,369
Deduct : Recoveries	13,067,400		13,196,418
Net Outstanding Claims Provision 31/12		108,295,409	87,436,216
Deduct :			
Outstanding Claims Provision 1/1	111,469,706		100,142,216
Deduct : Reinsurer Share	19,397,663		21,976,242
Deduct : Recoveries	10,128,005		8,693,341
Net Outstanding Claims Provision		81,944,038	69,472,633
Cost of Claims Incurred		154,507,410	158,639,605
Underwriting Profit (Loss)			
Add :			
Commissions Received	340,120		240,500
Issuance Fees	7,848,241		8,279,901
Investment Income Attributable to U/W	409,506		341,731
Other Revenues	1,119,316		699,106
Total Revenues		9,717,183	9,561,239
Deduct :			
Commissions Paid	10,960,764		9,405,089
Allocated Administrative Expenses	21,009,894		20,196,256
Other expenses	2,083,881		2,191,100
Total Expenses		34,054,539	31,792,445
Underwriting Profit (Loss)		147,187	-8,943,601

*Gerasa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-5): Underwriting Profit (Loss) Account - Marine for Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	22,948,610		22,999,048
Reinsurance Accepted	1,627,289		1,896,812
Total Written Premiums		24,575,899	24,895,860
Deduct:			
Local Reinsurance Share	1,211,498		1,914,793
Foreign reinsurance share	19,455,903		19,334,906
Net Written Premiums		3,908,498	3,646,161
Add :			
Unearned Premium Provision 1/1	5,712,022		5,079,868
Deduct : Reinsurance Share	4,161,702		3,745,107
Net Unearned Premium Provision 1/1		1,550,320	1,334,761
Deduct :			
Unearned Premium Provision 31/12	4,995,909		5,725,608
Deduct : Reinsurance Share	3,853,340		4,172,548
Net Unearned Premium Provision		1,142,569	1,553,060
Changes in Premium Deficiency reserve			
Net Earned Premium Income		4,316,249	3,427,862
Cost of Claims			
Claims Paid	6,384,410		11,975,318
Deduct :			
Recoveries	977,209		329,530
Local Reinsurance Share	-242,757		10,472
Foreign Reinsurance Share	4,992,284		11,053,911
Net Claims Paid		657,674	581,406
Add :			
Outstanding Claims Provision 31/12	15,083,958		11,541,670
Deduct : Reinsurance Share	13,118,988		9,883,547
Deduct : Recoveries	452,347		363,384
Net Outstanding Claims Provision 31/12		1,512,623	1,294,739
Deduct :			
Outstanding Claims Provision 1/1	10,580,184		18,068,863
Deduct : Reinsurer Share	9,043,852		16,465,156
Deduct : Recoveries	335,156		197,296
Net Outstanding Claims Provision		1,201,176	1,406,411
Cost of Claims Incurred		969,121	469,734
Underwriting Profit (Loss)			
Add :			
Commissions Received	5,062,571		4,989,835
Issuance Fees	495,530		522,545
Investment Income Attributable to U/W	1,815		934
Other Revenues	584,344		611,108
Total Revenues		6,144,260	6,124,422
Deduct :			
Commissions Paid	1,065,494		998,946
Allocated Administrative Expenses	2,865,428		2,839,084
Other expenses	221,727		216,747
Total Expenses		4,152,649	4,054,776
Underwriting Profit (Loss)		5,338,739	5,027,775

*Gerasa Insurance Company was liquidated voluntarily in 2013.

**Table (2-2-6): Underwriting Profit (Loss) Account - Aviation
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013		2012
Written Premiums			
Direct Insurance	3,508,034		4,918,519
Reinsurance Accepted	2,698		438,388
Total Written Premiums		3,510,732	5,356,907
Deduct:			
Local Reinsurance Share	0		232,571
Foreign reinsurance share	3,499,812		5,117,356
Net Written Premiums		10,920	6,980
Add :			
Unearned Premium Provision 1/1	1,029,957		1,386,665
Deduct : Reinsurance Share	1,028,837		1,386,665
Net Unearned Premium Provision 1/1		1,120	0
Deduct :			
Unearned Premium Provision 31/12	589,210		1,029,957
Deduct : Reinsurance Share	587,992		1,028,837
Net Unearned Premium Provision		1,218	1,120
Net Earned Premium Income		10,822	5,860
Cost of Claims			
Claims Paid	27,004		2,357
Deduct :			
Foreign Reinsurance Share	27,004		1,767
Net Claims Paid		0	590
Add :			
Outstanding Claims Provision 31/12	60,700		63,350
Deduct : Reinsurance Share	57,000		57,000
Net Outstanding Claims Provision 31/12		3,700	6,350
Deduct :			
Outstanding Claims Provision 1/1	63,350		63,350
Deduct : Reinsurer Share	57,000		57,000
Net Outstanding Claims Provision		6,350	6,350
Cost of Claims Incurred		-2,650	590
Underwriting Profit (Loss)			
Add :			
Commissions Received	199,158		133,131
Issuance Fees	36,836		53,693
Investment Income Attributable to U/W	910		1,120
Total Revenues		236,904	187,944
Deduct :			
Commissions Paid	215		21,327
Allocated Administrative Expenses	320,436		276,810
Other expenses	5,614		16,072
Total Expenses		326,265	314,209
Underwriting Profit (Loss)		-75,889	-120,995

*Gerasa Insurance Company was liquidated voluntarily in 2013.

**Table (2-2-7): Underwriting Profit (Loss) Account - Fire & Other Damage to Property
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013		2012
Written Premiums			
Direct Insurance	53,150,797		48,936,248
Reinsurance Accepted	15,188,756		12,244,678
Total Written Premiums		68,339,553	61,180,926
Deduct:			
Local Reinsurance Share	12,608,340		11,127,774
Foreign reinsurance share	51,766,876		46,611,030
Net Written Premiums		3,964,337	3,442,123
Add :			
Unearned Premium Provision 1/1	25,385,079		24,119,503
Deduct : Reinsurance Share	23,925,404		22,837,831
Net Unearned Premium Provision 1/1		1,459,675	1,281,672
Deduct :			
Unearned Premium Provision 31/12	31,153,290		23,562,415
Deduct : Reinsurance Share	29,425,510		22,075,520
Net Unearned Premium Provision		1,727,780	1,486,895
Net Earned Premium Income		3,696,232	3,236,900
Cost of Claims			
Claims Paid	12,750,863		13,130,668
Deduct :			
Recoveries	274,925		209,165
Local Reinsurance Share	650,080		1,095,452
Foreign Reinsurance Share	10,616,948		10,663,581
Net Claims Paid		1,208,910	1,162,469
Add :			
Outstanding Claims Provision 31/12	106,347,531		56,904,238
Deduct : Reinsurance Share	102,281,456		53,261,726
Deduct : Recoveries	223,231		10,744
Net Outstanding Claims Provision 31/12		3,842,844	3,631,768
Deduct :			
Outstanding Claims Provision 1/1	54,442,607		48,864,689
Deduct : Reinsurer Share	51,037,305		45,837,020
Deduct : Subrogation	35,144		173
Net Outstanding Claims Provision		3,370,158	3,027,496
Cost of Claims Incurred		1,681,596	1,766,741
Underwriting Profit (Loss)			
Add :			
Commissions Received	8,559,279		8,118,020
Issuance Fees	1,320,722		1,206,253
Investment Income Attributable to U/W	14,264		8,533
Other Revenues	211,270		477,505
Total Revenues		10,105,535	9,810,311
Deduct :			
Commissions Paid	1,739,098		1,562,699
Allocated Administrative Expenses	5,949,621		5,813,112
Other expenses	487,155		460,741
Total Expenses		8,175,874	7,836,552
Underwriting Profit (Loss)		3,944,297	3,443,917

*Gerasa Insurance Company was liquidated voluntarily in 2013.

**Table (2-2-8) : Underwriting Profit (Loss) Account - Liability
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013		2012
Written Premiums			
Direct Insurance	5,194,362		5,090,619
Reinsurance Accepted	984,565		857,759
Total Written Premiums		6,178,927	5,948,378
Deduct:			
Local Reinsurance Share	827,147		764,435
Foreign reinsurance share	4,605,194		4,068,742
Net Written Premiums		746,586	1,115,201
Add :			
Unearned Premium Provision 1/1	2,351,324		2,437,327
Deduct : Reinsurance Share	2,015,043		1,993,220
Net Unearned Premium Provision 1/1		336,281	444,107
Deduct :			
Unearned Premium Provision 31/12	2,496,400		2,462,410
Deduct : Reinsurance Share	2,198,544		2,073,426
Net Unearned Premium Provision		297,856	388,984
Net Earned Premium Income		785,011	1,170,324
Cost of Claims			
Claims Paid	640,086		488,049
Deduct :			
Recoveries	54,034		45,626
Local Reinsurance Share	37,372		48,792
Foreign Reinsurance Share	344,329		171,412
Net Claims Paid		204,351	222,219
Add :			
Outstanding Claims Provision 31/12	3,025,831		3,795,264
Deduct : Reinsurance Share	2,052,864		2,477,940
Deduct : Recoveries	0		0
Net Outstanding Claims Provision 31/12		972,967	1,317,324
Deduct :			
Outstanding Claims Provision 1/1	2,699,595		3,737,660
Deduct : Reinsurer Share	1,659,245		2,383,358
Deduct : Subrogation	0		6,450
Net Outstanding Claims Provision		1,040,350	1,347,852
Cost of Claims Incurred		136,968	191,691
Underwriting Profit (Loss)			
Add :			
Commissions Received	648,220		630,202
Issuance Fees	146,902		136,870
Investment Income Attributable to U/W	552		253
Other Revenues	370		0
Total Revenues		796,044	767,325
Deduct :			
Commissions Paid	95,731		146,758
Allocated Administrative Expenses	571,309		676,950
Other expenses	3,407		22,521
Total Expenses		670,447	846,229
Underwriting Profit (Loss)		773,640	899,729

*Gerasa Insurance Company was liquidated voluntarily in 2013.

**Table (2-2-9): Underwriting Profit (Loss) Account - Credit & Suretyship
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013	2012
Written Premiums		
Direct Insurance	397,979	307,160
Total Written Premiums	397,979	307,160
Deduct:		
Local Reinsurance Share	0	46,862
Foreign reinsurance share	192,592	45,536
Net Written Premiums	205,387	214,762
Add :		
Unearned Premium Provision 1/1	416,175	542,515
Deduct : Reinsurance Share	241,998	225,396
Net Unearned Premium Provision 1/1	174,177	317,119
Deduct :		
Unearned Premium Provision 31/12	515,549	416,175
Deduct : Reinsurance Share	356,578	241,998
Net Unearned Premium Provision	158,971	174,177
Net Earned Premium Income	220,593	357,704
Cost of Claims		
Claims Paid	803,072	838,458
Deduct :		
Recoveries	863,548	763,524
Foreign Reinsurance Share	46,246	62,292
Net Claims Paid	-106,722	12,642
Add :		
Outstanding Claims Provision 31/12	1,141,191	861,458
Deduct : Reinsurance Share	208,178	305,889
Deduct : Recoveries	1,588,611	969,449
Net Outstanding Claims Provision 31/12	-655,598	-413,880
Deduct :		
Outstanding Claims Provision 1/1	861,458	1,460,734
Deduct : Reinsurer Share	1,227,669	416,265
Deduct : Recoveries	47,668	1,300,786
Net Outstanding Claims Provision	-413,879	-256,317
Cost of Claims Incurred	-348,441	-144,921
Underwriting Profit (Loss)		
Add :		
Commissions Received	26,507	13,334
Issuance Fees	12,727	8,148
Total Revenues	39,234	21,482
Deduct :		
Allocated Administrative Expenses	75,412	42,421
Other expenses	7,598	11,472
Total Expenses	83,010	53,893
Underwriting Profit (Loss)	525,258	470,214

*Gerasa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-10): Underwriting Profit (Loss) Account - Medical for Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	127,738,683		117,218,463
Reinsurance Accepted	909,162		441,643
Total Written Premiums		128,647,845	117,660,106
Deduct:			
Local Reinsurance Share	920,133		1,022,807
Foreign reinsurance share	50,046,969		53,156,833
Net Written Premiums		77,680,743	63,480,467
Add :			
Unearned Premium Provision 1/1	40,037,167		36,532,182
Deduct : Reinsurance Share	17,540,227		19,813,047
Net Unearned Premium Provision 1/1		22,496,940	16,719,135
Deduct :			
Unearned Premium Provision 31/12	46,402,670		40,157,723
Deduct : Reinsurance Share	19,662,655		17,542,280
Net Unearned Premium Provision		26,740,015	22,615,443
Changes in Premium Deficiency reserve	-310,329		144,098
Net Earned Premium Income		73,747,997	57,440,061
Cost of Claims			
Claims Paid	110,340,729		104,945,284
Deduct :			
Recoveries	1,437,019		2,049,491
Local Reinsurance Share	477,634		703,348
Foreign Reinsurance Share	42,068,314		47,393,989
Net Claims Paid		66,357,762	54,798,456
Add :			
Outstanding Claims Provision 31/12	14,861,962		17,566,255
Deduct : Reinsurance Share	5,567,102		7,453,487
Deduct : Recoveries	5,183		537,593
Net Outstanding Claims Provision 31/12		9,289,677	9,575,175
Deduct :			
Outstanding Claims Provision 1/1	17,534,652		13,924,191
Deduct : Reinsurer Share	7,859,014		6,216,986
Deduct : Recoveries	124,493		259,041
Net Outstanding Claims Provision		9,551,145	7,448,164
Cost of Claims Incurred		66,096,294	56,925,467
Underwriting Profit (Loss)			
Add :			
Commissions Received	7,246,091		7,680,281
Issuance Fees	6,029,281		5,893,519
Investment Income Attributable to U/W	18,957		7,284
Other Revenues	411,172		450,251
Total Revenues		13,705,501	14,031,336
Deduct :			
Commissions Paid	2,719,893		2,599,958
Allocated Administrative Expenses	12,542,273		11,924,181
Other expenses	3,685,271		3,661,083
Total Expenses		18,947,437	18,185,222
Underwriting Profit (Loss)		2,409,767	-3,639,292

*Gerasa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-11): Underwriting Profit (Loss) Account - Other General Classes for Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	10,106,220		10,489,291
Reinsurance Accepted	1,363,492		395,303
Total Written Premiums		11,469,712	10,884,595
Deduct:			
Local Reinsurance Share	1,343,791		968,259
Foreign reinsurance share	6,819,145		6,174,429
Net Written Premiums		3,306,776	3,741,907
Add :			
Unearned Premium Provision 1/1	5,745,012		5,832,036
Deduct : Reinsurance Share	3,333,465		3,292,676
Net Unearned Premium Provision 1/1		2,411,547	2,539,360
Deduct :			
Unearned Premium Provision 31/12	6,350,545		5,736,913
Deduct : Reinsurance Share	3,971,571		3,305,662
Net Unearned Premium Provision		2,378,974	2,431,251
Changes in Premium Deficiency reserve			
Net Earned Premium Income		3,339,349	3,850,016
Cost of Claims			
Claims Paid	1,187,425		1,797,357
Deduct :			
Recoveries	6,027		5,336
Local Reinsurance Share	229,962		243,733
Foreign Reinsurance Share	411,977		338,033
Net Claims Paid		539,459	1,210,255
Add :			
Outstanding Claims Provision 31/12	7,765,299		4,696,093
Deduct : Reinsurance Share	6,405,451		3,598,375
Net Outstanding Claims Provision 31/12		1,359,848	1,097,718
Deduct :			
Outstanding Claims Provision 1/1	4,689,636		3,857,569
Deduct : Reinsurer Share	3,574,766		2,820,263
Net Outstanding Claims Provision		1,114,870	1,037,306
Cost of Claims Incurred		784,437	1,270,667
Underwriting Profit (Loss)			
Add :			
Commissions Received	1,447,780		1,470,373
Issuance Fees	455,423		430,929
Investment Income Attributable to U/W	1,606		679
Other Revenues	67,653		28,477
Total Revenues		1,972,462	1,930,458
Deduct :			
Commissions Paid	668,435		803,822
Allocated Administrative Expenses	1,142,512		1,197,521
Other expenses	81,993		299,010
Total Expenses		1,892,940	2,300,353
Underwriting Profit (Loss)		2,634,434	2,209,453

*Gerasa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-12): Underwriting Profit (Loss) Account / Total Life (Inside Branches) for Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	45,420,551		42,444,876
Reinsurance Accepted	2,016,590		1,914,165
Total Written Premiums		47,437,141	44,359,041
Deduct:			
Local Reinsurance Share	2,462,522		2,302,849
Foreign reinsurance share	15,391,299		13,526,283
Net Written Premiums		29,583,320	28,529,909
Add :			
Unearned Premium Provision 1/1	572,968		590,903
Deduct : Reinsurance Share	314,878		345,882
Net Unearned Premium Provision 1/1		258,090	245,021
Mathematical Provision 1/1	72,744,330		68,202,173
Deduct : Reinsurance Share	3,169,107		2,990,934
Net Mathematical Provision 1/1		69,575,223	65,211,239
Deduct :			
Unearned Premium Provision 31/12	549,558		888,711
Deduct : Reinsurance Share	310,020		460,515
Net Unearned Premium Provision		239,538	428,196
Mathematical Provision 31/12	78,878,741		73,377,057
Deduct : Reinsurance Share	3,023,068		3,176,472
Net Mathematical Provision 31/12		75,855,673	70,200,585
Changes in Premium Deficiency reserve			
Net Earned Premium Income		23,321,422	23,357,388
Cost of Claims			
Claims Paid	18,268,893		18,162,542
Maturity & Surrender of Policies	6,238,478		6,565,791
Deduct :			
Recoveries	12,360		17,417
Local Reinsurance Share	219,518		301,148
Foreign Reinsurance Share	12,663,372		11,787,442
Net Claims Paid		11,612,121	12,622,326
Add :			
Outstanding Claims Provision 31/12	9,118,181		7,952,201
Deduct : Reinsurance Share	5,499,563		4,165,324
Net Outstanding Claims Provision 31/12		3,618,618	3,786,877
Deduct :			
Outstanding Claims Provision 1/1	7,091,968		8,818,164
Deduct : Reinsurer Share	3,488,153		5,363,069
Net Outstanding Claims Provision		3,603,815	3,455,095
Cost of Claims Incurred		11,626,924	12,954,108
Underwriting Profit (Loss)			
Add :			
Commissions Received	508,209		499,594
Issuance Fees	512,966		380,583
Investment Income Attributable to U/W	2,459,145		1,766,970
Other Revenues	811,165		450,807
Total Revenues		4,291,485	3,097,953
Deduct :			
Commissions Paid	3,040,001		3,140,182
Allocated Administrative Expenses	6,061,830		5,276,893
Other expenses	926,554		787,193
Total Expenses		10,028,385	9,204,268
Underwriting Profit (Loss)		5,957,598	4,296,965

Table (2-2-13): Underwriting Profit (Loss) Account / Total Non- Life (Outside Branches) for Jordanian Insurance Sector for the Year Ended 31/12/2013			
Statement	2013		2012
Written Premiums			
Direct Insurance	8,239,366		6,872,258
Reinsurance Accepted	81,663		128,885
Total Written Premiums		8,321,029	7,001,143
Deduct:			
Local Reinsurance Share	8,029		4,634
Foreign reinsurance share	2,395,731		1,689,972
Net Written Premiums		5,917,269	5,306,537
Add :			
Unearned Premium Provision 1/1	3,535,582		3,487,126
Deduct : Reinsurance Share	657,355		594,097
Net Unearned Premium Provision 1/1		2,878,227	2,893,029
Deduct :			
Unearned Premium Provision 31/12	3,924,283		3,535,582
Deduct : Reinsurance Share	840,086		657,355
Net Unearned Premium Provision		3,084,197	2,878,227
Changes in Premium Deficiency reserve			
Net Earned Premium Income		5,711,299	5,321,339
Cost of Claims			
Claims Paid	4,367,904		3,849,904
Deduct :			
Recoveries	695,830		673,468
Local Reinsurance Share	112,228		15,141
Foreign Reinsurance Share	534,431		416,383
Net Claims Paid		3,025,415	2,744,912
Add :			
Outstanding Claims Provision 31/12	3,691,368		3,084,872
Deduct : Reinsurance Share	567,288		554,497
Deduct : Recoveries	424,255		257,438
Net Outstanding Claims Provision 31/12		2,699,825	2,272,937
Deduct :			
Outstanding Claims Provision 1/1	3,084,874		3,121,238
Deduct : Reinsurer Share	554,499		556,675
Deduct : Recoveries	257,438		238,192
Net Outstanding Claims Provision		2,272,937	2,326,371
Cost of Claims Incurred		3,452,303	2,691,478
Underwriting Profit (Loss)			
Add :			
Commissions Received	509,109		402,691
Issuance Fees	334,057		173,535
Investment Income Attributable to U/W	0		7,690
Other Revenues	21,536		0
Total Revenues		864,702	583,916
Deduct :			
Commissions Paid	593,090		481,516
Allocated Administrative Expenses	1,935,034		1,795,009
Other expenses	31,832		17,063
Total Expenses		2,559,956	2,293,588
Underwriting Profit (Loss)		563,742	920,189

**Table (2-2-14): Underwriting Profit (Loss) Account / Total Life (Outside Branches)
for Jordanian Insurance Sector for the Year Ended 31/12/2013**

Statement	2013		2012
Written Premiums			
Direct Insurance	103,224		93,657
Total Written Premiums		103,224	93,657
Deduct:			
Foreign reinsurance share	51,312		37,753
Net Written Premiums		51,912	55,904
Add :			
Mathematical Provision 1/1	453,910		450,896
Deduct : Reinsurance Share	0		23,968
Net Mathematical Provision 1/1		453,910	426,928
Deduct :			
Mathematical Provision 31/12	452,302		479,733
Deduct : Reinsurance Share	0		25,823
Net Mathematical Provision 31/12		452,302	453,910
Net Earned Premium Income		53,520	28,922
Cost of Claims			
Claims Paid	70,900		0
Maturity & Surrender of Policies	21,555		0
Deduct :			
Foreign Reinsurance Share	51,048		0
Net Claims Paid		41,407	0
Add :			
Outstanding Claims Provision 31/12	62,596		33,781
Deduct : Reinsurance Share	25,524		709
Net Outstanding Claims Provision 31/12		37,072	33,072
Deduct :			
Outstanding Claims Provision 1/1	33,781		26,281
Deduct : Reinsurer Share	709		709
Net Outstanding Claims Provision		33,072	25,572
Cost of Claims Incurred		45,407	7,500
Underwriting Profit (Loss)			
Add :			
Commissions Received	12,296		12,583
Issuance Fees	2,798		2,162
Investment Income Attributable to U/W	45,962		0
Other Revenues	0		-411
Total Revenues		61,056	14,334
Deduct :			
Commissions Paid	5,900		4,864
Allocated Administrative Expenses	44,942		38,424
Total Expenses		50,842	43,288
Underwriting Profit (Loss)		18,327	-7,532

Table (2-2-15): Selected Figures for Jordanian Insurance Companies for the year ended 2013

Name of Undertaking	Total Investments	Total Assets	Technical Provision	Shareholders' Equity	Total Premiums	Gross Claims Paid	Total Premiums	Gross Claims Paid	Net Profit before Tax
					Written In-Jordan	In-Jordan	Written Outside	Outside Branches	
Arab German Insurance	0	0	0	0	0	0	0	0	0
Arab Jordanian Insurance Group	4,440,494	13,730,083	7,770,689	3,730,703	10,476,295	8,123,537	0	0	-174,380
Al Nisr Al Arabi Insurance	38,018,078	51,442,475	26,573,220	20,600,543	22,197,394	10,985,543	0	0	1,917,985
MetLife Alico	60,074,940	70,536,524	51,604,985	13,199,433	14,902,097	6,887,004	0	0	6,312,798
Arab Orient Insurance	31,947,518	83,614,187	32,757,240	28,357,096	86,019,536	61,633,012	0	0	5,370,951
Jordan Emirates Insurance	4,883,285	14,181,609	7,876,821	2,223,808	15,751,726	14,026,941	0	0	-285,796
Euro Arab Insurance Group	11,071,098	20,428,893	9,902,869	7,382,451	13,621,718	10,744,892	0	0	816,826
Arab Assurers	6,288,358	13,653,511	7,566,810	3,033,209	12,483,941	10,637,153	0	0	-71,514
Al-Barakah Takaful	0	0	0	0	0	0	0	0	0
Arab Life and Accident Insurance	13,050,378	22,949,296	11,528,385	8,032,003	15,070,465	9,512,516	1,438,704	1,009,889	-356,285
Al-Manara Insurance	11,104,797	18,109,566	10,428,654	5,672,855	10,112,458	8,977,583	0	0	-299,321
Arab Union International Insurance	10,093,338	17,164,457	10,261,507	3,823,175	8,054,187	8,022,360	0	0	-1,435,303
Delta Insurance	13,173,552	20,777,706	7,247,664	10,366,024	11,907,546	6,410,300	0	0	1,051,582
Arabia Insurance-Jordan	13,638,277	24,099,771	10,841,050	10,381,657	15,880,898	10,132,412	0	0	319,452
Gerassa Insurance *	0	0	0	0	0	0	0	0	0
Holy Land Insurance	5,042,026	8,333,164	8,332,241	-1,072,049	8,950,619	9,430,936	0	0	569,445
Islamic Insurance	25,031,429	30,336,874	9,392,134	17,393,531	19,759,789	12,153,633	0	0	2,063,676
Jerusalem Insurance	20,812,467	28,116,222	12,283,044	12,770,184	15,447,574	10,114,221	0	0	1,726,328
Jordan French Insurance	5,011,537	20,860,597	6,618,464	4,811,292	20,834,086	18,447,173	0	0	-102,546
Jordan Insurance	55,485,654	80,948,098	22,852,582	43,335,560	53,092,581	27,337,031	6,985,549	3,450,470	680,940
Jordan International Insurance	25,648,573	34,085,048	5,520,256	23,233,985	10,410,642	8,901,330	0	0	678,232
Middle East Insurance	68,146,730	84,132,561	18,115,287	35,403,386	36,122,954	14,078,087	0	0	3,412,977
National Insurance	11,559,521	20,284,580	9,699,478	7,053,653	16,737,887	9,817,336	0	0	491,722
Philadelphia Insurance	9,389,968	12,089,108	7,890,322	3,046,143	6,879,834	6,176,915	0	0	-521,062
United Insurance	18,765,787	29,531,086	11,864,321	11,467,118	18,272,401	8,309,570	0	0	1,216,126
Yarmouk Insurance	11,007,784	16,893,952	1,468,401	10,271,739	9,488,362	2,279,615	0	0	677,021
Med Gulf Insurance	7,774,027	24,214,801	12,605,223	7,302,243	17,617,939	11,714,568	0	0	211,632
First Insurance	23,413,369	37,521,138	6,987,857	25,859,561	22,397,313	12,246,175	0	0	820,905
Total	504,872,985	798,035,307	327,989,504	317,679,303	492,490,242	317,099,843	8,424,253	4,460,359	25,092,391

*Gerassa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-16): Selected Figures for Jordanian Insurance Companies for the year ended 2013

Name of Undertaking	(Loss Ratio) 1	(Operating Profit Margin) 2	(Retention Ratio) 3	Return on Assets 4	Return on Equity 5	Solvency Margin	Market Share of Gross Written Premiums Inside Jordan
Arab German Insurance	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	N/A	N/A	0.0%
Arab Jordanian Insurance Group	79.4%	5.5%	82.7%	-1.3%	-4.7%	73%	2.1%
Al Nisr Al Arabi Insurance	76.5%	9.4%	82.0%	3.7%	9.3%	262%	4.5%
MetLife Alico	49.7%	21.3%	90.9%	8.9%	47.8%	#N/A	3.0%
Arab Orient Insurance	93.3%	7.3%	47.9%	6.4%	18.9%	165%	17.5%
Jordan Emirates Insurance	83.8%	1.5%	88.5%	-2.0%	-12.9%	40%	3.2%
Euro Arab Insurance Group	81.7%	6.2%	77.4%	4.0%	11.1%	207%	2.8%
Arab Assurers	89.0%	2.5%	89.8%	-0.5%	-2.4%	76%	2.5%
Al-Barakah Takaful	#DIV/0!	#DIV/0!	#DIV/0!	N/A	#DIV/0!	#N/A	N/A
Arab Life and Accident Insurance	76.5%	0.7%	78.0%	-1.6%	-4.4%	127%	3.1%
Al-Manara Insurance	88.1%	0.2%	80.3%	-1.7%	-5.3%	120%	2.1%
Arab Union International Insurance	96.2%	-9.8%	79.9%	-8.4%	-37.5%	104%	1.6%
Delta Insurance	84.2%	7.2%	60.5%	5.1%	10.1%	348%	2.4%
Arabia Insurance-Jordan	85.4%	0.9%	68.2%	1.3%	3.1%	179%	3.2%
Gerassa Insurance *	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.0%
Holy Land Insurance	87.5%	-0.5%	95.6%	6.8%	-53.1%	-25%	1.8%
Islamic Insurance	74.2%	3.2%	66.6%	6.8%	11.9%	270%	4.0%
Jerusalem Insurance	79.3%	6.6%	78.3%	6.1%	13.5%	342%	3.1%
Jordan French Insurance	87.3%	-1.2%	68.6%	-0.5%	-2.1%	77%	4.2%
Jordan Insurance	77.3%	4.9%	41.2%	0.8%	1.6%	239%	10.8%
Jordan International Insurance	84.5%	1.4%	34.2%	2.0%	2.9%	364%	2.1%
Middle East Insurance	73.7%	7.4%	42.3%	4.1%	9.6%	335%	7.3%
National Insurance	84.5%	2.2%	69.6%	2.4%	7.0%	175%	3.4%
Philadelphia Insurance	101.3%	-11.2%	78.4%	-4.3%	-17.1%	135%	1.4%
United Insurance	81.0%	4.4%	67.1%	4.1%	10.6%	182%	3.7%
Yarmouk Insurance	30.0%	6.3%	9.5%	4.0%	6.6%	519%	1.9%
Med Gulf Insurance	94.8%	1.0%	83.9%	0.9%	2.9%	152%	3.6%
First Insurance	88.4%	-0.5%	40.9%	2.2%	3.2%	567%	4.5%
Total	84.4%	4.4%	61.9%	3.1%	7.9%	211%	100.0%

* تم خلال عام ٢٠١٣ الموافقة على طلب شركة جراسا للتأمين بتصفية الشركة تصفية اختيارية.

- 1 - Loss ratio (for non-life written premiums inside Jordan) = net claims cost / net earned premiums
- 2 - Operating profit margin (for written premiums inside Jordan) = net technical profit / gross written premiums.
- 3 - Retention ratio (for written premiums inside Jordan) = net written premiums / gross written premiums.
- 4 - Return on assets = net profit before tax / total assets
- 5 - Return on equity = net profit before tax / shareholders' equity
- *Gerassa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-17): Premiums & Claims per Insurance Class in Jordan for the Year Ended 2013

Name of Undertaking	Motor		Marine & Transport		Aviation		Fire & Other Damage to Property		Liability	
	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid
Arab German Insurance	0	0	0	0	0	0	0	0	0	0
Arab Jordanian Insurance Group	7,037,285	7,078,571	337,316	62,842	0	0	726,421	106,503	0	0
Al Nisr Al Arabi Insurance	-3,277	861,366	586,605	261,600	0	0	1,459,212	204,312	540,423	114,195
MetLife Alico	0	0	0	0	0	0	0	0	0	0
Arab Orient Insurance	20,908,429	13,732,766	2,261,088	263,453	65,902	0	7,726,976	1,344,650	815,572	15,014
Jordan Emirates Insurance	11,560,166	8,437,718	307,596	8,173	0	0	409,104	138,181	0	0
Euro Arab Insurance Group	8,624,442	6,215,528	424,248	89,976	1,346	0	882,925	915,914	305,626	342
Arab Assurers	8,434,957	7,569,865	275,835	73,405	0	0	484,594	436,254	41,471	156,975
Al-Barakah Takaful	0	0	0	0	0	0	0	0	0	0
Arab Life and Accident Insurance	10,698,784	6,154,473	592,672	529,617	0	0	626,542	384,254	60,029	16,841
Al-Manara Insurance	7,661,704	8,077,834	142,116	3,522	2,698	0	1,100,127	159,035	267,432	28,158
Arab Union International Insurance	6,210,322	5,381,736	251,218	2,965	0	0	233,841	35,598	0	0
Delta Insurance	7,409,172	4,379,869	642,897	563,203	0	0	1,754,704	156,687	143,284	25,049
Arabia Insurance-Jordan	8,873,227	6,707,263	833,354	45,557	0	0	1,118,923	166,740	0	0
Gerassa Insurance *	0	0	0	0	0	0	0	0	0	0
Holy Land Insurance	8,645,404	9,156,544	7,491	0	0	0	276,913	271,107	20,811	3,285
Islamic Insurance	8,491,759	6,298,579	909,916	37,438	0	0	2,055,083	261,406	0	0
Jerusalem Insurance	10,378,102	6,433,257	2,297,459	2,315,619	0	0	1,097,944	409,670	51,101	6,259
Jordan French Insurance	9,011,803	11,209,648	1,142,669	345,008	1,684,948	0	924,913	886,874	96,795	264
Jordan Insurance	13,860,352	11,441,027	2,139,757	246,792	0	0	17,067,549	1,716,696	1,490,202	141,838
Jordan International Insurance	92,762	2,288,411	951,870	321,410	1,077,813	27,004	2,209,969	470,164	76,810	54,044
Middle East Insurance	10,738,133	8,294,247	7,006,588	237,280	306,840	0	9,335,429	1,235,358	938,409	62,811
National Insurance	9,179,757	7,051,141	993,845	177,351	0	0	2,304,908	282,462	644,420	2,834
Philadelphia Insurance	5,820,768	5,754,937	45,533	10,668	0	0	99,187	9,069	3,942	361
United Insurance	10,898,723	5,827,383	474,944	41,177	0	0	2,138,974	255,838	184,557	1,415
Yarmouk Insurance	239	335,659	606,708	530,595	0	0	6,223,987	80,452	136,272	0
Med Gulf Insurance	8,929,597	5,596,493	603,825	126,916	0	0	2,263,771	173,090	136,702	5,822
First Insurance	8,469,844	6,174,568	740,349	89,843	371,185	0	5,817,557	2,650,549	225,069	4,579
Total	201,932,454	160,458,883	24,575,899	6,384,410	3,510,732	27,004	68,339,553	12,750,863	6,178,927	640,086
Loss Ratio	86.3%		22.5%		-24.5%		45.5%		17.4%	

*Gerassa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-17): Premiums & Claims per Insurance Class in Jordan for the Year Ended 2013

Name of Undertaking	Credit & Suretyship		Medical		Other General Classes		Total Life		Total	
	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid	Total Written Premiums	Total Claims Paid
Arab German Insurance	0	0	0	0	0	0	0	0	0	0
Arab Jordanian Insurance Group	0	0	1,854,510	631,394	200,866	11,829	319,897	232,398	10,476,295	8,123,537
Al Nisr Al Arabi Insurance	0	0	8,439,114	6,049,891	186,914	25,997	10,988,403	3,468,182	22,197,394	10,985,543
MetLife Alico	0	0	2,973,560	1,766,846	1,326,970	85,033	10,601,567	5,035,125	14,902,097	6,887,004
Arab Orient Insurance	0	0	48,190,187	45,771,369	6,051,382	505,760	0	0	86,019,536	61,633,012
Jordan Emirates Insurance	0	0	3,378,350	5,416,779	96,510	26,090	0	0	15,751,726	14,026,941
Euro Arab Insurance Group	0	0	2,714,201	2,525,590	110,307	194,428	558,623	803,114	13,621,718	10,744,892
Arab Assurers	4,431	335,276	3,103,511	2,044,704	121,594	2,717	17,548	17,957	12,483,941	10,637,153
Al-Barakah Takaful	0	0	0	0	0	0	0	0	N/A	N/A
Arab Life and Accident Insurance	-39	118,996	2,283,301	1,955,571	161,679	17,798	647,497	334,966	15,070,465	9,512,516
Al-Manara Insurance	0	0	885,107	683,034	53,274	26,000	0	0	10,112,458	8,977,583
Arab Union International Insurance	0	0	1,323,915	2,602,054	34,891	7	0	0	8,054,187	8,022,360
Delta Insurance	181,214	28,215	1,605,749	1,234,925	61,004	6,264	109,522	16,088	11,907,546	6,410,300
Arabia Insurance-Jordan	6,000	0	2,524,815	1,942,953	637,635	99,403	1,886,944	1,170,496	15,880,898	10,132,412
Gerassa Insurance *	0	0	0	0	0	0	0	0	0	0
Holy Land Insurance	0	0	0	0	0	0	0	0	8,950,619	9,430,936
Islamic Insurance	0	0	4,636,386	4,465,034	406,635	23,598	3,260,010	1,067,578	19,759,789	12,153,633
Jerusalem Insurance	0	0	1,369,148	860,869	62,672	2,373	191,148	86,174	15,447,574	10,114,221
Jordan French Insurance	206,373	320,585	5,879,814	5,181,464	605,614	63,602	1,281,157	439,728	20,834,086	18,447,173
Jordan Insurance	0	0	6,709,929	4,494,451	170,350	22,830	11,654,442	9,273,397	53,092,581	27,337,031
Jordan International Insurance	0	0	5,525,174	5,220,919	130	232	476,114	519,146	10,410,642	8,901,330
Middle East Insurance	0	0	3,983,051	3,068,556	276,350	20,274	3,538,154	1,159,561	36,122,954	14,078,087
National Insurance	0	0	3,202,857	2,127,343	0	0	412,100	176,205	16,737,887	9,817,336
Philadelphia Insurance	0	0	900,425	401,556	9,979	324	0	0	6,879,834	6,176,915
United Insurance	0	0	3,154,606	1,656,287	88,940	2,734	1,331,657	524,736	18,272,401	8,309,570
Yarmouk Insurance	0	0	2,223,610	1,144,989	135,188	5,400	162,358	182,520	9,488,362	2,279,615
Med Gulf Insurance	0	0	5,668,174	5,810,069	15,870	2,178	0	0	17,617,939	11,714,568
First Insurance	0	0	6,118,351	3,284,082	654,958	42,554	0	0	22,397,313	12,246,175
Total	397,979	803,072	128,647,845	110,340,729	11,469,712	1,187,425	47,437,141	24,507,371	492,490,242	317,099,843
Loss Ratio	-158.0%		89.6%		23.5%		**		84.4%	

*Gerassa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-18): Selected Figures for Jordanian Insurance Sector for the Last Ten Years

Milion JD

Items	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Investments	264.9	410.1	408.0	462.5	479.6	484.6	473.9	453.8	488.6	504.9
Total Assets	366.1	526.2	548.0	636.6	678.0	695.5	718.7	719.0	764.0	798.0
Technical Provisions	143.2	156.2	170.8	188.6	202.6	216.3	237.3	254.3	293.0	328.0
Shareholders' Equity	161.4	277.2	285.1	330.6	355.4	359.1	353.6	314.8	306.4	317.7
Gross Written Premiums Inside Jordan	191.4	219.3	258.7	291.6	333.0	365.2	408.6	432.1	466.5	492.5
Net Written Premiums Inside Jordan	126.9	139.3	158.1	179.3	202.7	217.7	253.3	254.5	282.7	304.6
Gross Claims Paid for Premiums written Inside Jordan	123.9	142.8	174.5	207.6	219.0	263.0	282.1	339.5	335.0	317.1
Net Profit before Tax	40.0	90.6	21.5	15.5	22.6	7.3	15.9	-8.6	5.6	25.1

Items	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Solvency Margin	231.4%	263.2%	289.1%	299.7%	311.8%	293.5%	280.9%	223.2%	233.5%	211.0%
Retention Ratio	66.3%	63.5%	61.1%	61.5%	60.9%	59.6%	62.0%	58.9%	60.6%	61.9%
Loss Ratio (Non-life Insurance)	78.5%	79.5%	85.1%	85.1%	82.9%	89.0%	85.4%	95.8%	96.6%	84.4%
Expense Ratio (Non-life Insurance)	12.9%	13.7%	15.0%	13.4%	10.8%	10.3%	13.1%	8.7%	9.7%	10.6%
Return on Assets	10.9%	17.2%	3.9%	2.4%	3.3%	1.1%	2.2%	-1.2%	0.7%	3.1%
Return on Shareholders' Equity	24.8%	32.7%	7.5%	4.7%	6.4%	2.0%	4.5%	-2.7%	1.8%	7.9%
Technical Provisions/ Shareholders' Equity	88.7%	56.4%	59.9%	57.1%	57.0%	60.2%	67.1%	80.8%	95.6%	103.2%
Total Investments/ Total Assets	72.4%	77.9%	74.5%	72.7%	70.7%	69.7%	65.9%	63.1%	64.0%	63.3%

*Gerasa Insurance Company was liquidated voluntarily in 2013.

Table (2-2-19): Insurance Business Licenses Table

General Insurance Business Licenses		Life Insurance Business Licenses	
No_	License	No_	License
1	Motor Insurance License	11	Life Assurance License
2	Marine & Transport Insurance License	12	Annuities or Pension Assurance Insurance License_
3	Aviation Insurance License	13	Investment Linked Assurance License
4	Fire & Other Damages to Property Insurance License	14	Permanent Health Assurance License
5	Liability Insurance License		
6	Credit Insurance Class License		
7	Accidents Insurance Class License/ Additional Insurances license*_		
8	Medical Insurance License_		
9	Assistance Insurance Class License		
10	Miscellaneous Financial Losses Insurance Class License		

* Additional insurance license represents accidents insurance, and it's granted to the specialized life companies

Table (2-2-20): List of Licenses Given to Insurance Companies as of end of 2013

Company Name	Number of Licenses Given to Companies As in The Insurance Business Licenses Table													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Arab Union International Insurance Company	*	*	*	*	*		*	*	*					
Holy Land Insurance Company	*	*	*	*	*		*							
Jordan International Insurance Company		*	*	*	*		*	*	*		*	*	*	*
Jordan French Insurance Company	*	*	*	*	*	*	*	*	*		*	*	*	*
MetLife Alico							*	*			*	*	*	*
Al Manara Insurance Company	*	*	*	*	*		*	*	*					
Jordan Insurance Company	*	*	*	*	*	*	*	*	*		*	*	*	*
Islamic Insurance Company	*	*	*	*	*		*	*	*		*	*	*	*
Arabia Insurance Company - Jordan	*	*	*	*	*		*	*	*		*	*	*	*
National Insurance Comapny	*	*	*	*	*		*	*	*		*	*	*	*
Gerasa Insurance Company*		*	*	*	*		*	*						
Delta Insurance Company	*	*	*	*	*	*	*	*	*		*	*	*	*
Middle East Insurance Company	*	*	*	*	*		*	*	*		*	*	*	*
Arab Orient Insurance Company	*	*	*	*	*		*	*	*					
Arab Assurers Company	*	*	*	*	*	*	*	*	*		*			
Arab Life and Accident Insurance Company	*	*	*	*	*	*	*	*	*		*	*	*	*
Arab German Insurance Company*	*	*	*	*	*		*	*	*		*	*	*	*
Al Barakah Takaful Insurance Company*	*	*	*	*	*		*	*						
Philadelphia Insurance Company	*	*	*	*	*		*	*						
Jerusalem Insurance Company	*	*	*	*	*		*	*	*		*	*	*	*
United Insurance Company	*	*	*	*	*		*	*	*		*	*	*	*
Arab Jordanian Insurance Group	*	*	*	*	*		*	*	*		*	*	*	*
Euro Arab Insurance Group	*	*	*	*	*		*	*	*		*	*	*	*
Al Nisr Al-Arabi Insurance Company		*	*	*	*		*	*	*		*	*	*	*
Jordan Emirates Insurance Company	*	*	*	*	*		*	*	*					
Yarmouk Insurance Company		*	*	*	*		*	*	*		*	*	*	*
Mediterranean and Gulf Insurance (Medgulf)	*	*	*	*	*		*	*						
First Insurance Company	*	*	*	*	*		*	*	*					

- Gerasa Insurance Company was voluntarily liquidated in 2013.
- Al-Barakah Takaful Insurance Company was compulsorily liquidated in 2014
- Arab German Insurance Company was compulsory liquidated in 2014.

Figure (2-2-1): Jordanian Insurance Sector Growth 2004- 2013

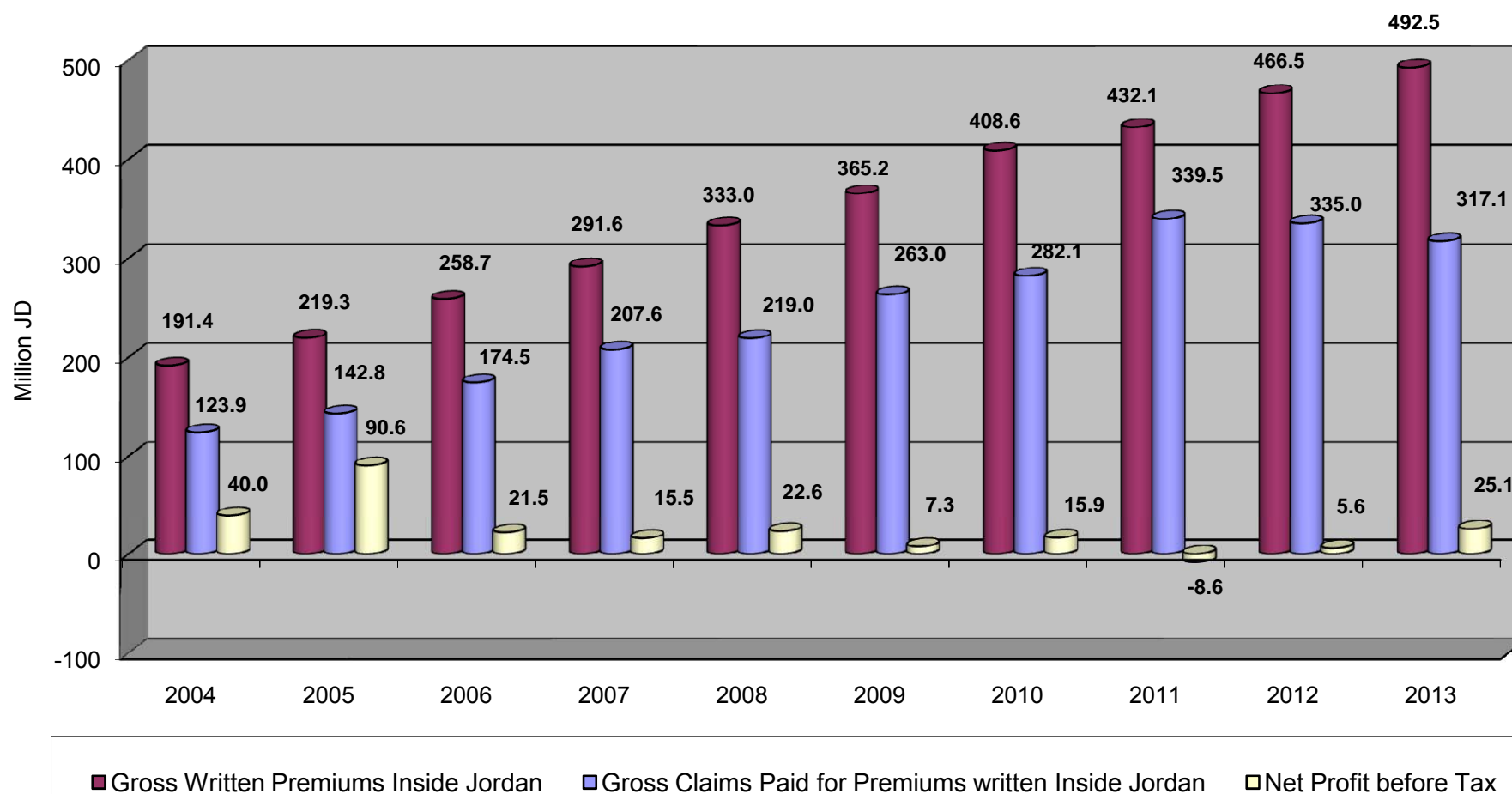


Figure (2-2-2):Gross Premiums/ Gross Claims for the Insurance Sector 2013

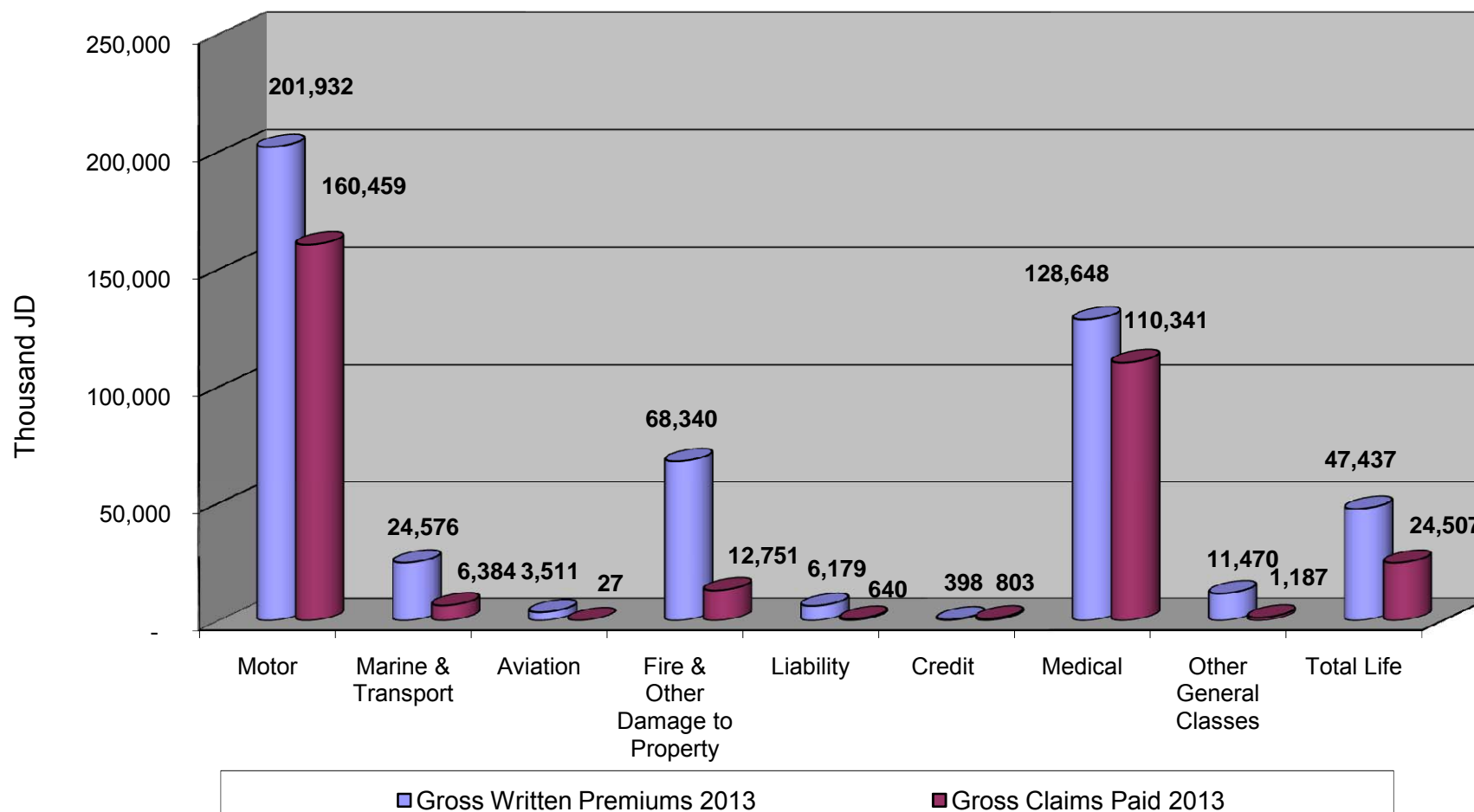


Figure (2-2-3): Net Retention of Insurance Companies for Jordanian Insurance Sector for the Year 2013

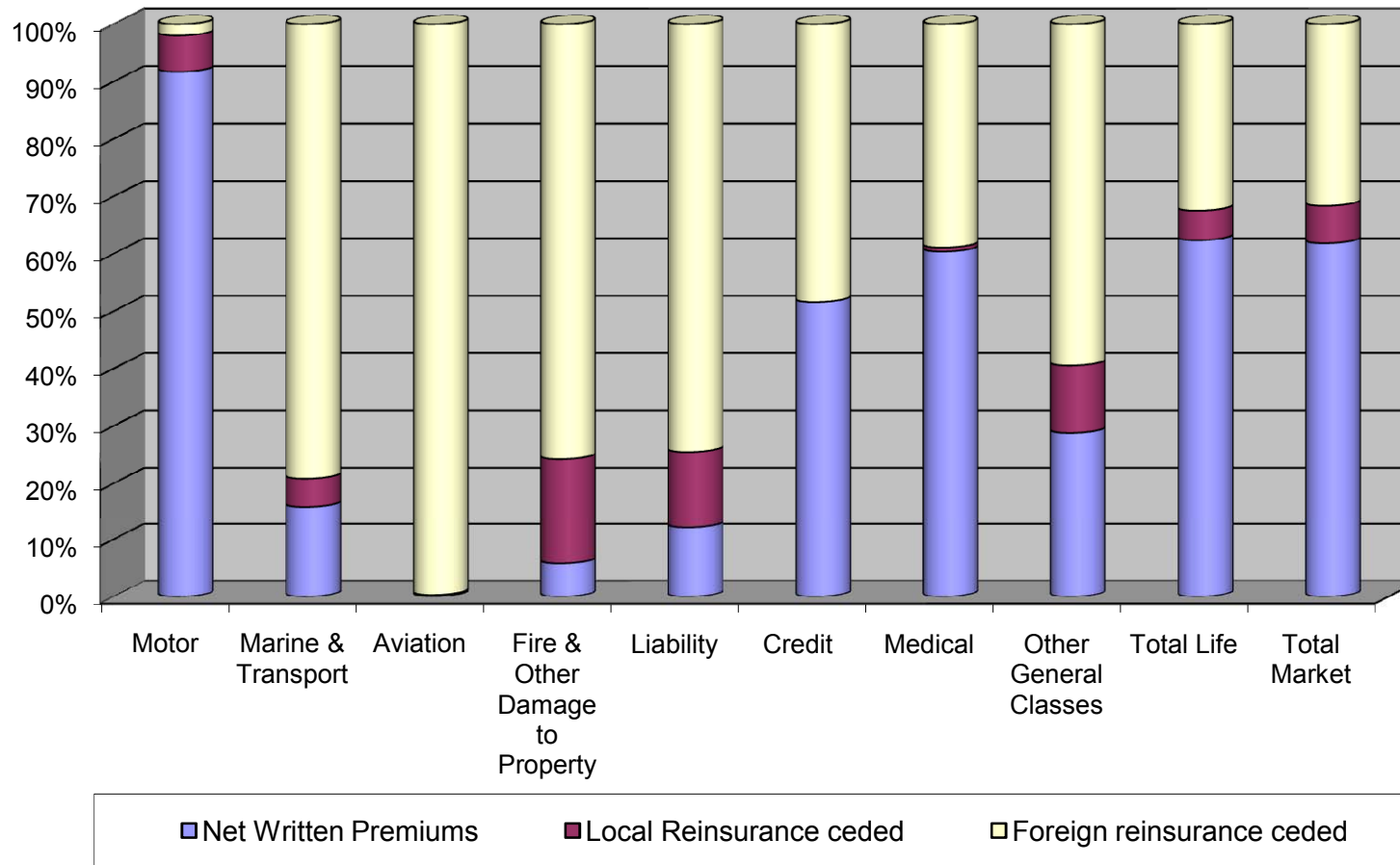


Figure (2-2-4): Gross Written Premiums for Jordanian Insurance Sector for the Year 2013

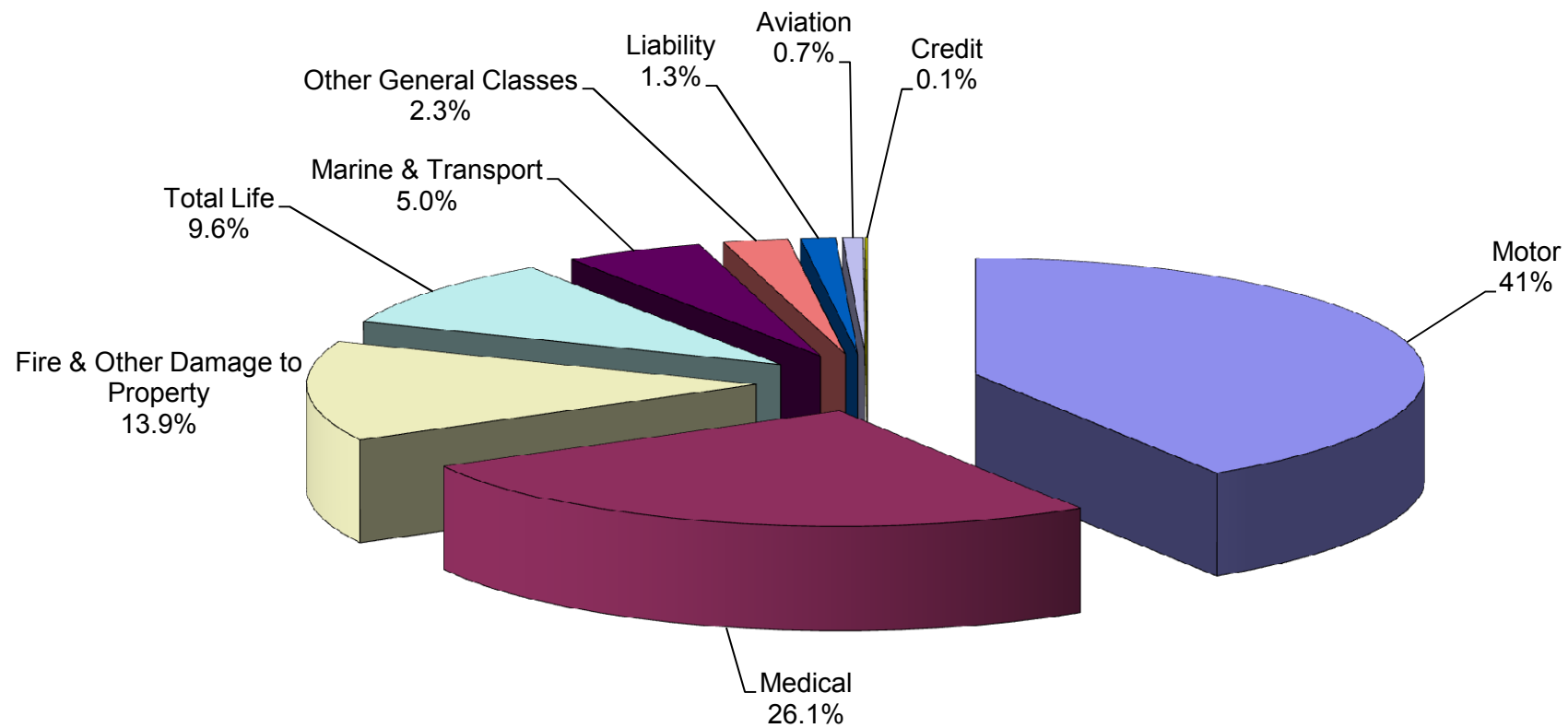


Figure (2-2-5): Gross Claims Paid for Jordanian Insurance Sector for the Year 2013

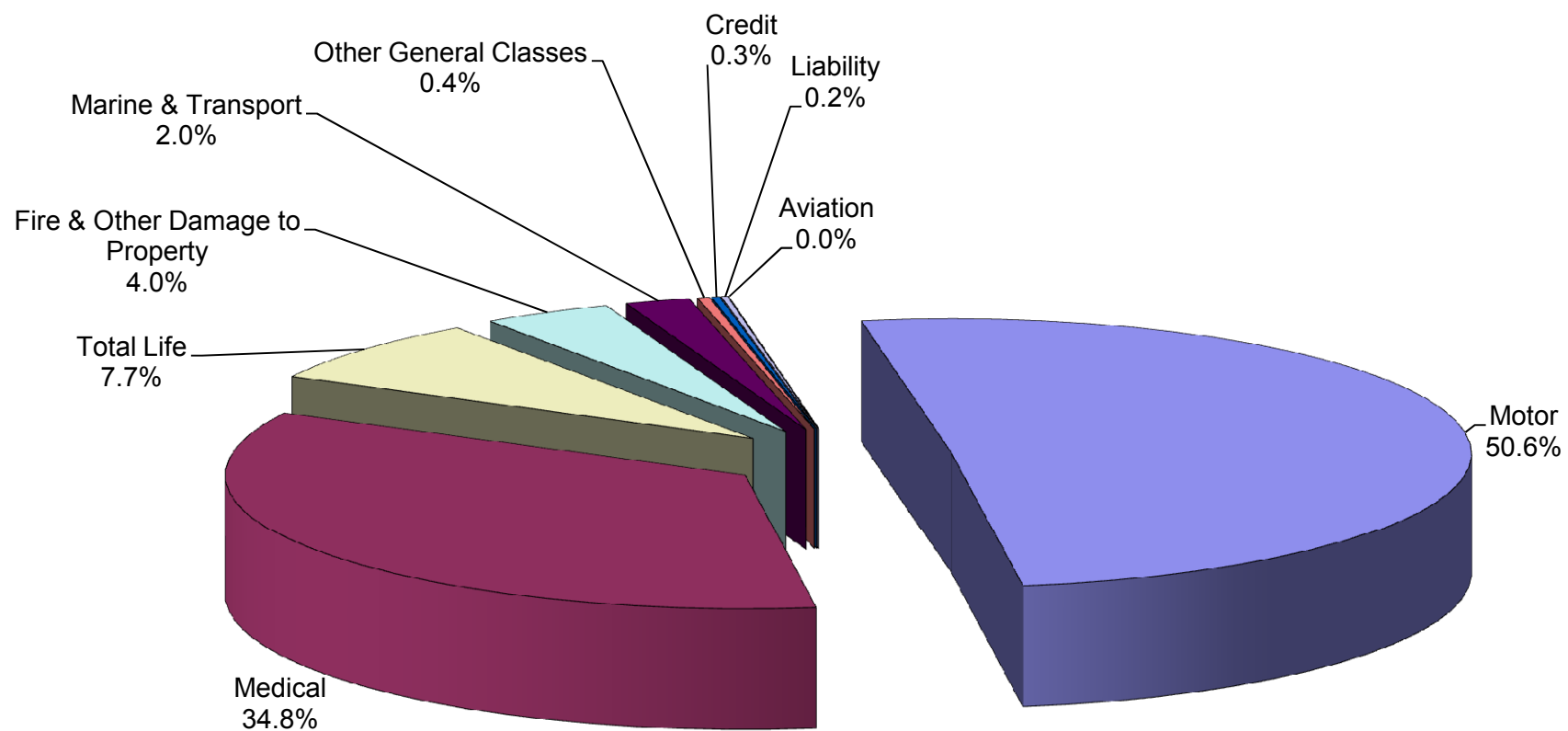
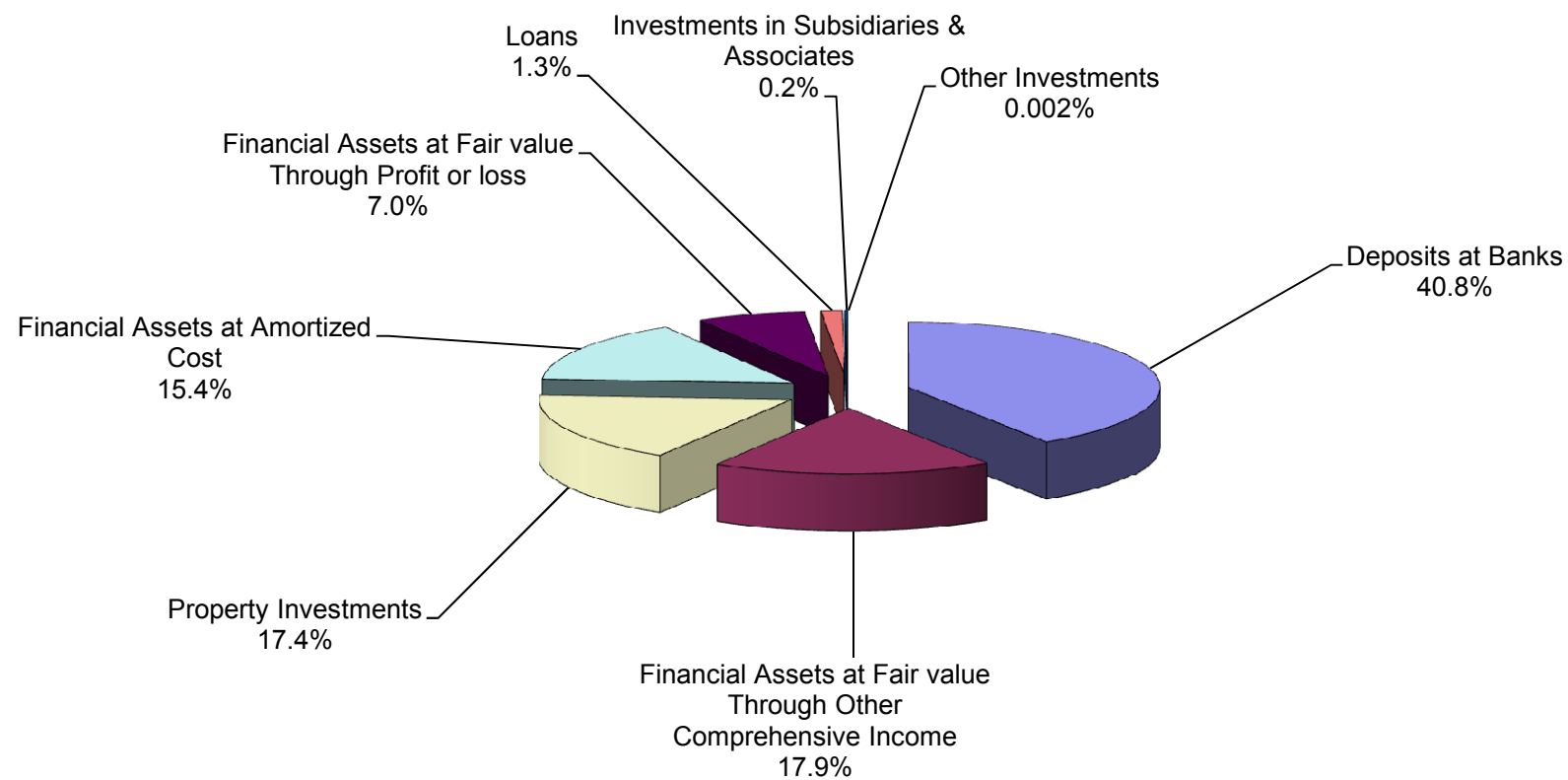


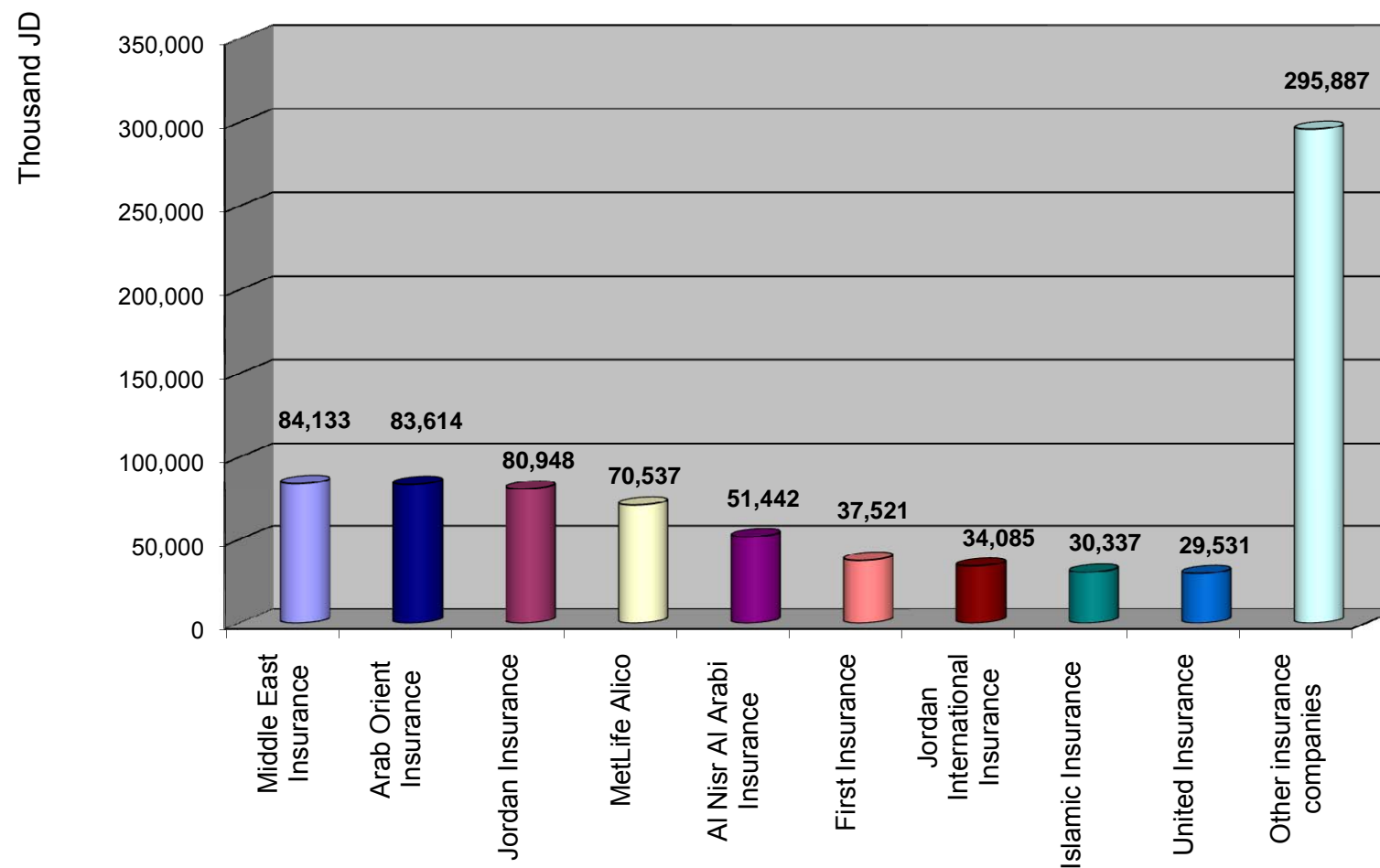
Figure (2-2-6): Technical Profit & Loss for Jordanian Insurance Sector 2012 - 2013



Figure (2-2-7): Total Jordanian Insurance Sector Investment for the Year 2013



**Figure (2-2-8): Total Assets per Company for the Year 2013
Highest ten companies**



**Figure (2-2-9): Net Profit before Tax per Company for the Year 2013
Highest Ten Companies**

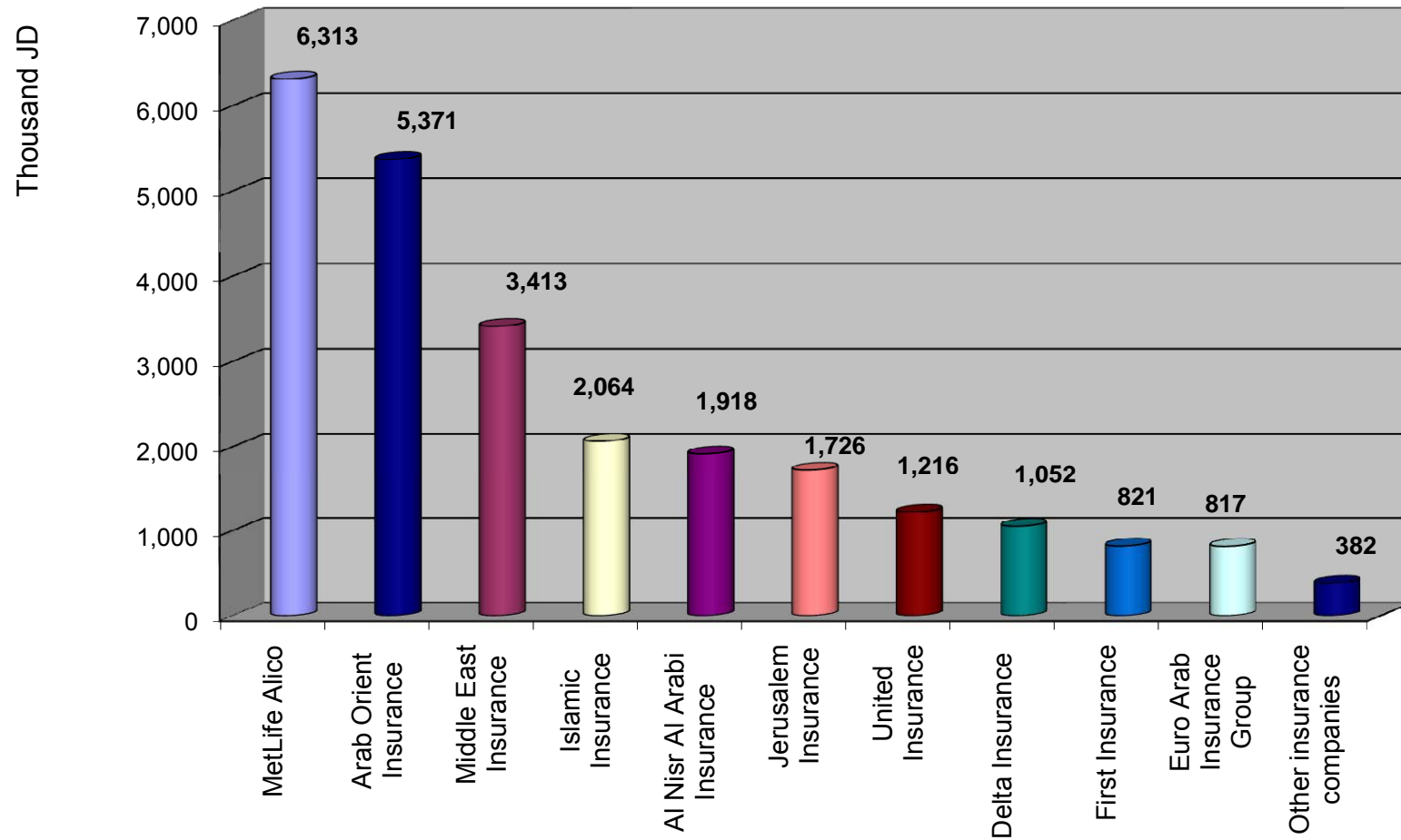


Figure (2-2-10):Gross Written Premiums for Jordanian Insurance Sector for the Year 2013

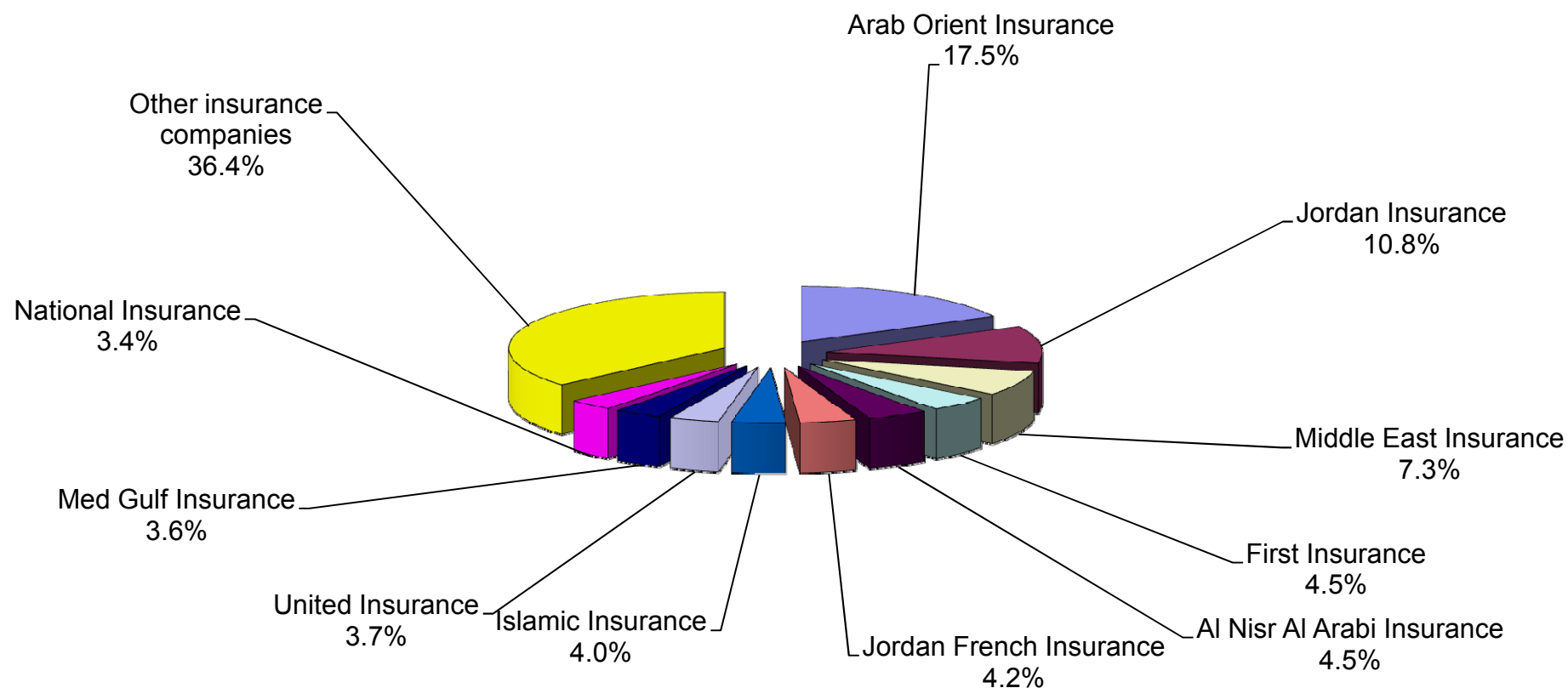


Figure (2-2-11):Gross Written Premiums / Motor 2013

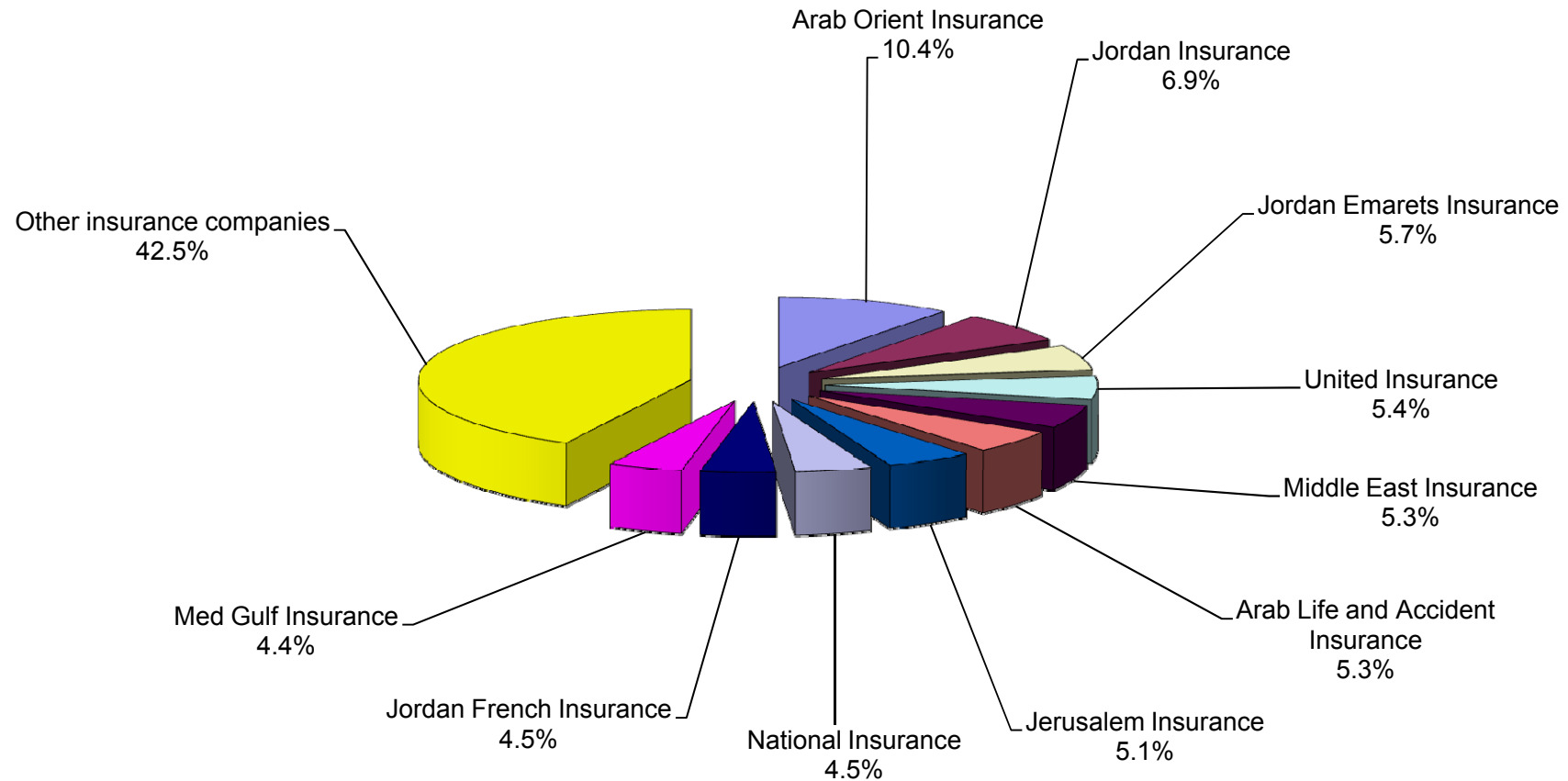


Figure (2-2-12):Gross Written Premiums / Marine & Transport 2013

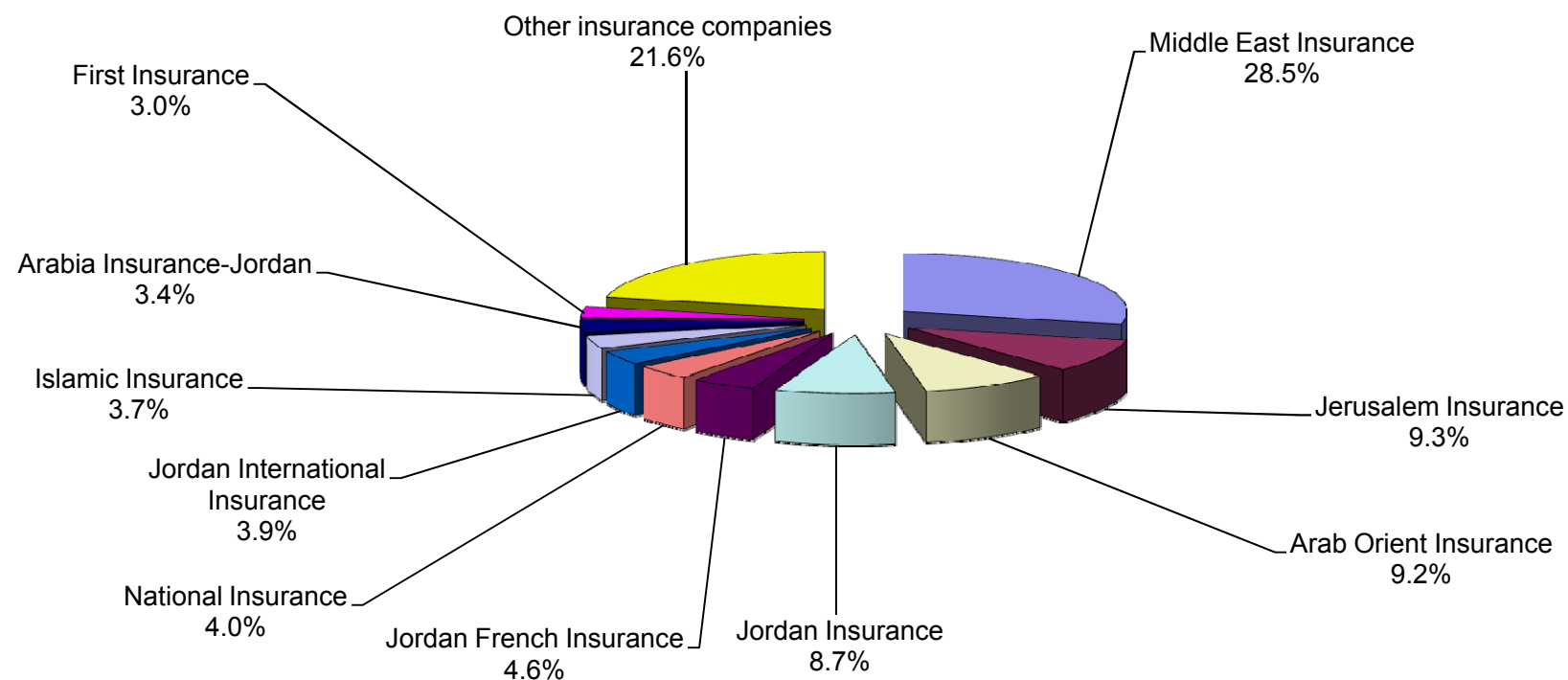


Figure (2-2-13):Gross Writtem Premiums / Fire & Other Damage to Property 2013

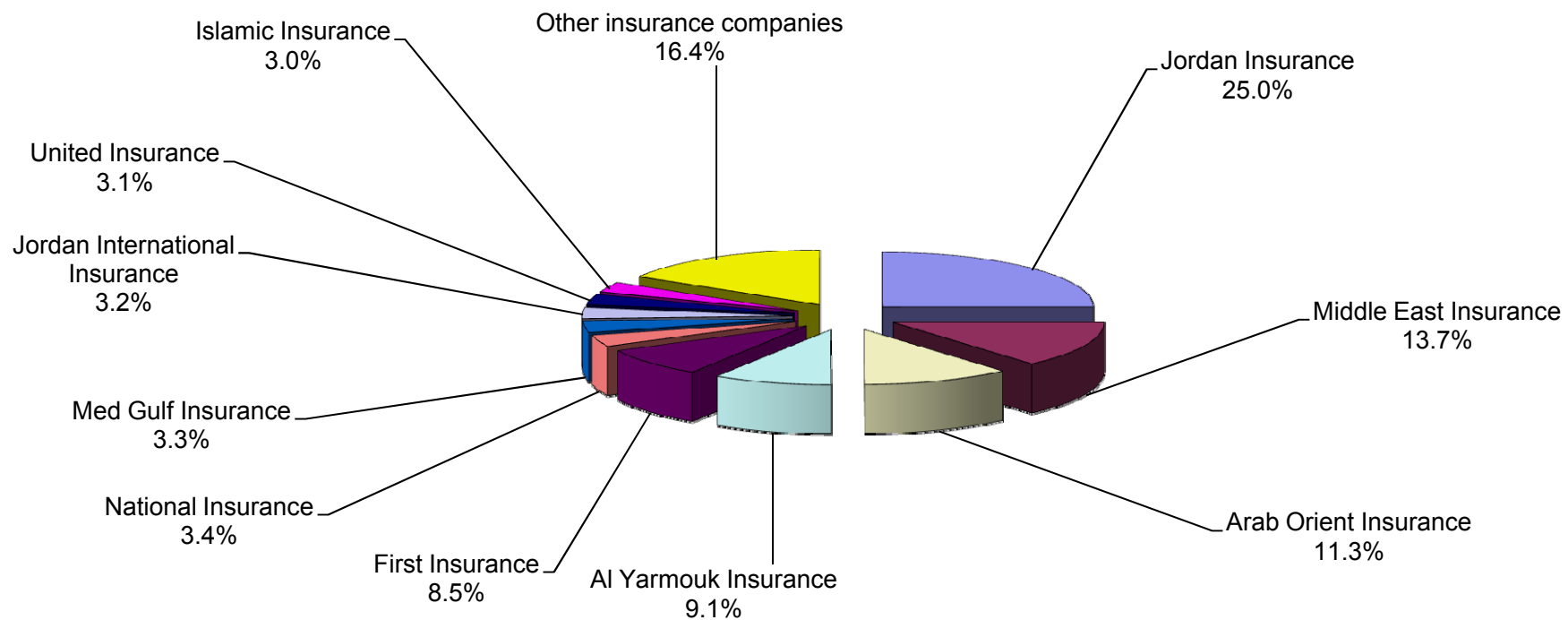


Figure (2-2-14):Gross Written Premiums / Liability 2013

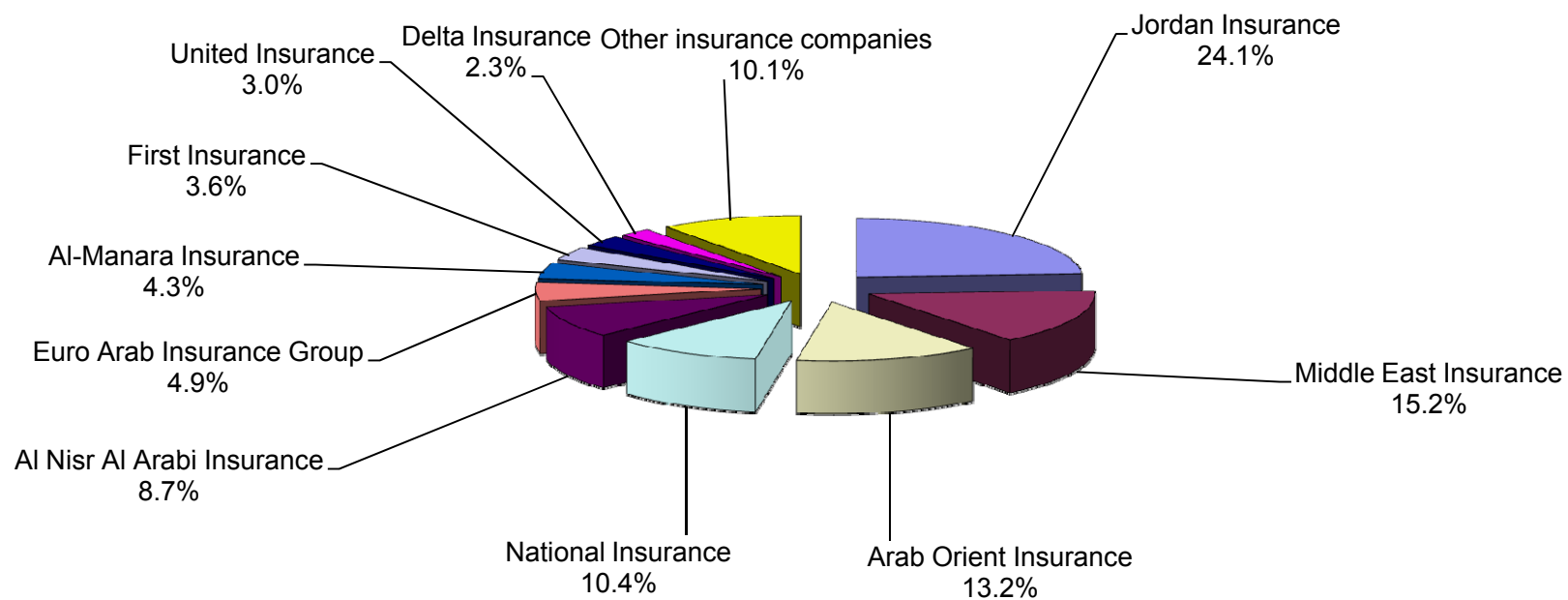


Figure (2-2-15): Gross Written Premiums / Medical 2013

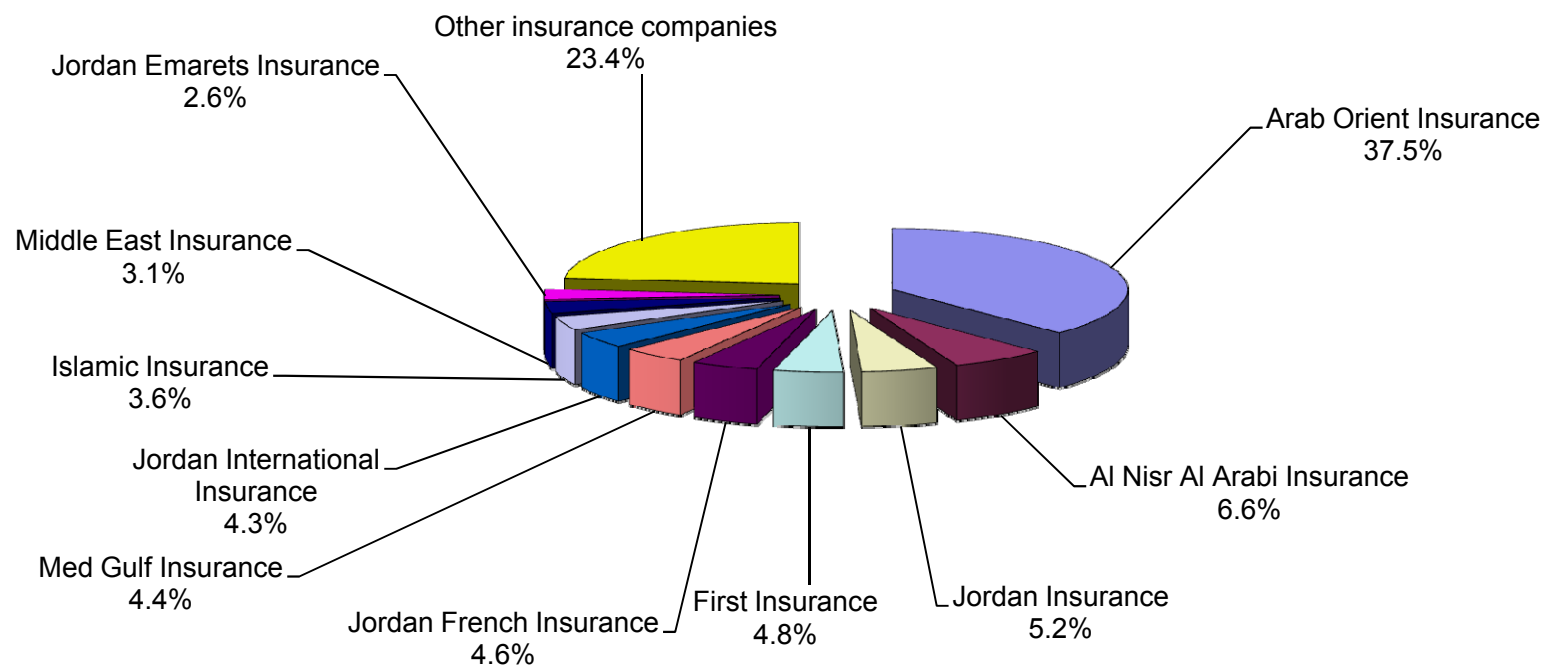


Figure (2-2-16): Gross Written Premiums / Other General Insurance Classes 2013

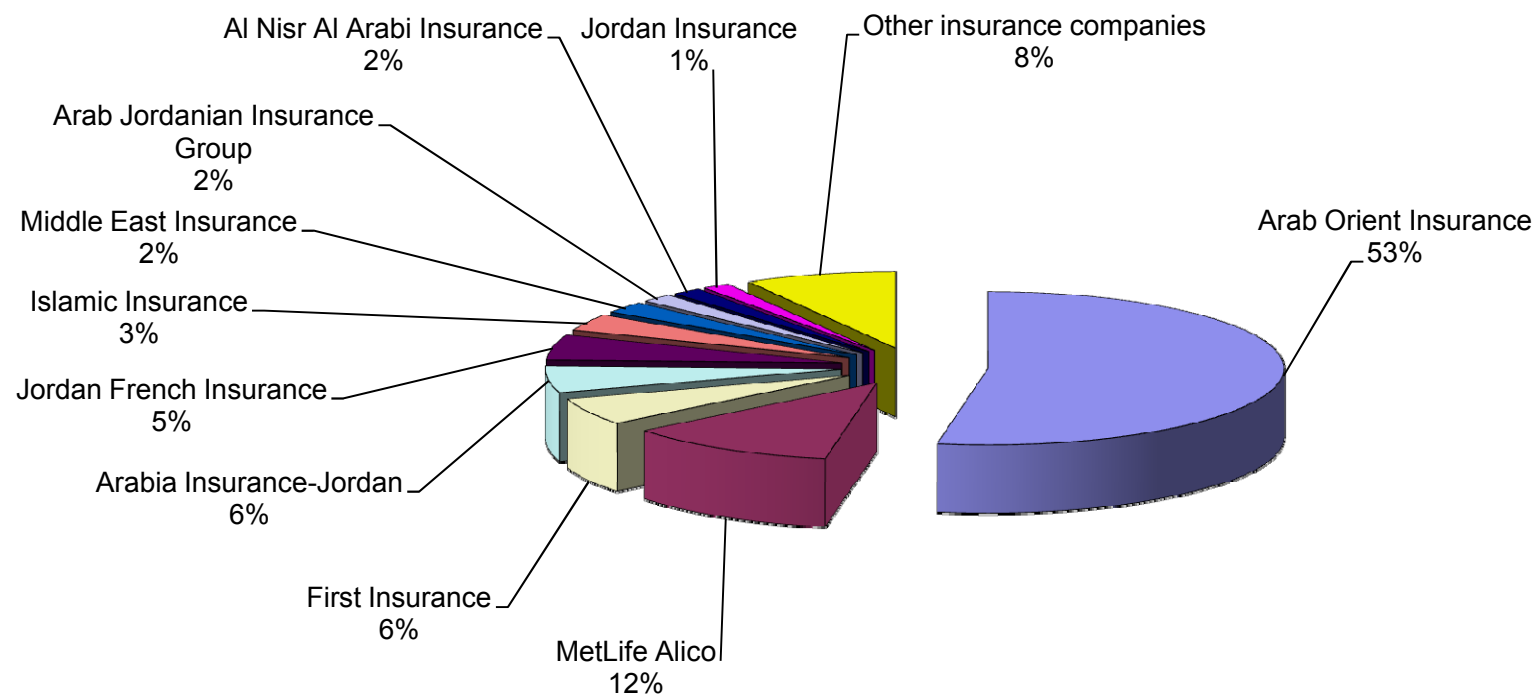
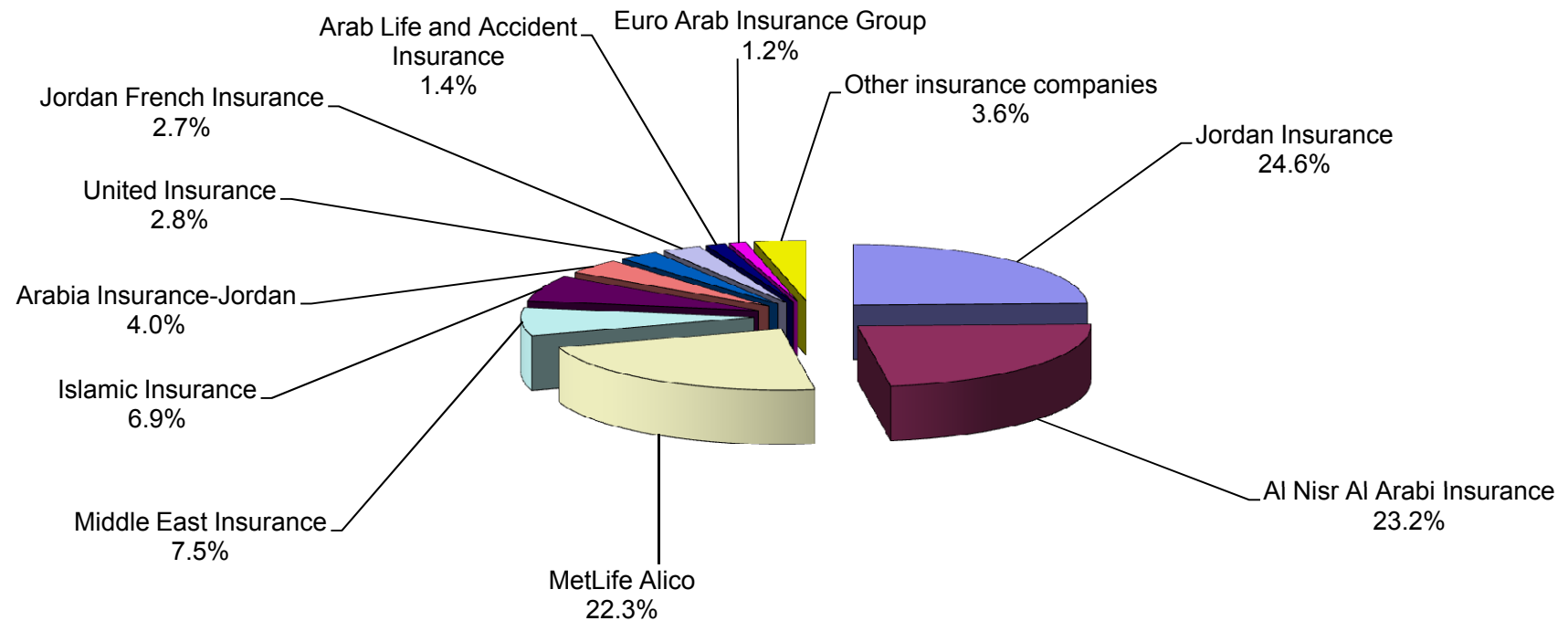


Figure (2-2-17): Gross Written Premiums / Total Life Assurance 2013

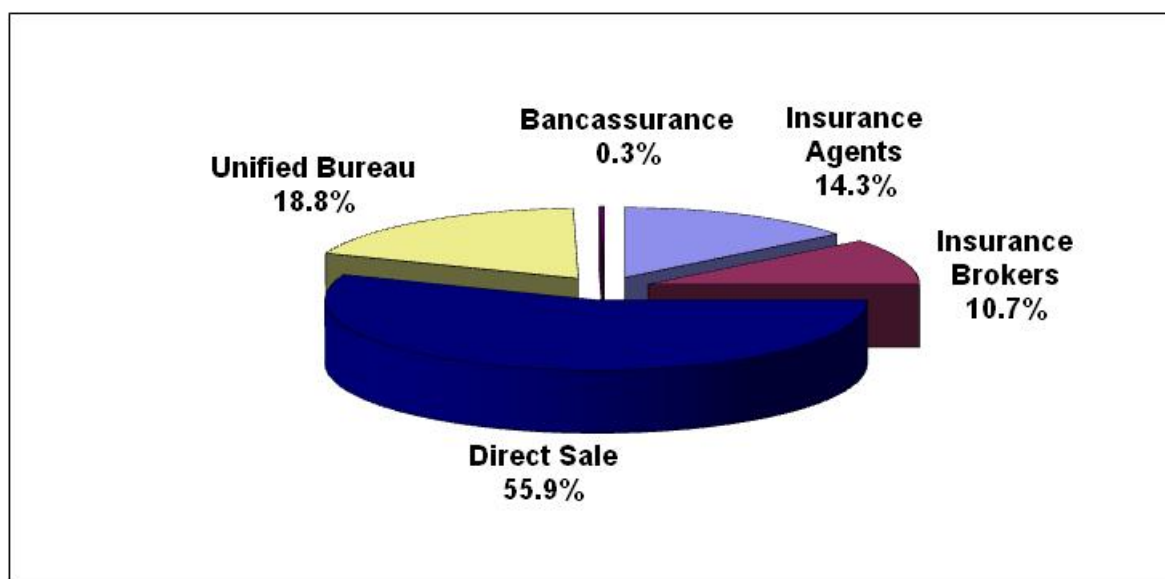


Third: Results of Insurance Supporting Service Providers in 2013

The insurance supporting service providers' sector comprises (583) insurance agents, (142) insurance brokers, (58) loss adjusters and surveyors, (18) actuaries, (16) companies administrating insurance business, (31) insurance consultants, (22) reinsurance brokers, (10) Banks licensed to practice bancassurance and (1) authorized coverholder. Additionally, (36) non-resident reinsurance brokers were approved to practice reinsurance brokerage activities in Jordan. Together, providing all the required services to support and complement the business of insurance companies.

In 2013, total insurance premiums written through insurance agents and brokers, bancassurance, direct sales and the Unified Insurance Office amounted to JOD (493,937,062), an increase of (4.5%) over 2012, in which the same amounted to JOD (472,083,303).

Figure (2-3-1): Written Insurance Premiums (Based on Distribution Channel) in 2013

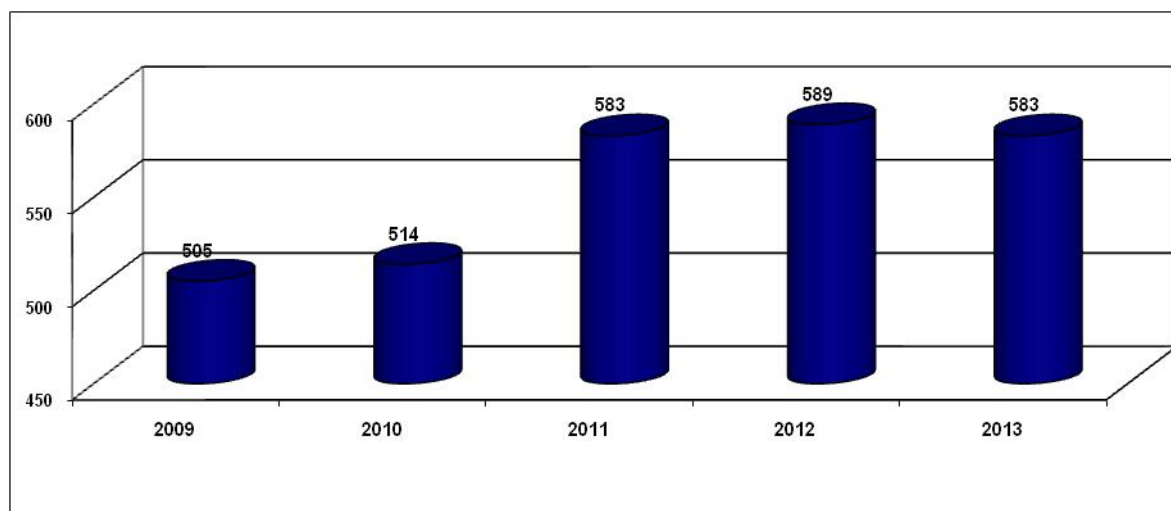


The total production of insurance agents, brokers and bancassurance totaled JOD (125,126,804), which is (25%) of total underwritten insurance premiums, as illustrated in the figure above.

1. Insurance Agents

The total number of insurance agents licensed by the Insurance Commission was (583) by the end of 2013, compared to (589) by the end of 2012.

Figure (2-3-2): The Increase in Number of Insurance Agents



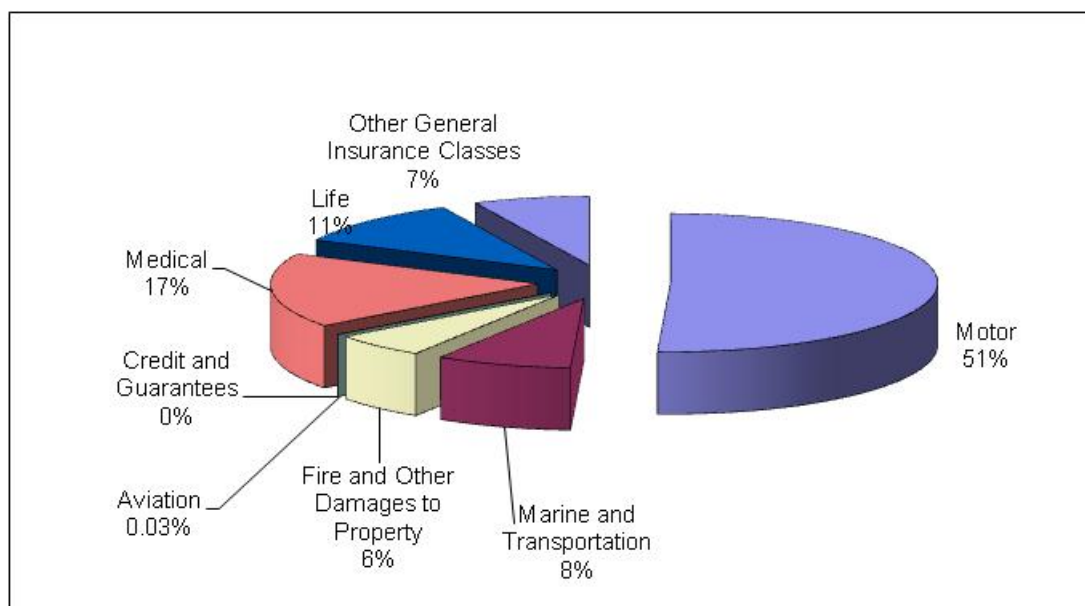
Total production achieved through insurance agents in all insurance branches and licenses amounted to JOD (70,507,346), which is (14.2%) of total underwritten insurance premiums. Compared to 2012, the production of insurance brokers marked a decrease of (1.9%) in 2013.

Table (2-3-1): Growth of Insurance Agents' Activities

Insurance License	Production of Insurance Agents (JOD)		Growth Rate	Percentage of Total Agents' Production in 2013
	2012	2013		
Motor	43,040,581	35,942,707	-16.5%	51.0%
Marine and Transportation	2,262,758	5,788,843	155.8%	8.2%
Fire and Other Damages to Property	3,087,329	4,018,425	30.2%	5.7%
Aviation	16,048	20,048	24.9%	0.0%
Credit and Guarantees	0	0	-	0.0%
Medical	9,070,239	12,342,362	36.1%	17.5%
Life	9,455,289	7,677,294	-18.8%	10.9%
Other General Insurance Classes	4,972,391	4,972,391	-5.1%	6.7%
Total	71,904,635	70,507,346	-1.9%	100.0%

JOD 1= USD 1.41

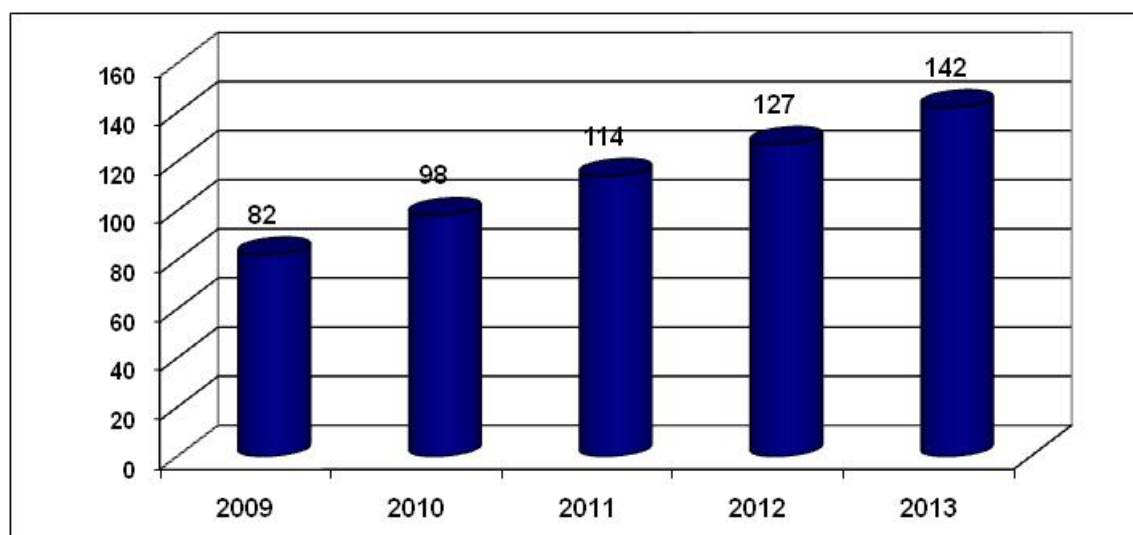
Figure (2-3-3): Insurance Agents' Production (Based on Insurance License) in 2013



2. Insurance Brokers

Insurance brokers counted for (142), compared with 2012, the number of insurance brokers has increased by (12%).

Figure (2-3-4): Increase in Number of Insurance Brokers



The total production of insurance brokers amounted to JOD (52,943,425), which is (11%) of the total underwritten insurance premiums and a growth of (13%) over last year. The following table illustrates the growth in insurance brokers' production in the different insurance branches in 2013 compared with 2012.

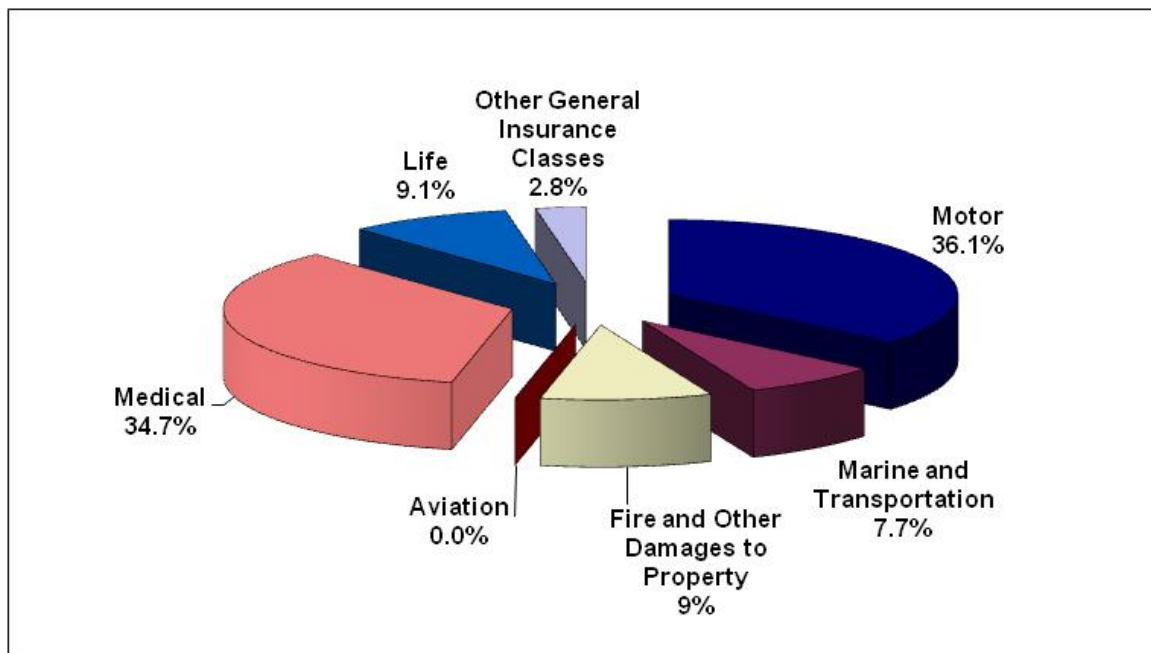
Table (2-3-2): Growth in Insurance Brokers' Production

Insurance License	Production of Insurance Brokers (JOD)		Growth Rate	Percentage of Total Brokers' Production in 2012
	2012	2013		
Motor	16,793,709	19,116,288	13.8%	36.1%
Marine and Transportation	5,165,787	4,057,122	-21.5%	7.7%
Fire and Other Damages to Property	3,656,057	5,070,699	38.7%	9.6%
Aviation	27,798	0	-100%	0.0%
Credit and Guarantees	0	0	-	0.0%
Medical	15,626,920	18,397,538	17.7%	34.7%
Life	4,466,703	4,822,802	8.0%	9.1%
Other General Insurance Classes	1,170,918	1,478,976	26.3%	2.8%
<u>Total</u>	46,907,892	52,943,425	12.9%	100%

JOD 1= USD 1.41

Insurance brokers' production was mainly in motor and medical insurance, which represented (70.8%) of insurance brokers' total production.

Figure (2-3-5): Insurance Brokers' Production (Based on Insurance License) in 2013



3. Bancassurance

In 2005, the IC issued the first license to conduct bancassurance activities in the Kingdom, and bancassurance premiums amounted to JOD (15.670) that year. However,

in 2013 bancassurance premiums amounted to JOD (1,676,033), which is (0.3%) of the total underwritten insurance premiums. Compared to 2012, the total premiums generated from bancassurance decreased by (13%), while life insurance and general insurance decreased by (13%) and (15%) respectively.

Table (2-3-3): Growth in Bancassurance Production 2009-2013

	Production of Bancassurance (JOD)					Growth Rate	Percentage of Total Bancassurance in 2013 %
	2009	2010	2011	2012	2013		
Life Insurance	997,070	1,215,941	1,963,111	1,826,071	1,585,887	-13.2%	94.6%
General Insurance	442,510	555,230	887,929	107,606	90,146	-16.2%	5.4%
Total	1,439,580	1,771,171	2,851,040	1,933,677	1,676,033	-13.3%	100%

JOD 1= USD 1.41

Figure (2-3-6): Growth in Bancassurance Production

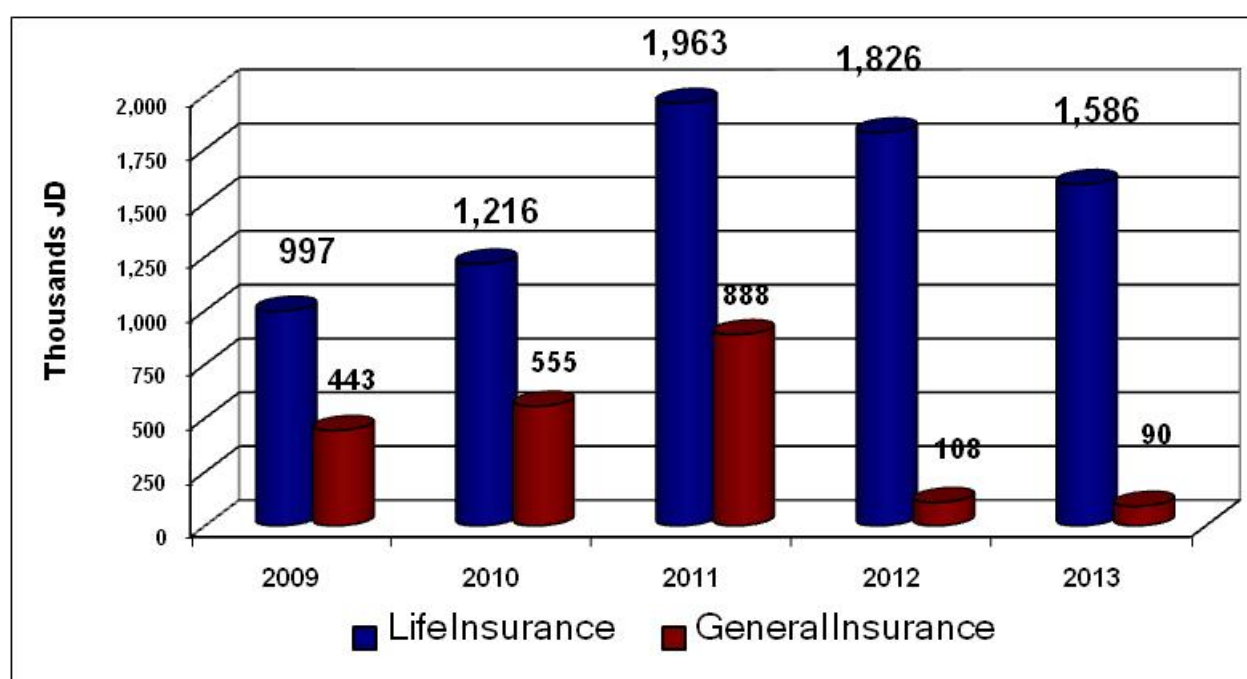
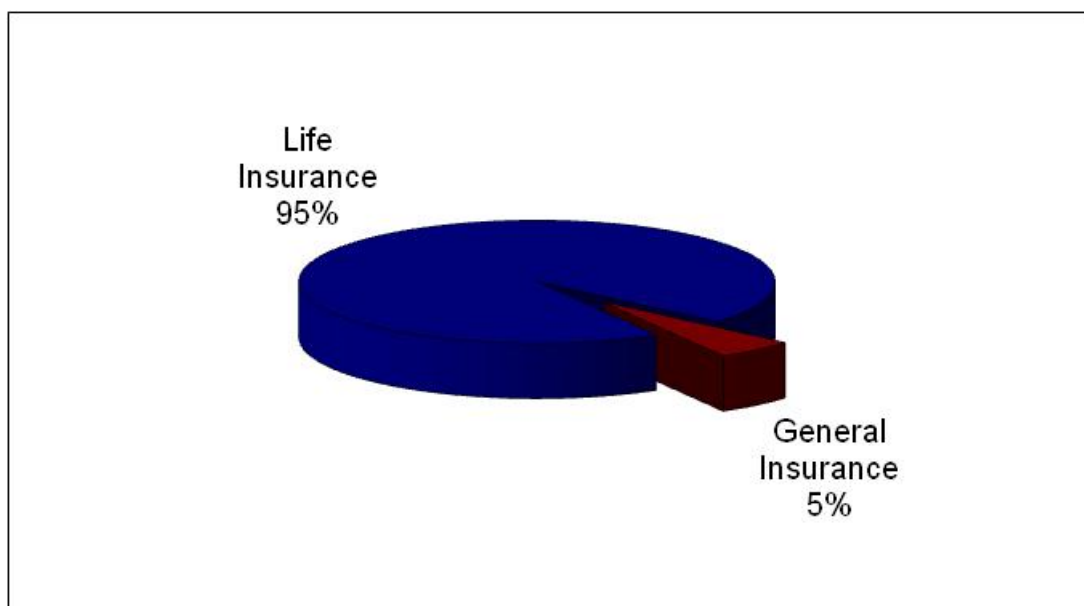


Figure (2-3-7): Bancassurance Production (Based on Type) in 2013



4. Companies Administrating Insurance Business

The assets of companies administrating insurance business, who administer medical insurance portfolios on behalf of some insurance companies and some self-financed funds grew from JOD (21) million in 2012 to JOD (23) million in 2013, while their net shareholders' equity grew to JOD (13.3) million, compared to JOD (13) million in 2012.

Table (2-3-4): Consolidated Balance Sheet of Companies Administrating Insurance Business as of December 31, 2013

Consolidated Balance Sheet of Companies Administrating Insurance Business		
as of December 31 2013		
	2012	2013
<u>Assets</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	4,232,792	3,454,963
Checks under Collection and Outstanding Checks	125,000	750,000
Accounts Receivable	9,218,391	9,792,340
Inventory	30,448	12,461
Other Current Assets	4,595,452	5,780,022
<u>Total Current Assets</u>	<u>18,202,083</u>	<u>19,789,786</u>
<u>Fixed Assets</u>	-	-
Total Fixed Assets	2,505,377	2,507,495
Accumulated Depreciation	0	99,003
<u>Net Fixed Assets</u>	<u>2,505,377</u>	<u>2,408,492</u>
<u>Other Assets</u>		
Financial Assets Available for Sale	0	0
Investments	574,448	613,004
<u>Total Assets</u>	<u>21,281,908</u>	<u>22,811,282</u>
<u>Liabilities and Shareholders' Equity</u>		
<u>Current Liabilities</u>		
Bank Overdraft	276,805	118,579
Promissory Notes	15,509	9,712
Accounts Payable	4,086,952	6,112,679
Income Tax Provisions	63,826	-299
Accrued Expenses	13,953	5,165
Other Current Liabilities	2,261,963	3,206,006

Consolidated Balance Sheet of Companies Administrating Insurance Business		
as of December 31 2013		
	2012	2013
<u>Total Current Liabilities</u>	<u>6,719,008</u>	<u>9,451,842</u>
<u>Shareholders' Equity</u>		
Capital	12,330,000	12,654,123
Reserves	603,289	861,482
Partners' Current Liabilities	-568,375	-295,000
Cumulative Change in Fair Value	-108,000	0
Accumulated Profits (Losses)	545,722	138,832
<u>Net Shareholders' Equity</u>	<u>12,802,636</u>	<u>13,359,437</u>
<u>Total Liabilities and Shareholders' Equity</u>	<u>19,521,644</u>	<u>22,811,279</u>

JOD 1= USD 1.41

**Table (2-3-5): Comprehensive Income Statement of Companies administrating insurance business
for the Fiscal Year ended December 31, 2013**

Comprehensive Income Statement Companies administrating insurance business		
for the Fiscal Year Ended December 31 2013		
	<u>2012</u>	<u>2013</u>
<u>Operating Revenues</u>		
Internal Revenues	6,900,326	7,277,328
External Revenues	0	0
Net Operating Revenues	6,900,326	<u>7,277,328</u>
Less: Service Expenses	1,044,260	680,432
<u>Net Operating Income</u>	<u>5,856,066</u>	<u>6,596,896</u>
<u>Expenses</u>		
General and Administrative Expenses	4,811,645	6,187,742
Finance Expenses	248,025	9,572
Depreciations and Provisions	223,844	135,572
Total Expenses	5,283,514	6,332,886
<u>Gross Operating Profit</u>	<u>572,552</u>	<u>264,010</u>
Bank Interests and Commissions	0	-18,129
Profit/Loss Due to Sale and Disposal of Property and Equipment	0	-30
Other Expenses	0	89,059
<u>Gross Operating Profit After Tax</u>	<u>572,552</u>	<u>193,110</u>
Revenues from Other Activities	216,352	176,497
<u>Total Revenues</u>	<u>7,116,678</u>	<u>7,453,825</u>
<u>Gross Profit Before Tax for the Year</u>	<u>788,904</u>	<u>369,607</u>

Comprehensive Income Statement Companies administrating insurance business		
for the Fiscal Year Ended December 31 2013		
	<u>2012</u>	<u>2013</u>
Losses Due to Reduction in Available for Sale Assets	0	0
Income Tax Provisions	227,687	74,146
Mandatory Reserves	980	429
Potential Liability Provisions	0	0
Education and Vocational Training Fund	0	0
<u>Net Profit After Tax</u>	<u>560,237</u>	<u>295,032</u>
<u>Plus: Other Comprehensive Income Items</u>		
Cumulative Change in Fair Value	0	0
<u>Net Comprehensive Income (Profit After Tax for the Year)</u>	<u>560,237</u>	<u>295,032</u>

JOD 1= USD 1.41



Chapter Three

Insurance Commission Financial Statements

independent auditor's report

for the year ended December 31, 2013

Insurance Commission

Legal Entity with Financial and Administrative Independence

Amman - The Hashemite Kingdom of Jordan

Financial statements and

independent auditor's report

for the year ended December 31, 2013

First: Independent Auditor's Report

To Messrs. Chairman and Members of the Board of Directors

Insurance Commission

Legal Entity with Financial and Administrative Independence

Amman-The Hashemite Kingdom of Jordan

We have audited the accompanying financial statements of the **Insurance Commission (Legal Entity with Financial and Administrative Independence)**, which comprise of the statement of financial position as at December 31, 2013, and the statement of revenues and expenses, statement of changes in reserve and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **Insurance Commission (Legal Entity with Financial and Administrative Independence)** as of December 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matters

- The financial statements for the year ended December 31, 2012 have been audited by another independent auditor, who expressed an unqualified opinion over them on April 22, 2013.
- the Senate and House of Representatives decided at their joint meeting held on March 18, 2014 to approve the draft law of restructuring the ministries, institutions and governmental departments for the year 2013, which included terminating the Insurance Commission established under the Insurance Regulatory Act No. 33 of year 1999, on condition that all its rights and assets devolve to the Ministry of Industry, Trade and Supply, and the ministry takes the obligations based on it and considered the legal and factual successor to it.

Talal Abu-Ghazaleh & Co.
International

Amman, April 9, 2014

Second: Financial Statements for the Year Ending 31st of December 2013

Insurance Commission

Legal Entity with Financial and Administrative Independence

Amman - The Hashemite Kingdom of Jordan

Statement of financial position as at December 31, 2013

Assets	2013	2012
Current Assets	JD	JD
Cash at Banks	568,805	1,027,812
Accounts receivable and other debit balances	294,478	315,785
Total Current Assets	863,283	1,343,597
Non-current Assets		
Intangible assets	65,917	79,210
Property and equipment	2,380,335	2,422,588
Total Non-Current Assets	2,446,252	2,501,798
Total Assets	3,309,535	3,845,395
Liabilities and Reserve		
Current Liabilities		
Accounts payable and other credit balances	355,529	149,076
Deferred revenues	9,026	35,379
Total Liabilities	364,555	184,455
Reserve	2,944,980	3,660,940
Total Liabilities And Reserve	3,309,535	3,845,395

Insurance Commission
Legal Entity with Financial and Administrative Independence
Amman - The Hashemite Kingdom of Jordan

Statement of revenues and expenses for the year ended December 31, 2013

		2013	2012
		JD	JD
Annual fee		3,064,448	2,894,050
Fines on insurance companies		34,000	191,000
Services charges		57,677	73,235
Other revenues		64,714	63,455
Total Revenues		3,220,839	3,221,740
Employees salaries, allowances, and benefits		1,123,517	1,355,494
Administrative expenses		538,737	542,246
Projects and programs		83,112	87,061
Loss on impairment of projects in progress		-	135,294
Total Expenses		1,745,366	2,120,095
Increase of Revenues over Expenses for the Year		1,475,473	1,101,645

Insurance Commission
Legal Entity with Financial and Administrative Independence
Amman - The Hashemite Kingdom of Jordan

Statement of changes in reserve for the year ended December 31, 2013

		Amount
		JD
Balance as at January 1, 2012		3,414,936
Increase of revenues over expenses for the year		1,101,645
Transferred financial surplus to the public treasury - note (13)		(855,651)
Balance as at December 31, 2012		3,660,930
Increase of revenues over expenses for the year		1,475,473
Transferred financial surplus to the public treasury - note (13)		(2,191,433)
Balance as at December 31, 2013		2,944,970

Insurance Commission
Legal Entity with Financial and Administrative Independence
Amman - The Hashemite Kingdom of Jordan

Statement of cash flows for the year ended December 31, 2013

	2013	2012
	JD	JD
Cash Flows From Operating Activites		
Increase of Revenues over Expenses for the Year	1,475,473	1,101,645
Adjustments for :		
Depreciation and amortization	89,312	95,522
Amortization of deferred grants revenues	(26,353)	(26,353)
Loss on impairment of projects in progress	-	135,294
Changes in operating assets and liabilities:		
Accounts receivable and other debit balances	21,307	(47,012)
Accounts payable and other credit balances	206,453	(1,027)
Net cash from operating activities	1,766,192	1,258,069
Cash Flows From Investing Activites		
Purchase of intangible assets	(27,841)	(15,985)
Purchase of property and equipment	(5,925)	(2,262)
Net cash from investing activities	(33,766)	(18,247)
Cash Flows From Financing Activities		
Transferred financial surplus to the public treasury	(2,191,433)	(855,651)
Net cash from financing activities	(2,191,433)	(855,651)
Net change in cash and cash equivalents	(459,007)	384,171
Cash and cash equivalents - beginning of year	1,027,812	643,641
Cash and cash equivalents - end of year	568,805	1,027,812

Chapter Four

Motor Accidents Compensation Fund

Management Committee of The Motor Accidents Compensation Fund¹

Chairperson of the Committee

Ms. Naljan Hakuz / Insurance Commission

Members of the Committee

Mr. Basim Haddadeen

Euro Arab Insurance Group

Mr. Walid Al-Qitaty

Arab Jordanian Insurance Group

1. The Committee was formed by virtue of Decision No. (7) of 2012, issued on 6th of August 2012, in succession of the previous Managing Committee whose term expired on 9th of August 2012.

First: Introduction

The Motor Accidents Compensation Fund continued to accept, study and settle complete claims from those affected by traffic accidents under cases covered by the Fund. Since the establishment of the Fund till the end of 2013, the Fund received a total of (578) claims, (125) claims of which related to (96) accidents were received in 2013. The total indemnities paid by the Fund since its establishment amounted to JOD (2,567,871) – two million five hundred and sixty seven thousand eight hundred and seventy one.

It should be noted that the Fund complements the Insurance Commission's efforts to regulate and develop Jordan's insurance sector, and corresponds to the international trend prevailing in many countries to meet evident social and economic needs, represented in providing adequate compensation in a timely manner to those affected by traffic accidents whom do not have access to indemnity due to reasons beyond their control. By providing these compensations the fund aims to ease the negative effects of such accidents.

Second: Cases and Coverage Provided by the Fund

The Fund achieves the abovementioned objectives by indemnifying those affected by traffic accidents in cases of death, permanent total disability, permanent partial disability, and moral damages resulting from by any of them, as well as temporary disability and medical expenses, in the following two cases:

1. The vehicle causing the accident did not have a valid compulsory motor insurance policy when the accident occurred.
2. The vehicle causing the accident, or its driver or owner is unknown.

Indemnities provided by the Fund are in line with the effective Compulsory Motor Insurance Regulation and the instructions issued pursuant thereto, as illustrated in the following table:-

Damage Type	Indemnity Limit
1- Death	JOD (17000) per person payable to the legal heirs
2- Permanent Total Disability	JOD (17000) per person
3- Permanent Partial Disability	JOD (17000) multiplied by disability percentage per person
4. Temporary Disability	JOD (100) per week for a maximum of (39) weeks per person
5. Moral Damages Caused by Death	JOD (3000) per person payable to the heirs (down to second degree kinship)
6. Moral Damages Caused by Permanent Total Disability	JOD (3000) per person
7. Moral Damages Caused by Permanent Partial Disability	JOD (3000) multiplied by disability percentage per Person
8. Medical Expenses	JOD (7500) maximum limit per person

Third: Damages Not Covered by the Fund

In accordance with the Fund's instructions, the Fund shall not indemnify those affected by traffic accidents in the following cases:

- 1- If the accident falls under one of the exceptions stated in the effective Compulsory Motor Insurance Regulation.
- 2- Damages incurred by the driver or the owner of the vehicle causing the accident.
- 3- Damages to property.

Forth: Administrative Framework of the Fund

The Fund was established in accordance with the Instructions of the Motor Accidents Injured Parties Compensation Fund No. (6) of 2004, issued pursuant to the provisions of Article (85) of the Insurance Regulatory Act No. (33) of 1999 and the amendments thereof. In accordance with said Instructions, the Fund shall be

managed by a management committee consisting of three members formed by virtue of H.E. the Director General of the Insurance Commission. The Chairperson of the Committee must be an employee of the Insurance Commission and other members must from the insurance sector. Membership term is two years, renewable for a similar term.

From 1st of January 2013 till 31st of December 2013, the Fund was managed by a committee comprising the following members:

1. Ms. Naljan Hakuz / Director of Research & Strategic Planning Department at the Insurance Commission / Chairperson of the Committee.
2. Mr. Bassem Hadaeen / General Manager of Euro Arab Insurance Company/ Member of the Committee.
3. Mr. Waleed Alqutati / Assistant General Manager For Technical Affairs of Arab Jordanian Insurance Group.

In addition, Ms. Ruwaida Al-Jazazieh (Settlement Administrator at the Inquiry and Insurance Dispute Resolution Department – IC) is the Fund’s Secretary, Mr. Raed Fares (Head of Inspection Division at Insurance Supporting Services Supervision Department – IC) is the Fund’s Supporting Officer, Mr. Murad Siam (Customer Service Officer at the Inquiry and Insurance Dispute Resolution Department – IC) is the Fund’s Second Supporting Officer, and Ms. Wafa AL-Khalileh (Accountant at the Administrative and Financial Affairs Department – IC) is the Fund’s Accountant.

Mrs. Haya Al-Abed (Head of the Internal Audit Unit- IC) carried out financial auditing tasks over the Fund activities for the period of 1/1/2013-28/9/2013, and Mr. Rami Al Qudah (Head of Research Division at Research & Strategic Planning Department –IC) carried out financial auditing tasks over the Fund activities for the period of 14/11/2013-31/1/2014.

Fifth: Technical Framework of the Fund

1. Advertisement Campaign of the Fund

The Fund's Management Committee ran an advertising campaign which aimed to raise awareness of the Fund and its objectives, in order to enable the Jordanian society to benefit from the services it provides. In 2013 the Fund has contracted with three local radio stations to broadcast awareness MMS about the Fund, from 1/10/2013 till 1/12/2013 the Fund has been advertising three ads per day except Friday and Saturday in these local radio stations.

The Management Committee's Chairperson Ms. Naljan Hakuz and Mr. Waleed Alqutati Fund's member appeared on morning radio talk show on these radio stations, to talk about the Fund, its purposes and answering licenses' questions.

2. Quarterly Financial Reports of the Fund

Pursuant to Item (3) of Paragraph (A) of Article (8) of the Motor Accidents Injured Parties Compensation Fund Instructions No. (6) of 2004 and its amendments thereof, the Fund's Management Committee submitted quarterly financial reports and summaries of the Fund's activities to the insurance commission, each report included a statement which compares total contributions collected from insurance companies, a statement which compares revenues generated from interest on Fund's deposits; a statement which compares administrative expenses and indemnities paid during the quarter, all of which included corresponding period data in 2012. In addition, these reports included a statement of the Fund's balances at banks at the end of related quarter.

3. Estimated Budget of the Fund

Pursuant to Paragraph (C) of Article (10) of the Financial Instruction of the Motor Accidents Compensation Fund No. (1) of 2007, the Management Committee submitted on 12 of December 2013 its 2014 draft Budget to the IC, the budget

included an approximation of revenues, current expenses, capital expenses, claims under settlement and incurred but not reported claims (IBNR), in addition to clarifications of this draft budget .

4. Taking the Required Measures to Recourse Against Owner/Driver of the Vehicle Causing the Accident

The Fund, represented by its lawyer, took legal actions to recourse against owners and drivers of vehicles causing accidents indemnified by the Fund. The Fund is not an alternative for compulsory motor insurance; after indemnifying the affected party, the Fund recourses against owner and driver of the vehicle causing the accident for the paid amount.

Many judicial decisions were issued in favor of the Fund and confirmed the fund's right to recourse against owner and driver of the vehicle causing the accident up to paid indemnities to the injured, the fund is working on executing court decisions that gained the final degree

The Fund recovered JOD 38,607 (thirty eight thousand six hundred and seven dinars) in 2013, raising the total recovered indemnifications since the establishment of the Fund to JOD 87,788 (eighty seven thousand seven hundred and eighty eight dinars) as of 31st of December 2013.

Sixth: Financial Framework of the Fund

1. Resources

The Fund's resources are as follows:

- a) 1% of compulsory motor insurance gross premiums collected from insurance companies. The Decision of Collection the Contributions of Insurance Companies in the Motor Accident Compensation Fund No. (14) of 2004, dated 9th of August 2004, identifies insurance premiums subject for the abovementioned percentage and sets due dates for depositing them.

- b) Aid, donations, and grants made to the Fund which are accepted by the Board of Directors of the insurance commission, and approved by the Council of Ministers if they come from foreign sources (non- Jordanian).
- c) Returns on the Fund's investments.
- d) Any other sources approved by the Board of Directors of the Insurance Commission based on the recommendation of the Director General of IC, which is based on the recommendation of the Management Committee of the Fund.

2. Reserves

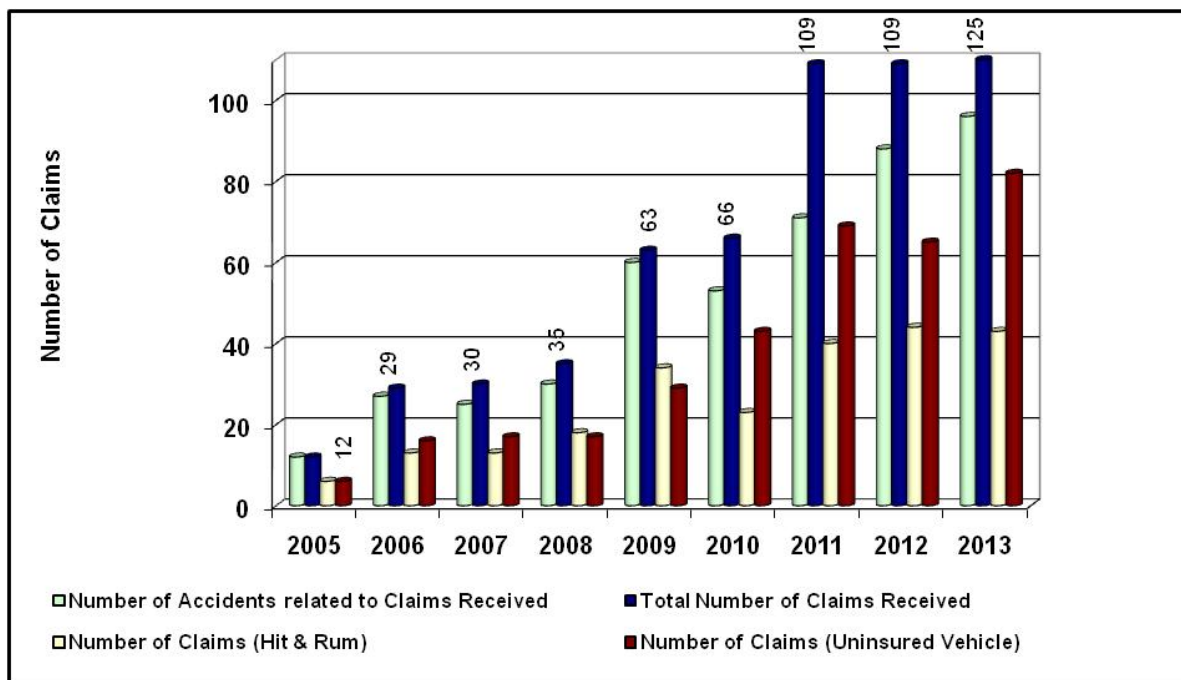
Given the Fund's commitments, Article (6) of Motor Accidents Injured Parties Compensation Fund Instructions No. (6) of 2004 states that the Fund shall maintain reserves equal to its total expenses in the past three years, including claims provisions and IBNRs, while any excess shall be transferred to insurance companies based on their contribution in the past three years, or kept as credit for the company, if the company so desires.

The Fund's total expenses in the past three years (2010-2012) amounted to JOD 2,916,770 (two million nine hundred and sixteen thousand seven hundred and seventy dinars) and the Fund's reserves reached JOD 1,484,894 (one million four hundred forty eight thousand eight hundred and ninety four dinars) at the end of 2012; therefore, the Fund did not transfer any amounts to insurance companies in 2013.

Seventh: Claims Received by the Fund

In 2013, the Fund received (125) claims in total, related to (96) accidents, out of which (34) claims were settled in the same year. (21) claims were indemnified and (13) claims were rejected as they did not comply with Motor Accidents Injured Parties Compensation Fund Instructions No. (6) of 2004, and its amendments thereof.

Figure (4-1): Claims Received by the Fund (2005-2013)



In addition, in 2013 the Fund settled (38) claims that were submitted in 2012, (4) claims that were submitted in 2011, (3) claim that were submitted in 2010, (1) claim that was submitted in 2009 and (2) claims that were submitted in 2009.. It should be noted that some claims are still pending either because documents and data supporting such claims are incomplete or because a final and conclusive criminal decision is not issued by the competent criminal court declaring driver/owner of the vehicle causing the accident (if known) responsible for damages.

Total indemnities paid by the Fund in 2013 amounted to JOD 496,469 (four hundred and ninety six thousand four hundred and sixty nine dinars) compared to JOD 520,042 (five hundred and twenty thousand forty two dinars) in 2012.

Figure (1) shows number of claims received by the Fund during (2005 - 2013), number of claims in which the party causing the accident was unknown (Hit & Run) and the number of claims in which the party causing the accident was uninsured (Uninsured vehicle). Figure (2) shows the amount of paid indemnities

during (2005 - 2013). Figure (3 and 4) shows details of paid indemnities during (2010 - 2013).

Figure (4-2): Indemnities Paid by the Fund (2005-2013)

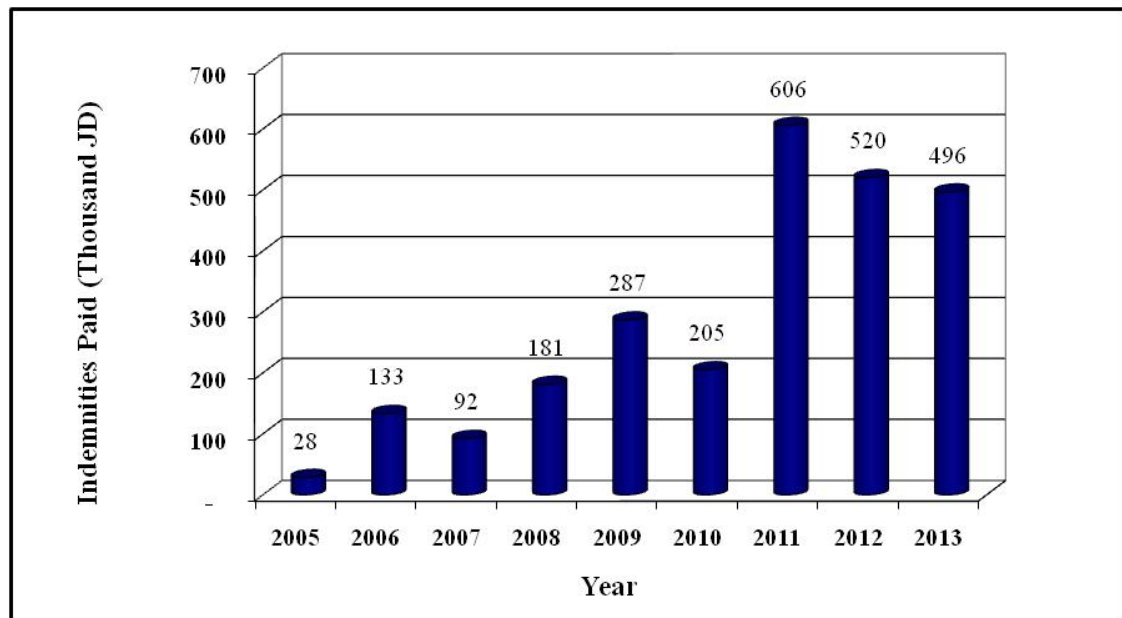


Figure (4-3): Details of Indemnities Paid by the Fund (2010-2013)

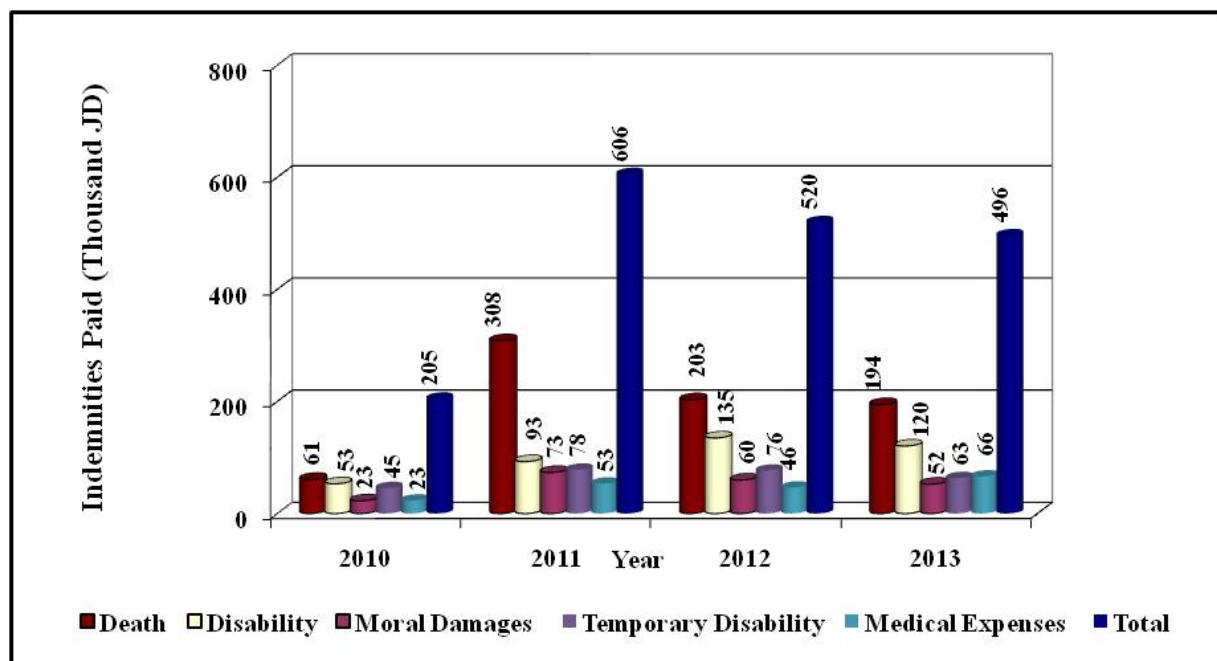


Figure (4-4): Details of Indemnities Paid by the Fund (2010-2013)

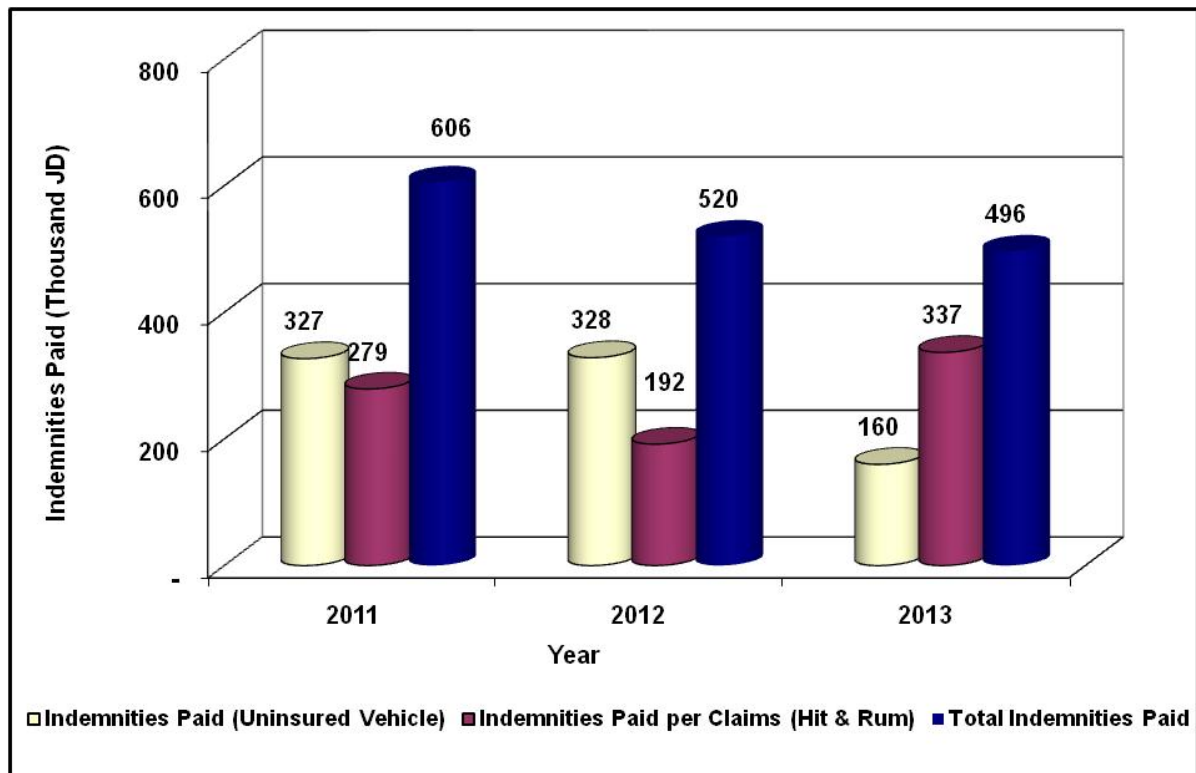


Table of Insurance Companies Names, Number of Branches and Addresses

No.	Name	No. of Branches	Year Established	Address	Tel.	Fax	P.O. Box	Postal Code	Website	Email
—	Jordan Insurance Federation	N/A		Al-Dakhleyyah Circle	5689266	5689510	1990	11118	http://www.joif.org	Elhamh@joif.org
١	Jordan Insurance Company	9	1951	3rd Circle	4634161	4637905	279	11118	www.jicjo.com	allinsure@jicjo.com
٢	Middle East Insurance Company	8	1962	Shmeisani	5527100	5527801	1802	11118	www.meico.com.jo	info@meico.com.jo
٣	MetLife Alico	N/A	1963	4th Circle	5931007	5930049	1307	11181	www.alico.com	Ic.Mail@alicojo.com.jo
٤	United Insurance Company	1	1972	King Hussein St.	4648513	4629417	7521	11118	www.united.com.jo	uic@united.com.jo
٥	Al Manara Insurance Company	5	1974	Shmeisani	5656012	5658482	1912	11118	www.almanarainsurance.com	arabianseasjo@cyberia.jo
٦	Arabia Insurance Company - Jordan	1	1975	Shmeisani	5630530	5622303	20031	11118	www.generalarabia.com	info_gaic@wanadoo.jo
٧	Jerusalem Insurance Company	N/A	1975	Shmeisani	5693161	5692577	20094	11118	www.jerco.com	Info@jerco.com
٨	Arab Union International Insurance Company	N/A	1976	Al-Dakhleyyah Circle	5684459	5684085	7241	11118	www.auiic.com	arabunion@batelco.jo
٩	Jordan French Insurance Company	4	1976	Shmeisani	5600200	5600210	3272	11181	www.jofico.com	diwan@jofico.com
١٠	Delta Insurance Company	2	1976	Jabal Amman	4640008	4654631	3055	11181	www.delta-ins.com	deltains@nets.com.jo
١١	Holy Land Insurance Company	2	1980	Jabal Al-Hussein	5668598	5681973	9130	11191	www.holylandinsurance.com	Info@holylandinsurance.com
١٢	Jordan Emirates Insurance Company	6	1980	Shmeisani	5681444	5680599	925383	11190	www.oasis-ins.com	info@joemirates.com
١٣	Arab Life and Accident Insurance Company	3	1980	Shmeisani	5693180	5693188	925250	11190	www.arabinsurance.jo	info@arabinsurance.jo

No.	Name	No. of Branches	Year Established	Address	Tel.	Fax	P.O. Box	Postal Code	Website	Email
١٤	Yarmouk Insurance Company	N/A	1980	Rabiah	5534527	5534459	182022	11118	www.yarmouk.com.jo	info@yarmouk.com.jo
١٥	Philadelphia Insurance Company	5	1980	Jabal Al-Hussein	5668131	5693945	8663	11121	www.phicojo.com	Phico@index.com.jo
١٦	National Insurance Company	1	1986	Shmeisani	5681979	5684900	6156	11118	www.natinsurancjo.com	natinsur@go.com.jo
١٧	Al Nisr Al-Arabi Insurance Company	1	1989	Shmeisani	5685171	5685890	9194	11191	www.al-nisr.com	al-nisr@al-nisr.com.jo
١٨	Jordan International Insurance Company	2	1996	6th Circle	5901150	4643805	3253	11181	www.jiig.com	jiic@go.com.jo
١٩	Al Barakah Takaful Insurance Company	1	1996	Abdoun	5932359	5932369	831038	11183	www.b-takaful.com	barakah_takaful@hotmail.com
٢٠	Islamic Insurance Company	8	1996	Wasfi Al-Tal St.	5620151	5621414	941000	11194	www.islamic-insurance-jjo.com	IslamicInsurance@orange.jo
٢١	Arab Orient Insurance Company	6	1996	Abdali	5654550	5654551	213590	11121	www.araborient.com	bareed@araborient.com
٢٢	Arab Assurers Company	6	1996	Queen Rania St.	5100081	5100082	926269	11110	www.arabassurers.jo	info@arabassurers.jo
٢٣	Arab German Insurance Company	2	1996	Shmeisani	5200000	5200025	212640	11121	www.agi.com.jo	agi@agi.com.jo
٢٤	Arab Jordanian Insurance Group	1	1996	Wadi Saqra	5666219	5669664	840657	11184	www.ajig.com	insure@ajig.com
٢٥	Euro Arab Insurance Group	5	1996	Al Rabieh	5518935	5518956	1435	11953	www.euroarabins.com	info@euroarabins.com
٢٦	Gerasa Insurance Company*	يوجد لا	1997	3rd Circle	5521144	5511514	840915	11184		gerasa@ionet.com
٢٧	First Insurance Company	9	2006	Dabouq	5777555	5777550	189	11822	www.firstinsurance.jo	info@firstinsurance.jo
٢٨	Mediterranean and Gulf Insurance (Medgulf)	N/A	2006	Wadi Saqra	5633000	5633011	17717	1195	www.medgulf.com	Jordan@medgulf.com.jo